

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, 2026**
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
8634-5099
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	4,570,995,146 / NA as of March 31, 2026

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 unaudited 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 – 74.36%); 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); (14) DigiPlus Brazil Interactive LTDA (100% owned); (15) DigiPlus Global Pte. Ltd. (100% owned); (16) DigiPlus South Africa (Pty.) Limited (100% owned); and (17) DigiPlus Kruger Park (Pty.) Limited (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.

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 in 2024.

LRLDI

LRLDI entered into various lease agreements as lessor with lease terms ranging from two (2) to five (5) years.

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		Inc/(Dec)	% Change
	March 31			
	2026	2025		
REVENUE				
Retail games	₱16,996,414	₱22,753,214	(₱5,756,800)	-25%
Rental income - casino	127,917	139,630	(11,713)	-8%
Service and hosting fees	59,339	87,017	(27,678)	-32%
Commission income	20,861	60,539	(39,678)	-66%
Revenue from leases	39,824	22,420	17,404	78%
	17,244,355	23,062,820	(5,818,465)	-25%
COSTS AND EXPENSES				
Franchise fees and taxes	(5,387,740)	(8,771,839)	(3,384,099)	-39%
Advertising and promotion	(4,532,331)	(4,830,895)	(298,564)	-6%
Outside services	(2,430,792)	(2,717,951)	(287,159)	-11%
Salaries and other employee benefits	(1,200,007)	(1,187,617)	12,390	1%
Subscription and association fees	(654,474)	(557,220)	97,254	17%
Depreciation and amortization	(474,141)	(326,817)	147,324	45%
Communications and utilities	(107,427)	(94,126)	13,301	14%
Taxes and licenses	(38,161)	(47,344)	(9,183)	-19%
Repairs and maintenance	(30,479)	(14,589)	15,890	109%
Others	(219,908)	(251,794)	(31,886)	-13%
	(15,075,460)	(18,800,192)	(3,724,732)	-20%
Operating Income	₱2,168,895	₱4,262,628	(₱2,093,733)	-49%

Consolidated Revenue

For the three-month period ended March 31, 2026, consolidated revenue decreased by 25% or ₱5,818.5 million from ₱23,062.8 million in 2025 to ₱17,244.4 million. The decline was primarily driven by the delinking of e-wallet in-app access to licensed online gaming platforms, which resulted in reduced user accessibility and transaction volumes. This was further impacted by softer consumer spending conditions during the period, partly influenced by higher fuel costs.

Retail

ABLE and its subsidiaries, TGXI and Gamemaster recognized revenue amounting to ₱16,996.4 million for the three-month period ended March 31, 2026, a decrease of 25% or ₱5,756.8 million compared with the same period in 2025, primarily reflecting the impact of the delinking of e-wallet in-app access to licensed online gaming platforms discussed above.

As of March 31, 2026, there were 134 land-based sites in operation with full capacity.

Casino

Casino revenue decreased by 8% or ₱11.7 million, from ₱139.6 million in the first three months of 2025 to ₱127.9 million for the three-month period ended March 31, 2026. The decline was primarily attributable to a reduction in the number of gaming machines leased to third parties.

Network and Licenses

Network and licenses revenue decreased by ₱27.7 million or 32% from ₱87.0 million in the first three months of 2025 to ₱59.3 million in the first three months of 2026. The

decline was primarily attributable to (i) lower bandwidth revenues due to the non-renewal of certain contracts with customers and the cessation of operations of one customer, and (ii) reduced hosting and application revenues following a change in the computation of revenue share, which shifted from a fixed percentage of revenue to a structure based on the number of gaming tables.

Commission income

Commission income decreased by 66% or ₱39.7 million from ₱60.5 million in the first three months of 2025 to ₱20.9 million for the three-month period ended March 31, 2026. The decline was primarily attributable to a reduction in the number of game platforms utilized by third-party operators, resulting in lower commission-based revenues from the Group's licensed gaming services.

Revenue from leases

Rental revenue increased by ₱17.4 million or 78% from ₱22.4 million in the first three months of 2025 to ₱39.8 million during the same period in 2026. The increase was attributable to new lease agreements in 2025.

Consolidated Costs and Expenses

Costs and expenses decreased by ₱3,724.7 million, or 20%, from ₱18,800.2 million in 2025 to ₱15,075.5 million in 2026, primarily in line with the decline in revenues.

Franchise fees and taxes decreased by ₱3,384.1 million, or 39%, mainly due to lower revenues and the corresponding decrease in PAGCOR share rates.

Advertising and promotion expenses decreased by ₱298.6 million, or 6%, primarily due to reduced campaign intensity and optimization of marketing initiatives in response to lower revenue brought about by the delinking of payment channels.

Outside services declined by ₱287.2 million, or 11%, primarily due to lower payment channel fees and service-related costs in line with reduced transaction volumes.

Subscription and association fees increased by ₱97.3 million, or 17%, mainly due to higher platform-related subscription costs and system support services.

Depreciation and amortization increased by ₱147.3 million, or 45%, attributable to additional capital expenditures, including investments in technology infrastructure and platform development.

Communications and utilities increased by ₱13.3 million, or 14%, due to higher system usage and increased connectivity requirements to support operations.

Taxes and licenses decreased by ₱9.2 million, or 19%, primarily due to lower business-related taxes in line with reduced revenues.

Repairs and maintenance increased by ₱15.9 million, or 109%, mainly due to higher maintenance and refurbishment activities during the period.

Other expenses decreased by ₱31.9 million, or 13%, largely due to cost management initiatives and lower miscellaneous operating expenses.

Operating Income

Operating income decreased by 49% or ₱2,093.7 million, from ₱4,262.6 million in the first three months of 2025 to ₱2,168.9 million for the three-month period ended March 31, 2026. The decline was primarily attributable to lower revenues during the period, partially offset by a reduction in franchise fees and taxes and other operating expenses.

CONSOLIDATED EBITDA AND NET INCOME

Details of EBITDA and net income are as follows:

<i>Amounts in thousands</i>	For three months ended March 31		Inc/(Dec)	% Change
	2026	2025		
Revenues	₱17,244,355	₱23,062,820	(₱5,818,465)	-25%
Costs and expenses (excluding depreciation and amortization)	(14,601,319)	(18,473,375)	(3,872,056)	-21%
EBITDA*	2,643,036	4,589,445	(1,946,409)	-42%
Net gain on financial assets at FVPL	587,588	-	587,588	100%
Depreciation and amortization	(474,141)	(326,817)	147,324	45%
Foreign exchange gain (loss), net	205,122	(68,462)	(273,584)	-400%
Finance income	121,302	66,254	55,048	83%
Finance expense and bank charges	(34,953)	(37,404)	(2,451)	-7%
Equity in net loss of joint venture	(9,660)	(17,240)	(7,580)	-44%
Provision for tax	(216,088)	(1,709)	214,379	12544%
Other income (expenses) - net	(2,662)	(554)	2,108	381%
Net income after tax	2,819,544	4,203,513	(1,383,969)	-33%
Minority interest	738	(1,514)	(2,252)	-149%
Net income attributable to Parent Company	₱2,820,282	₱4,201,999	(₱1,381,717)	-33%

*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 decreased by 33% or ₱1,384.0 million, from ₱4,203.5 million in the first three months of 2025 to ₱2,819.5 million in the first three months of 2026. EBITDA likewise decreased by 42% or ₱1,946.4 million, from ₱4,589.4 million to ₱2,643.0 million over the same period. The declines were primarily attributable to the significant reduction in revenues from the retail segment, partially offset by lower franchise fees and taxes, as well as reductions in advertising and promotion and outside services.

Financial Position

On a consolidated basis, the financial position of DigiPlus Interactive Corp. and its subsidiaries (the "Group") remains strong.

As at March 31, 2026, total assets amounted to ₱58.3 billion, representing an increase of ₱5.2 billion or 10% from ₱53.1 billion as at December 31, 2025. The increase was primarily driven by higher prepaid expenses and other current assets, recognition of financial assets at fair value through profit or loss (FVPL), as well as increases in intangible assets and other noncurrent assets.

Cash and cash equivalents decreased to ₱20,497.0 million as of March 31, 2026, mainly due to cash outflows for investing activities, particularly the investment in convertible notes issued by International Entertainment Corporation (IEC), partially offset by cash generated from operating and financing activities.

Receivables and lease receivables decreased by ₱603.4 million, or 18%, primarily due to timing differences in collections arising from a higher number of banking days as of March 31, 2026 compared to December 31, 2025, resulting in lower outstanding balances at period-end.

Prepaid expenses and other current assets increased by ₱1,148.9 million or 63%, mainly due to higher prepayments related to advertising, taxes and insurance, and advances to suppliers, which are subsequently amortized over the relevant periods.

Investments and advances decreased primarily due to the Group's share in the net loss of HEPI.

Financial assets at fair value through profit or loss amounted to ₱6,763.6 million as of March 31, 2026, representing the Group's investment in convertible notes issued by IEC in March 2026.

Financial assets at fair value through other comprehensive income decreased by ₱1.1 million or 6% due to fair value losses recognized during the period.

Property and equipment decreased by ₱247.0 million or 5%, mainly due to depreciation, partially offset by renovations of land-based sites and acquisitions of office and IT equipment.

Intangible assets, which include goodwill, software, licenses, and other intangible assets, increased by ₱232.9 million or 6%, primarily due to capitalized software and game development costs, net of amortization. Goodwill amounted to ₱1.3 billion as of March 31, 2026, arising from prior business acquisitions, including share and land-based site acquisitions.

Other noncurrent assets increased by ₱857.4 million or 61%, mainly due to higher deferred costs related to software and game development and an increase in cash performance bonds associated with new gaming licenses on site. These also include advances to suppliers, rental deposits, and other assets.

Total liabilities amounted to ₱17,660.8 million as of March 31, 2026, an increase of ₱5,669.8 million or 47% from ₱11,991.0 million as at December 31, 2025. The increase was primarily driven by higher trade payables and other current liabilities, as well as dividends payable.

Trade payables and other current liabilities increased by ₱1,830.4 million or 23%, mainly due to optimization of credit terms with various suppliers.

Dividends payable increased by ₱3.8 billion, primarily due to dividends declared in March 2026, which were subsequently settled in April 2026.

Deferred tax liabilities increased by ₱215.1 million, or 14%, primarily due to the derivative gain on the financial assets at FVPL.

Total equity amounted to ₱40,662.7 million as of March 31, 2026, a decrease of ₱431.9 million or 1% from ₱41,094.6 million as at December 31, 2025. The decrease in total equity was mainly attributable to dividends declared during the period, which exceeded net income generated for the first quarter of 2026, partially offset by the issuance of shares from the exercise of stock options and foreign currency translation adjustments.

Capital stock and additional paid-in capital increased by ₱756.0 million or 6%, attributable to the issuance of common shares arising from the exercise of stock options.

Foreign currency translation reserve increased by ₱48.9 million or 198%, mainly due to the translation of net assets of foreign subsidiaries, including those with transactions denominated in Brazilian Real.

Other reserves decreased by ₱279.3 million or 27%, primarily due to the exercise of employee stock options amounting to ₱343.5 million, partially offset by other reserve movements of ₱64.2 million.

Retained earnings decreased by ₱955.7 million or 5%, primarily reflecting dividends declared during the period, partially offset by net income earned in the first quarter of 2026.

Cash Flows

The Group's cash and cash equivalents decreased by ₱2,904.9 million, from ₱23,401.8 million as at December 31, 2025 to ₱20,497.0 million as at March 31, 2026.

Net cash provided by operating activities amounted to ₱3,903.4 million, a decrease of ₱635.1 million or 14% from ₱4,538.4 million in the same period last year. The decline was primarily attributable to lower income before income tax during the period.

Net cash used in investing activities amounted to ₱7,220.7 million, mainly driven by the Group's investment in convertible notes issued by IEC amounting to ₱5,903.3 million during March 2026. Additional outflows were incurred for capital expenditures, including investments in property and equipment and intangible assets, as well as increases in other noncurrent assets.

Net cash provided by financing activities amounted to ₱412.5 million, primarily attributable to proceeds from the issuance of common shares arising from the exercise of stock options.

Overall, the Group maintains adequate liquidity position, supported by positive operating cash flows and sufficient cash reserves to fund its investment activities, expansion initiatives, and working capital requirements.

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.

FUTURE PLANS

The Group continues to pursue its strategic transformation agenda aligned with its vision of becoming a leading digital entertainment and gaming company in the Philippines. Following the delinking from third-party payment platforms, the Group is focused on strengthening its proprietary ecosystem to enhance operational independence, improve system reliability, and support long-term sustainable growth.

The Group remains committed to expanding and enhancing its digital platforms, including BingoPlus, ArenaPlus and Gamezone, through the introduction of new features, expanded game offerings, and data-driven user engagement initiatives in response to evolving customer preferences and market trends.

In parallel, the Group continues to pursue opportunities to diversify its revenue streams and strengthen its digital capabilities. This includes its investment in convertible notes of IEC, which is intended to support strategic expansion initiatives and provide potential long-term value through participation in international gaming and entertainment markets. The Group also continues to expand into select international markets, including South Africa and Brazil, subject to regulatory requirements and market conditions.

The Group is likewise focused on expanding its physical footprint through the development of additional gaming sites, flagship stores, and entertainment hubs, as well as potential investments in land-based gaming assets, to complement its digital operations and deliver an integrated entertainment experience across both online and offline channels.

To support these initiatives, the Group is leveraging data analytics and artificial intelligence technologies to enhance marketing efficiency, improve customer engagement and retention, and reinforce responsible gaming practices.

Moving forward, the Group will continue to invest in technology, platform development, and strategic partnerships, while actively evaluating strategic investment and expansion opportunities, to drive growth, improve operational resilience, and maintain its competitive position in the Philippine digital entertainment and gaming industry.

PART II – MAJOR RISKS INVOLVED IN THE BUSINESS

DigiPlus recognizes that effective risk management is fundamental to sustaining long-term enterprise value. The Group, through its Enterprise Risk Management (ERM) framework, identifies, assesses, and monitors risks that may reasonably be expected to affect the Group's financial position, performance, cash flows, reputation, and strategic objectives.

Risks are evaluated based on their likelihood of occurrence, potential impact, and overall risk rating under both inherent (untreated) and residual (treated) scenarios, taking into account the effectiveness of existing mitigation measures. Risk assessments are regularly reported to Management and the Board and are integrated into the Group's governance oversight, compliance processes, and strategic decision-making.

The principal risks identified by the Group, arranged by enterprise materiality, are discussed below.

Regulatory and Compliance Risks

As a publicly-listed company operating in a highly regulated industry, DigiPlus is exposed to regulatory and compliance risks. These include potential breaches of laws and regulations governing gaming operations, anti-money laundering, data privacy, corporate governance, and securities regulations. Failure to comply with applicable requirements could result in penalties, fines, suspension of licenses, operational restrictions, reputational damage, or other adverse consequences.

The Company manages these risks through structured compliance programs, documented policies and procedures, internal controls, and regular compliance reviews. Regulatory developments and licensing requirements are continuously monitored. Compliance tracking mechanisms and periodic reporting across business units support timely identification and resolution of issues. Corrective actions are documented, tracked, and reviewed until closure.

Information Security and Technology Risks

The Group relies heavily on secure and reliable technology infrastructure to deliver its services. Risks in this area include system vulnerabilities, cyberattacks, data breaches, unauthorized access, system failures, and technological obsolescence. Such events may disrupt operations, compromise sensitive information, result in regulatory scrutiny, and damage stakeholder trust.

DigiPlus addresses these risks through cybersecurity frameworks that include vulnerability assessments, penetration testing, access controls, data protection measures, periodic reviews and enterprise risk reporting. Technical and administrative safeguards are implemented to protect information assets. Security awareness initiatives are conducted to strengthen employee vigilance. Identified vulnerabilities and incidents are addressed through remediation plans and follow-up monitoring.

Financial Risk

The Company is exposed to financial risks that may affect stability and performance, including revenue volatility, liquidity constraints, credit exposure, market fluctuations, foreign currency movements and financial reporting risks. Financial misstatements, inadequate controls, or adverse market movements may impact profitability, cash flow, and capital position.

To mitigate these risks, DigiPlus maintains financial controls, budgeting discipline, and oversight mechanisms. Financial exposures are regularly reviewed, including those arising from regulatory or operational developments. Internal and external audits, scenario-based reviews, and credit assessments support risk identification. Management continuously monitors liquidity, capital allocation, and financial reporting compliance to ensure prudent financial stewardship.

Property Damage and Business Disruption Risks

The Group's operations may be affected by physical damage to property or disruptions arising from events such as fire, natural disasters, infrastructure failure, supply chain interruptions, or

prolonged IT outages. Such disruptions could impair service delivery, affect revenue generation, and result in recovery costs.

DigiPlus manages these risks through business continuity and disaster recovery planning, facility inspections, infrastructure assessments, and scenario-based reviews. Contingency arrangements, including backup systems and alternative suppliers where applicable, are maintained to support operational resilience. Disruption events and dependencies are reviewed, and response protocols are activated through defined escalation channels when necessary.

Operational and Process Risks

Operational and process risks may arise from human error, system breakdowns, control gaps, fraud, power interruptions, equipment failure, or inefficiencies in internal processes. These risks may affect service quality, compliance, operational efficiency, and overall business performance.

The Company addresses operational risks through process reviews, internal audits, control assessments, and standardized operating procedures. Risk reporting mechanisms help identify control weaknesses and process issues. Corrective actions are implemented and monitored, with residual risks evaluated following mitigation. Continuous improvement initiatives and personnel training programs strengthen operational reliability and control effectiveness.

Environmental Risks and Social Risks

DigiPlus is exposed to environmental and social risks that may affect operations, reputation, and stakeholder relationships. These include physical risks from climate-related events such as typhoons and flooding, transition risks arising from evolving environmental regulations and shift to a low-carbon economy, and social risks related to workplace standards, community relations, and responsible business practices. Failure to effectively manage these risks may result in operational disruption, regulatory exposure, or reputational harm.

The Company monitors environmental and social risks through reviews of operational practices, regulatory developments, and stakeholder engagement. Climate risk assessment, environmental compliance measures, responsible workplace standards, and corporate social responsibility initiatives are implemented across the organization.

In 2025, DigiPlus completed its climate-related physical and transition risk assessment. Based on the outcome of the exposure and vulnerability assessment, the Group will continue to strengthen policies, procedures, and initiatives related to business continuity, emergency preparedness, regulatory compliance, and innovation to enhance operational resilience and sustainable performance.

Safety and Security Risk

Safety and security risks include threats that may cause harm to employees, customers, visitors, or assets, such as workplace accidents, theft, fraud, or other security incidents. These risks may result in operational disruption, financial loss, legal exposure, and reputational damage.

The Company conducts site-level reviews, incident reporting, and risk assessments to identify and evaluate safety and security exposures. Preventive measures include facility controls, emergency preparedness protocols, employee training, and security monitoring systems. Corrective actions are implemented promptly and monitored to reinforce compliance and improve response readiness.

Management reviews the above risk exposures on a periodic basis through the Enterprise Risk Management framework. Mitigation measures and corrective actions are monitored and tracked to support timely implementation and continued effectiveness, with updates reported through established governance channels.

PART III – OTHER INFORMATION

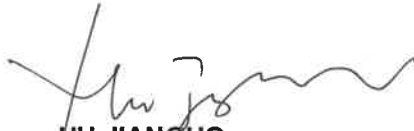
There is no significant information that needs to be reported under this section not previously reported in a report on SEC Form 17-C.

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:



HU JIANGUO
Chief Executive Officer

May 5, 2026



WILFREDO M. PIELAGO
Chief Financial Officer / Treasurer

May 5, 2026

DigiPlus Interactive Corp. and Subsidiaries

Unaudited Interim Condensed Consolidated Statements of Financial Position

As at March 31, 2026

With Comparative Audited Figures as at December 31, 2025

(All amounts in thousands Philippine Peso)

	Notes	2026 (Unaudited)	2025 (Audited)
ASSETS			
Current assets			
Cash and cash equivalents		20,496,984	23,401,849
Receivables, net		2,204,036	2,805,049
Current portion of lease receivables		66,281	72,410
Due from related parties	11	159,558	158,516
Prepaid expenses and other current assets		2,981,210	1,832,265
Total current assets		25,908,069	28,270,089
Non-current assets			
Receivables, net of current portion		341,894	337,408
Lease receivables, net of current portion		84,895	85,658
Financial assets at fair value through profit or loss (FVPL)	5	6,763,588	-
Financial assets at fair value through other comprehensive income (FVOCI)		16,403	17,496
Investments and advances, net		2,601,892	2,611,541
Property and equipment, net	3	4,855,924	5,102,928
Investment properties	4	11,296,728	11,296,728
Intangible assets		4,181,826	3,948,947
Other noncurrent assets		2,272,242	1,414,837
Total noncurrent assets		32,415,392	24,815,543
Total assets		58,323,461	53,085,632
LIABILITIES AND EQUITY			
Current liabilities			
Trade payables and other current liabilities		9,699,538	7,869,116
Dividends payable	7	3,800,887	24,862
Current portion of:			
Long-term loans payable	6	745,768	745,768
Lease liabilities		542,831	522,409
Income tax payable		1,780	1,786
Total current liabilities		14,790,804	9,163,941
Non-current liabilities			
Lease liabilities, net of current portion		911,814	1,080,266
Retirement benefits liability		115,534	115,534
Customer deposits, net of current portion		56,324	60,016
Deferred tax liabilities		1,786,306	1,571,229
Total noncurrent liabilities		2,869,978	2,827,045
Total liabilities		17,660,782	11,990,986
Equity			
Capital stock		4,969,643	4,908,621
Additional paid-in capital		8,184,579	7,489,614
Treasury shares		(971,297)	(971,297)
Retirement benefits reserve		11,220	11,220
Fair value reserve		437,725	438,818
Foreign currency translation reserve		73,631	24,692
Other reserve		764,236	1,043,555
Retained earnings:			
Unappropriated		19,705,032	20,660,775
Appropriated		7,300,000	7,300,000
Equity attributable to equity holders of the Parent Company		40,474,769	40,905,998
Non-controlling interests		187,910	188,648
Total equity	7	40,662,679	41,094,646
Total liabilities and equity		58,323,461	53,085,632

(The notes are an 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, 2026 and 2025

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

	Notes	Three months ended March 31	
		2026	2025
Revenues			
Retail games	8	16,996,414	22,753,214
Rental income - casino		127,917	139,630
Service and hosting fees		59,339	87,017
Commission income		20,861	60,539
Revenue from leases		39,824	22,420
		17,244,355	23,062,820
Cost and operating expenses	10	(15,075,460)	(18,800,192)
Operating income		2,168,895	4,262,628
Other income (expenses), net			
Net gain on financial assets at FVPL	5	587,588	-
Foreign exchange gain (loss), net		205,122	(68,462)
Finance income		121,302	66,254
Finance expense and other bank charges		(34,953)	(37,404)
Equity in net loss of joint venture		(9,660)	(17,240)
Other income (expenses), net		(2,662)	(554)
		866,737	(57,406)
Income before income tax		3,035,632	4,205,222
Provision for income tax		(216,088)	(1,709)
Net income for the period		2,819,544	4,203,513
Other comprehensive loss			
Items that will not be reclassified to profit or loss			
Revaluation loss - FVOCI		(1,093)	(6,561)
Total comprehensive income for the period		2,818,451	4,196,952
Net income for the period attributable to:			
Equity holders of the Parent Company		2,820,282	4,201,999
Non-controlling interests		(738)	1,514
		2,819,544	4,203,513
Total comprehensive income attributable to:			
Equity holders of the Parent Company		2,819,189	4,195,438
Non-controlling interests		(738)	1,514
		2,818,451	4,196,952
Earnings per share	7		
Basic		0.6213	0.9526
Diluted		0.6190	0.9150

(The notes are an integral part of these financial statements)

DigiPlus Interactive Corp. and Subsidiaries

Unaudited Interim Condensed Consolidated Statements of Changes in Equity

For the three months ended March 31, 2026 and 2025

(All amounts in thousands Philippine Peso)

	Equity attributable to equity holders of the Parent Company											
	Capital stock	Additional paid in capital	Treasury shares	Retirement benefits reserve	Fair value reserve	Foreign currency translation reserve	Other reserve	Retained earnings		Total	Non-controlling interest	Total equity
								Unappropriated	Appropriated			
Balances at December 31, 2024	4,785,307	6,245,301	(431,598)	(31,242)	483,651	(47,935)	896,928	11,889,253	7,300,000	31,089,665	190,081	31,279,746
Comprehensive income for the period												
Net income for the period	-	-	-	-	-	-	-	4,201,999	-	4,201,999	1,514	4,203,513
Other comprehensive loss for the period	-	-	-	-	(6,561)	-	-	-	-	(6,561)	-	(6,561)
Total comprehensive income for the period	-	-	-	-	(6,561)	-	-	4,201,999	-	4,195,438	1,514	4,196,952
Transactions with owners												
Cash dividends	-	-	-	-	-	-	-	(3,812,332)	-	(3,812,332)	-	(3,812,332)
Stock option exercised during the period	25,285	254,731	-	-	-	-	(125,313)	-	-	154,703	-	154,703
Stock option recognized during the period	-	-	-	-	-	-	189,699	-	-	189,699	-	189,699
Translation adjustment	-	-	-	-	-	37,616	-	-	-	37,616	-	37,616
Balances at March 31, 2025*	4,810,592	6,500,032	(431,598)	(31,242)	477,090	(10,319)	961,314	12,278,920	7,300,000	31,854,789	191,595	32,046,384

	Equity attributable to equity holders of the Parent Company											
	Capital stock	Additional paid-in capital	Treasury shares	Retirement benefits reserve	Fair value reserve	Foreign currency translation reserve	Other reserve	Retained earnings		Total	Non-controlling interest	Total equity
								Unappropriated	Appropriated			
Balances at December 31, 2025	4,908,621	7,489,614	(971,297)	11,220	438,818	24,692	1,043,555	20,660,775	7,300,000	40,905,998	188,648	41,094,646
Comprehensive income for the period												
Net income for the period	-	-	-	-	-	-	-	2,820,282	-	2,820,282	(738)	2,819,544
Other comprehensive loss for the period	-	-	-	-	(1,093)	-	-	-	-	(1,093)	-	(1,093)
Total comprehensive income for the period	-	-	-	-	(1,093)	-	-	2,820,282	-	2,819,189	(738)	2,818,451
Transactions with owners												
Cash dividends	-	-	-	-	-	-	-	(3,776,025)	-	(3,776,025)	-	(3,776,025)
Stock option exercised during the period (Note 7)	61,022	694,965	-	-	-	-	(343,538)	-	-	412,449	-	412,449
Stock option recognized during the period (Note 7)	-	-	-	-	-	-	64,219	-	-	64,219	-	64,219
Translation adjustment	-	-	-	-	-	48,939	-	-	-	48,939	-	48,939
Balances at March 31, 2026*	4,969,643	8,184,579	(971,297)	11,220	437,725	73,631	764,236	19,705,032	7,300,000	40,474,769	187,910	40,662,679

*Unaudited

(The notes are an 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, 2026 and 2025

(All amounts in thousands Philippine Peso)

	Notes	2026*	2025*
Cash flows from operating activities			
Income before income tax		3,035,632	4,205,222
Adjustments for:			
Depreciation and amortization	10	474,141	326,817
Net gain on financial assets at FVPL	5	(587,588)	-
Unrealized foreign exchange gain, net		(272,720)	-
Finance expense		33,441	37,404
Equity in net loss of joint venture and associates		9,660	17,240
Reserve for employee stock option	7	64,219	189,699
Interest income		(121,302)	(66,254)
Operating income before working capital changes		2,635,483	4,710,128
Decrease (Increase) in:			
Receivables		617,135	899,524
Prepaid expenses and other current assets		(1,148,945)	(208,287)
Increase (Decrease) in:			
Trade payables and other current liabilities		1,696,873	(927,574)
Customer deposits		(3,692)	112
Net cash generated from operations		3,796,854	4,473,903
Income tax paid		-	(1,709)
Interest received		106,544	66,254
Net cash provided by operating activities		3,903,398	4,538,448
Cash flows from investing activities			
Additions to:			
Property and equipment and intangible assets		(459,243)	(313,098)
Investment and advances		(11)	(15)
Investments in convertible notes		(5,903,280)	-
Increase in other noncurrent assets		(858,178)	(166,111)
Net cash used in investing activities		(7,220,712)	(479,224)
Cash flows from financing activities			
Proceeds from issuance of common shares		412,449	154,703
Payments for interest on loans		-	(31,927)
Net cash provided by (used in) financing activities		412,449	122,776
Net increase (decrease) in cash and cash equivalents		(2,904,865)	4,182,000
Cash and cash equivalents at beginning of period		23,401,849	13,977,434
Cash and cash equivalents at end of period		20,496,984	18,159,434

*Unaudited

(The notes are an integral part of these financial statements)

DigiPlus Interactive Corp. and Subsidiaries

Notes to Unaudited Interim Condensed Consolidated Financial Statements

As at March 31, 2026 and December 31, 2025

And for the three months ended March 31, 2026 and 2025

(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 St. cor. 9th Ave., 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 as at and for the three months ended March 31, 2026 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, 2025.

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, 2025 except for the new PFRS, amended PFRS, improvements to PFRS and interpretations which were adopted beginning January 1, 2026. 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.

- Amendments to the Classification and Measurement of Financial Instruments - Amendments to PFRS 9 and PFRS 7 (effective for annual periods beginning on or after 1 January 2026)

On 30 May 2025, the IASB issued targeted amendments to PFRS 9 and PFRS 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. These amendments:

- clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cashflows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
- update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

These amendments do not have a material impact on the Group's operations or consolidated financial statements.

- Annual Improvements to PFRS Accounting Standards - Volume 11 (effective for annual periods beginning on or after 1 January 2026)

On 18 July 2024, the IASB has issued narrow amendments to PFRS Accounting Standards and accompanying guidance as part of its regular maintenance of the Standards. These amendments include clarifications, simplifications, corrections and changes aimed at improving the consistency of several PFRS Accounting Standards. The amended Standards are:

- PFRS 1 First-time Adoption of International Financial Reporting Standards;
- PFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing PFRS 7;
- PFRS 9 Financial Instruments;
- PFRS 10 Consolidated Financial Statements; and
- PAS 7 Statement of Cash Flows.

These amendments do not have a material impact on the Group's operations or consolidated financial statements.

- PFRS 19 Subsidiaries without Public Accountability: Disclosures (effective for annual periods beginning on or after 1 January 2027)

Issued in May 2025, PFRS 19 allows for certain eligible subsidiaries of parent entities that report under PFRS Accounting Standards to apply reduced disclosure requirements.

The Group does not expect these amendments to have a material impact on its operations or consolidated financial statements.

- PFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027)

PFRS 18 will replace PAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though PFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

Management is currently assessing the detailed implications of applying the new standard of the Group's consolidated financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

- Although the adoption of PFRS 18 will have no impact on the Group's net profit, the Group expects that grouping items of income and expenses in the consolidated statements of profit or loss into the new categories will impact how operating profit is calculated and reported. From the high-level impact assessment that the Group has performed, the following items might potentially impact operating profit:
 - Foreign exchange differences currently aggregated in the line item 'other expenses and losses, net' in operating profit might need to be disaggregated, with some foreign exchange gains or losses presented below operating profit.
 - PFRS 18 has specific requirements on the category in which derivative gains or losses are recognized – which is the same category as the income and expenses affected by the risk that the derivative is used to manage. Although the Group currently recognizes some gains or losses in operating profit and others in finance costs, there might be a change to where these gains or losses are recognized, and the Group is currently evaluating the need for change.
- The Group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there will be significant new disclosures required for:
 - management-defined performance measures;
 - a break-down of the nature of expenses for line items presented by function in the operating category of the statement of profit or loss – this break-down is only required for certain nature expenses; and
 - for the first annual period of application of PFRS 18, a reconciliation for each line item in the statement of profit or loss between the restated amounts presented by applying PFRS 18 and the amounts previously presented applying PAS 1.
- From a cash flow statement perspective, there will be changes to how interest received and interest paid are presented. Interest paid will be presented as financing cash flows and interest received as investing cash flows, which is a change from current presentation as part of operating cash flows.

The Group will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with PFRS 18.

2.3 Basis of consolidation

Subsidiaries

The interim condensed consolidated financial statements include the financial statements of the Group as at March 31, 2026 with comparative audited figures as at December 31, 2025 and unaudited consolidated statements of total comprehensive income for the periods ended March 31, 2026 and 2025.

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.

Intercompany 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, 2026 and December 31, 2025:

Subsidiaries	Percentage of ownership		Country of incorporation
	March 31, 2026	December 31, 2025	
AB Leisure Exponent, Inc. (ABLE) and subsidiaries	100	100	Philippines
AB Leisure Global, Inc. (ABLGI) and subsidiaries	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.	100	100	Philippines
Diginvest Holdings Inc. (Diginvest) and subsidiaries	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)	74.36	74.36	Philippines

*Non-operating subsidiary

The financial statements of the subsidiaries are prepared for the same reporting period as the Parent Company. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

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.

On May 3, 2025, Diginvest incorporated Innovative Gaming Solutions Corp. and The Digital Arena Inc. as its wholly owned subsidiaries. The primary purpose of the Companies is to engage in the leasing of equipment and services. The principal office of the companies is at Unit 106, Ground Floor, Lot 4-B KM14 South Luzon Expressway, West Service Road, Merville, Paranaque City.

In 2025, Diginvest incorporated DigiPlus South Africa (Pty.) Limited and DigiPlus Kruger Park (Pty.) Limited as its wholly owned subsidiaries in South Africa. These incorporations form part of the Group's continuing strategic initiative to expand its international footprint and explore new business opportunities in the region. The subsidiaries' registered office is located in Cape Town, Western Cape, South Africa.

On September 23, 2025, DigiPlus formally filed its license applications with the Western Cape Gambling and Racing Board (WCGRB) in South Africa. The Company has applied for three operator licenses: a National Manufacturer License, a Bookmaker License, and a Bookmaker Premises License. The WCGRB is regarded as a preferred jurisdiction for international operators such as DigiPlus, owing to its transparent regulatory framework and robust digital infrastructure. On April 15, 2026, the Company has received approval from the WCGRB for its application for the three operator licenses.

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 BingoPlus platform. 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, 2026 and December 31, 2025:

Subsidiaries	Percentage of Ownership		Country of incorporation
	March 31, 2026	December 31, 2025	
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
Gameexperience 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.*

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, 2026 and December 31, 2025:

Subsidiaries	Percentage of Ownership		Country of incorporation
	March 31, 2026	December 31, 2025	
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.

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 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 Company incorporated LRLDI as its wholly-owned subsidiary. It is engaged in realty development and lease of properties. LRLDI started its operations in 2010.

LRLDI's registered office address is located at 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 Company 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.

On May 26, 2021, PAGCOR approved TGXI's application for accreditation as an Electronic Gaming System Service Provider along with Gamezone as the electronic gaming system/platform and brand. Subsequently, on July 2, 2021, PAGCOR issued the notice to commence operations of its Gamezone electronic gaming service and implementation of its system and gaming platform.

TGXI's principal office is at 2/F Starmall Bldg., EDSA cor. Shaw Blvd., Mandaluyong City.

Diginvest

Diginvest, a wholly owned subsidiary, was incorporated and registered with the SEC on September 30, 2024. Its primary purpose is 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 broker/dealer in securities.

Diginvest'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 Diginvest as at March 31, 2026 and December 31, 2025:

Subsidiaries	Percentage of Ownership		Country of incorporation
	March 31, 2026	December 31, 2025	
DigiPlus Global Pte. Ltd.	100	100	Singapore
Innovative Gaming Solutions Corp.	100	100	Philippines
The Digital Arena Inc.	100	100	Philippines
DigiPlus South Africa (Pty.) Limited	100	100	South Africa
DigiPlus Kruger Park (Pty.) Limited	100	100	South Africa
Streamify Technology (BVI) Limited	100	100	British Virgin Islands
Streamify Technology Limited (HK)	100	100	Hongkong

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.

On May 3, 2025, Diginvest incorporated Innovative Gaming Solutions Corp. and The Digital Arena Inc. as its wholly owned subsidiaries. The primary purpose of the Companies is to engage in the leasing of equipment and services. The principal office of the companies is at Unit 106, Ground Floor, Lot 4-B KM14 South Luzon Expressway, West Service Road, Merville, Paranaque City.

In 2025, Diginvest incorporated DigiPlus South Africa (Pty.) Limited and DigiPlus Kruger Park (Pty.) Limited as its wholly owned subsidiaries in South Africa. These incorporations form part of the Group's continuing strategic initiative to expand its international footprint and explore new business opportunities in the region. The subsidiaries' registered office is located in Cape Town, Western Cape, South Africa.

On September 23, 2025, DigiPlus formally filed its license applications with the Western Cape Gambling and Racing Board (WCGRB) in South Africa. The Company has applied for three operator licenses: a National Manufacturer License, a Bookmaker License, and a Bookmaker Premises License. The WCGRB is regarded as a preferred jurisdiction for international operators such as DigiPlus, owing to its transparent regulatory framework and robust digital infrastructure.

On September 24, 2025, the Group acquired an equity interest in Streamify Technology (BVI) Limited through a series of related transactions. A loan previously extended by ABLE to Streamify was assigned by ABLE to Diginvest, transferring all rights, title, and interests over the loan within the Group. Subsequently, the Group exercised its right to convert the assigned loan into equity of Streamify, resulting in the recognition of Streamify as a wholly owned subsidiary of Diginvest and the derecognition of the loan receivable in the consolidated financial statements.

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, Macabacale, 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 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 Company 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.

2.4 Seasonality of operations

The Group's operations are not significantly affected by seasonality or cyclicity. Revenue generation is generally consistent throughout the year, subject to normal business fluctuations and market conditions.

2.5 Changes in accounting estimates

There were no significant changes in accounting estimates during the three-month period ended March 31, 2026.

Note 3 - Property and equipment, net

During the three months ended March 31, 2026, the Group acquired assets totaling P82,423. This includes renovation of land-based sites, and purchase of office and IT equipment.

Note 4 - Investment properties

Investment properties as at March 31, 2026 and December 31, 2025 consist of:

	2026	2025
Land	11,064,079	11,064,079
Building	221,802	221,802
Land improvements	10,847	10,847
	11,296,728	11,296,728

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, 2025.

Note 5 – Financial asset at FVPL

On November 17, 2025, the Parent Company entered into a subscription agreement with International Entertainment Corporation (“IEC”), a company listed on the Stock Exchange of Hong Kong, for the subscription of convertible notes (the “Notes”) with an aggregate principal amount of HK\$1.6 billion (approximately P12 billion).

The Notes are structured in two tranches:

- First tranche - HK\$800 million
- Second tranche - HK\$800 million (to be issued within three months from first completion, subject to mutually agreed terms)

The Notes bear interest at 3% per annum and are redeemable at 108% of principal after five (5) years if not converted. The Parent Company has the option to convert the Notes into ordinary shares of IEC at an agreed conversion price of HK\$1.00 per share. Upon full conversion, the Group is expected to hold approximately 53.89% of IEC’s issued share capital.

IEC, through its subsidiaries, owns and operates New Coast Hotel Manila, an integrated hotel and casino complex licensed by the PAGCOR.

On February 26, 2026, IEC’s shareholders approved the subscription agreement during an Extraordinary General Meeting. In addition, the Hong Kong Securities and Futures Commission granted a whitewash waiver, which relieves the Parent Company from the obligation to make a mandatory general offer in the event of conversion of the Notes, subject to certain conditions.

On March 3, 2026, all conditions precedent for the first tranche were satisfied, and IEC issued convertible notes amounting to HK\$800 million to the Parent Company. As at March 31, 2026, the Notes are recognized as financial asset at FVPL in the interim condensed consolidated statement of financial position.

The second tranche of HK\$800 million is expected to be completed within three (3) months from the first completion, subject to mutually agreed terms. Management continues to monitor the progress of the transaction.

The convertible notes are classified as financial assets at FVPL since the contractual cash flows do not meet the solely payments of principal and interest (SPPI) criterion due to the presence of an embedded conversion feature. Accordingly, the Notes are measured at fair value, with changes in fair value recognized in profit or loss.

The change in fair value of the convertible notes for the period ended March 31, 2026 amounting to ₱587,588 is recognized under “Other income (expenses), net” in the interim condensed consolidated statements of total comprehensive income.

Note 6 - Loans payable

Long-term loans

The movements in the current portion of the long term loans as at March 31, 2026 and December 31, 2025 are as follows:

	2026	2025
Beginning balance	745,768	733,781
Impact of foreign currency translation	-	11,987
Ending balance	745,768	745,768

- On August 1, 2025, ABLE entered into a 30-day short-term loan agreement with UB commencing on September 1, 2025 amounting to P5,000 with annual interest rate of 7.5%. The loan was fully settled on upon its maturity on October 1, 2025.
- On June 23, 2025, DigiPlus entered into a 179-day short-term loan agreement with SBA amounting to P5,000 with annual interest rate of 9.00% maturing on December 19, 2025. The loan was settled on October 1, 2025.
- In February 2020, LRLDI entered into a loan agreement with Chip Leader Holdings Corporation (CLHC) to finance its operational and capital expenses. The loan amounting to US\$ 10 million or P480,230 shall be payable in March 2023. Annual interest rate is at 3% subject to change depending on the prevailing financial and monetary conditions. The loan was secured by land owned by LRLDI located in Cagayan with fair value as at December 31, 2025 amounting to P1,885,957.

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

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

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

Interest expense related to the loans for the three months ended March 31, 2026 and 2025 amounted to P5,549 and P5,370, respectively.

Note 7 - Equity

Equity as at March 31, 2026 and December 31, 2025 is as follows:

	March 31, 2026		December 31, 2025	
	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	4,908,621	4,908,620,666	4,785,307	4,785,306,666
Issuance of common shares upon exercise of share options	61,022	61,021,968	123,314	123,314,000
Balance at end of period	4,969,643	4,969,642,634	4,908,621	4,908,620,666

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. Transaction costs related to the share issuance amounting to P16,604 are recognized as deduction to additional paid-in capital.

On January 31, 2020, the Parent Company redeemed all of its 1.65 billion preferred shares at P1.00 per share. The redeemed preferred shares are not cancelled, thus, accounted and presented as treasury shares in the consolidated statements of changes in equity.

On June 15, 2021, and July 30, 2021, the BOD and stockholders of Parent Company respectively approved the reclassification of DigiPlus' 1.65 billion preferred shares into common shares. On May 20, 2022, the SEC approved the amendment of the Articles of Incorporation reflecting this reclassification. On November 22, 2021, and January 7, 2022, the BOD and stockholders respectively approved the reclassification of the remaining 1.0 billion authorized unissued preferred shares into common shares. On May 26, 2022, the SEC approved the amendment of the Articles of Incorporation reflecting this further reclassification.

On March 7, 2022, the BOD approved and authorized the issuance of 1,272,352,512 common shares at an issue price of P1.65 per share to various subscribers. Pursuant to the Subscription Agreements, the payment of the subscription price to DigiPlus shall be fully paid by the subscribers within 90 days from signing of their respective Subscription Agreements, which will fall on June 9, 2022. On May 10, 2022, the Board approved the extension of the deadline to pay up to August 9, 2022. On August 8, 2022, the Company received the full payment of the subscription amount from all the private placement subscribers. The 1,272,352,512 subscribed shares were issued from the 1.65 billion treasury shares. Transaction costs related to share issuances amounting to P12,723 are recognized as deduction to additional paid-in capital.

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

In 2025, a total of 123,314,000 shares were issued in favor of the ESOP grantees who exercised and fully paid for their options, resulting in the derecognition of stock option reserve amounting to P612,170, and recognition of additional capital stock amounting to P123,314 and additional paid-in capital amounting to P1,244,413.

For the period ending March 31, 2026, a total of 61,021,968 shares were issued in favor of the ESOP grantees who exercised and fully paid for their options, resulting in the derecognition of stock option reserve amounting to P343,538, and recognition of additional capital stock amounting to P61,022 and additional paid-in capital amounting to P694,965.

As of March 31, 2026 and December 31, 2025, the Parent Company has 1,797 and 1,799 common stockholders, respectively.

Additional paid-in capital (APIC)

APIC pertains to the excess of the subscription payment over the par value of shares issued. APIC recognized in the interim condensed consolidated statements of financial position amounted to P8,184,579 and P7,489,614 as at March 31, 2026 and December 31, 2025.

Other reserves

Other reserves include equity adjustments arising from transactions with non-controlling interests and share-based payment arrangements. The reserve from the acquisition of additional shares represents the difference between the consideration paid by the Group to acquire additional equity interests in a subsidiary and the corresponding adjustment to the carrying amount of non-controlling interests, which is recognized directly in equity. The stock option reserve represents the cumulative fair value of share-based payments recognized over the vesting period. As of March 31, 2026 and December 31, 2025, the balance of Other reserves amounted to P764,236 and P1,043,555, respectively.

Declaration of Cash Dividends

The Parent Company's BOD authorized and approved the declaration and payment of cash dividends to stockholders from retained earnings as follows:

Declaration date	Payment date	As of record date	Dividend per share
March 17, 2026	April 15, 2026	April 1, 2026	P0.83
March 7, 2025	April 4, 2025	March 24, 2025	P0.86

As at March 31, 2026 and December 31, 2025, unpaid dividends, included under "Dividends payable" account in the interim condensed consolidated statements of financial position, amounted to P3,800,887 and P24,862, respectively.

Subsequent to the reporting period, the dividends declared in March 2026 were paid on April 15, 2026.

Treasury Shares

Details of treasury shares as at March 31, 2026 and December 31, 2025 are as follows:

<i>Number of shares</i>	Parent Company Treasury Shares		Parent Company Shares held by ABLE	
	2026	2025	2026	2025
Balance at beginning of period	398,647,488	377,647,488	21,567,000	21,567,000
Acquisition of shares	-	21,000,000	-	-
Balance at end of period	398,647,488	398,647,488	21,567,000	21,567,000
<i>Amount</i>	2026	2025	2026	2025
Balance at beginning of period	917,346	377,647	53,951	53,951
Acquisition of shares	-	539,699	-	-
Balance at end of period	917,346	917,346	53,951	53,951

On July 4, 2025, the BOD of the Parent Company approved the P6 billion-share buy-back program. In July 2025, the Company repurchased a total of 21,000,000 common shares at an aggregate cost of P539.7 million. These shares are recorded as "Treasury Shares" in the statement of financial position and are

carried at acquisition cost. The buyback was funded from unrestricted retained earnings. As a result of the share repurchase transactions made in July 2025, the remaining balance of the amount for the program as of the report date is P5.46 billion.

Earnings per Share

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

	2026	2025
Net income attributable to equity holders of the Parent Company (a)	2,820,282	4,201,999
Number of shares		
Weighted average number of shares outstanding (b)	4,539,644	4,411,031
Add: Dilutive shares arising from share options (c)	16,566	181,236
Adjusted weighted average number of shares outstanding (d=b+c)	4,556,210	4,592,267
Basic earnings per share (a/b)	0.6213	0.9526
Diluted earnings per share (a/d)	0.6190	0.9150

Share-based compensation plan

The establishment of the employee share option plan (“the Plan”) was approved by the BOD and the stockholders of the Parent Company 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, 2026	December 31, 2025
At beginning of period	129,874,323	259,714,133
Exercised during the period	(61,021,968)	(123,314,000)
Forfeited during the period	-	(6,525,810)
At end of period	68,852,355	129,874,323
Vested and exercisable at end of period	24,947,216	3,238,618

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, 2026	Share options December 31, 2025
<i>Batch 1</i>			
Tranche 1 - April 1, 2023	January 1, 2029	-	-
Tranche 2 - April 1, 2023	January 1, 2030	-	2,045,456
Tranche 3 - April 1, 2023	January 1, 2031	5,400,500	40,116,755
<i>Batch 2</i>			
Tranche 1 - November 12, 2024	January 1, 2030	-	1,193,162
Tranche 2 - November 12, 2024	January 1, 2031	19,546,716	42,613,811
Tranche 3 - November 12, 2024	January 1, 2032	43,905,139	43,905,139
Total		68,852,355	129,874,323
Weighted average remaining contractual life of options outstanding at end of period		4.26	4.51

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.

On January 28, 2025, PSE approved the Parent Company's application to list up to 220,382,958 PLUS common shares to cover its ESOP. On January 27, 2026, the SEC approved the Parent Company's application for exemption from registration of its Employee Stock Option Plan ("ESOP B"). ESOP B covers 220,382,958 common shares in favor of the Company's qualified officers and employees in accordance with the terms of the Corporation's ESOP Plan. On March 16, 2026, PSE approved the Parent Company's application to list these shares to cover its ESOP.

The compensation expense recognized during the period ended March 31, 2026 and 2025 amounted to P64,219 and P189,699, respectively, which is presented under cost and operating expenses in the unaudited interim condensed consolidated statements of total comprehensive income. As at March 31, 2026 and December 31, 2025, the stock option reserve arising from the Plan amounted to P645,579 and P924,898, respectively.

Note 8 - Gaming licenses to operate

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

	2026	2025
Bingo games	1,450,512	1,799,089
Electronic games	15,545,902	20,954,125
	16,996,414	22,753,214

On August 15, 2023, PAGCOR issued a memorandum on the Regulatory Framework for the Fees and Rates on Gaming Site Operations. Since issuance, PAGCOR share on GGR is as follows:

Effective period	PAGCOR share on GGR				
	OTB games	Traditional bingo	Electronic bingo games	New Rapid Bingo System	Electronic games
August 2023 to March 2024	20%	20%	42.5%	20%	22.5%-41.25%
April 2024 to December 2024	25%	25%	35%	25%	20%-35%
January 2025 to June 2025	30%	30%	30%	30%	15%-30%
July 2025 to December 2025	25%	25%	25%	25%	15%-30%
January 2026 onwards	20%	20%	25%	25%	15%-30%

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

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

PAGCOR awarded the Group the authority to operate and conduct online traditional bingo games, including the betting aspect thereof, through its accredited online platforms, within the parameters of applicable regulations. The licenses are granted for specific periods and are subject to renewal upon compliance with PAGCOR's requirements.

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 licenses were further renewed in September 2025 and are currently valid until September 2027.

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 licenses were further renewed in March 2026 and are currently valid until March 2028.

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.

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 2025, the Licenses were renewed and are valid until August 2027.

Note 9 - 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 10 - Costs and operating expenses

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

	2026	2025
Franchise fees and taxes	5,387,740	8,771,839
Advertising and promotion	4,532,331	4,830,895
Outside services	2,430,792	2,717,951
Salaries and other benefits	1,200,007	1,187,617
Subscription and association fees	654,474	557,220
Depreciation and amortization	474,141	326,817
Communications and utilities	107,427	94,126
Taxes and licenses	38,161	47,344
Others	250,387	266,383
	15,075,460	18,800,192

Note 11 - Related party disclosures

The table below summarizes the Group's transactions and balances with its related parties as at and for the periods ended March 31, 2026 and December 31, 2025:

Nature of transaction	Terms and conditions	March 31, 2026		December 31, 2025	
		Amount of transaction	Outstanding receivables	Amount of transaction	Outstanding receivables
a) Advances <i>Stockholder</i>	These pertain to cash advances for working capital provided by the Group to its stockholder that are due and demandable, noninterest-bearing and to be settled in cash.	-	150,000	-	150,000
b) Payment on behalf of <i>Associates</i>	In the ordinary course of business, certain expenses of its associates are paid by the Group on their behalf. Such expenses are accordingly reimbursed at cost by its related parties. Amounts are receivable in cash on a gross basis. These are due and demandable; noninterest-bearing and unsecured.	1,042	9,558	2,536	8,516
			159,558		158,516

Note 12 - 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 other investments

The property and investments 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, 2026 is as follows:

	Retail Group	Casino Group	Network and License Group	Property and Other Investments	Corporate	Eliminations	Consolidated
Revenue	17,020,167	127,917	83,293	12,978	-	-	17,244,355
Cost and operating expenses	(14,007,777)	(105,895)	(65,083)	(94,611)	(327,953)	-	(14,601,319)
EBITDA	3,012,390	22,022	18,210	(81,633)	(327,953)	-	2,643,036
Depreciation and amortization	(368,490)	(48,868)	(38,161)	(16,640)	(1,982)	-	(474,141)
Finance expense and bank charges	(29,185)	(11)	(59)	(5,630)	(68)	-	(34,953)
Net gain on financial assets at FVPL	-	-	-	-	587,588	-	587,588
Equity in net losses of a joint venture	-	-	-	-	(9,660)	-	(9,660)
Finance income	72,367	24	100	13,785	35,026	-	121,302
Foreign exchange gain (loss), net	(51,395)	319	215	62	255,921	-	205,122
Other expenses, net	(2,973)	154	-	157	-	-	(2,662)
Income tax	-	(1,011)	-	-	(215,077)	-	(216,088)
Profit (loss) for the period	2,632,714	(27,371)	(19,695)	(89,899)	323,795	-	2,819,544
Other information as at March 31, 2026							
Total assets	18,621,306	278,911	2,438,687	7,270,288	33,509,519	(3,795,250)	58,323,461
Total liabilities	10,070,766	877,943	1,254,271	2,778,766	4,277,697	(1,598,661)	17,660,782
Capital expenditures	320,678	92,673	58,068	14,306	2,541	-	488,266

Analysis of financial information by business segment as at December 31, 2025 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, 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 December 31, 2025

Total assets	13,949,567	276,967	2,468,620	7,579,686	32,887,830	(4,077,038)	53,085,632
Total liabilities	7,711,358	848,630	1,264,383	3,045,745	664,397	(1,543,527)	11,990,986
Capital expenditures	2,114,108	83,381	76,287	576,717	9,976	-	2,860,469

There were no intersegment sales recognized among reportable segments for the three months ended March 31, 2026 and 2025. 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 13 - 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 14 - Financial risk and capital management objectives and policies

14.1 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; and e) fulfillment of the other responsibilities set out by the BOD. The Audit Committee shall also review the reports required to be included in the Group's annual report. The results of procedures performed by Internal Audit are reported to the Audit Committee. On the other hand, the Audit Committee reports all the issues identified over the financial reporting of the Group to the BOD on a regular basis.

14.2 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, 2026 and December 31, 2025, without considering the effects of collaterals and other risk mitigation techniques, is presented below:

	March 31, 2026	December 31, 2025
Cash and cash equivalents	20,403,833	23,285,973
Receivables, current portion, net	2,204,036	2,805,049
Receivables, non-current portion, net	341,894	337,408
Advances	1,300,207	1,224,246
Lease receivables	151,176	158,068
Rental deposits	545,876	545,411
Cash performance bonds	542,015	533,615
Performance cash deposits	33,200	33,200
Due from related parties	159,558	158,516
Financial assets at FVPL	6,763,588	-
Financial assets at FVOCI	16,403	17,496
	32,461,786	29,098,982

Cash and cash equivalents exclude cash on hand and pay out fund amounting to P93,151 and P115,876 as at March 31, 2026 and December 31, 2025, 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, 2026 and December 31, 2025, provision for ECL on receivables and advances amounted to P957,628.

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 FVPL

The Group's exposure to credit risk on its financial asset at FVPL pertains to its investment in convertible notes. Credit risk arises from the possibility that the issuer may default on its contractual obligations.

The Group manages this risk through continuous monitoring of the financial condition and performance of the issuer, including its operating results and underlying assets. Based on management's assessment, the Group's exposure to credit risk is considered manageable.

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, 2026 and December 31, 2025:

	March 31, 2026					ECL	Total
	Current	30 days	60 days	90 days and above			
Cash and cash equivalents	20,403,833	-	-	-	-	-	20,403,833
Receivables, current portion, net	2,978,113	-	-	-	(774,077)	-	2,204,036
Receivables, non-current portion, net	341,894	-	-	-	-	-	341,894
Advances	1,483,758	-	-	-	(183,551)	-	1,300,207
Lease receivables	151,176	-	-	-	-	-	151,176
Rental deposits	545,876	-	-	-	-	-	545,876
Cash performance bonds	542,015	-	-	-	-	-	542,015
Performance cash deposits	33,200	-	-	-	-	-	33,200
Due from related parties	159,558	-	-	-	-	-	159,558
Financial assets at FVOCI	16,403	-	-	-	-	-	16,403
	26,655,826	-	-	-	(957,628)	-	25,698,198

	December 31, 2025				ECL	Total
	Current	30 days	60 days	90 days and above		
Cash and cash equivalents	23,285,973	-	-	-	-	23,285,973
Receivables, current portion, net	3,579,126	-	-	-	(774,077)	2,805,049
Receivables, non-current portion, net	337,408	-	-	-	-	337,408
Advances	1,407,797	-	-	-	(183,551)	1,224,246
Lease receivables	158,068	-	-	-	-	158,068
Rental deposits	545,411	-	-	-	-	545,411
Cash performance bonds	533,615	-	-	-	-	533,615
Performance cash deposits	33,200	-	-	-	-	33,200
Due from related parties	158,516	-	-	-	-	158,516
Financial assets at FVOCI	17,496	-	-	-	-	17,496
	30,056,610	-	-	-	(957,628)	29,098,982

Credit risk under general and simplified approach

March 31, 2026					
	General Approach			Simplified approach	Total
	Stage 1	Stage 2	Stage 3		
Cash and cash equivalents	20,403,833	-	-	-	20,403,833
Receivables, current portion, net	-	-	-	2,204,036	2,204,036
Receivables, non-current portion, net	-	-	-	341,894	341,894
Advances	1,300,207	-	-	-	1,300,207
Lease receivables	-	-	-	151,176	151,176
Rental deposits	545,876	-	-	-	545,876
Cash performance bonds	542,015	-	-	-	542,015
Performance cash deposits	33,200	-	-	-	33,200
Due from related parties	159,558	-	-	-	159,558
Financial asset at FVPL	6,763,588	-	-	-	6,763,588
Financial assets at FVOCI	16,403	-	-	-	16,403
	29,764,680	-	-	2,697,106	32,461,786

December 31, 2025					
	General Approach			Simplified approach	Total
	Stage 1	Stage 2	Stage 3		
Cash and cash equivalents	23,285,973	-	-	-	23,285,973
Receivables, current portion, net	-	-	-	2,805,049	2,805,049
Receivables, non-current portion, net	-	-	-	337,408	337,408
Advances	1,224,246	-	-	-	1,224,246
Lease receivables	-	-	-	158,068	158,068
Rental deposits	545,411	-	-	-	545,411
Cash performance bonds	533,615	-	-	-	533,615
Performance cash deposits	33,200	-	-	-	33,200
Due from related parties	158,516	-	-	-	158,516
Financial assets at FVOCI	17,496	-	-	-	17,496
	25,798,457	-	-	3,300,525	29,098,982

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, 2026 and December 31, 2025:

	March 31, 2026					Total
	Days past due				Credit impaired	
	Current	<30 days	30-90 days	More than 90 days		
Expected credit loss rate	0%	0%	0%	0%	100%	
Estimated total gross carrying amount at default	1,852,761	93,684	284,105	466,556	774,077	3,471,183
Expected credit loss	-	-	-	-	(774,077)	(774,077)
	1,852,761	93,684	284,105	466,556	-	2,697,106

	December 31, 2025					Total
	Days past due				Credit impaired	
	Current	<30 days	30-90 days	More than 90 days		
Expected credit loss rate	0%	0%	0%	0%	100%	
Estimated total gross carrying amount at default	2,411,711	161,887	302,072	424,855	774,077	4,074,602
Expected credit loss	-	-	-	-	(774,077)	(774,077)
	2,411,711	161,887	302,072	424,855	-	3,300,525

14.3 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, 2026 and December 31, 2025, there are no drawdowns 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, 2026				
	Carrying amount	Contractual cash flow	6 months or less	6-12 months	More than 1 year
Trade and other payables	10,920,937	10,920,937	10,920,937	-	-
Long-term loans payable	745,768	745,768	745,768	-	-
Lease liabilities, including future interest payable	1,454,645	1,834,768	334,241	334,241	1,166,286
Deposits	86,785	86,785	-	30,461	56,324
	13,208,135	13,588,258	12,000,946	364,702	1,222,610

	December 31, 2025				
	Carrying amount	Contractual cash flow	6 months or less	6-12 months	More than 1 year
Trade and other payables	6,170,837	6,170,837	6,170,837	-	-
Long-term loans payable	745,768	745,768	745,768	-	-
Lease liabilities, including future interest payable	1,602,675	2,001,888	334,241	334,241	1,333,406
Deposits	90,477	90,477	-	30,461	60,016
	8,609,757	9,008,757	7,250,846	364,702	1,393,422

Trade and other payables exclude payable to government agencies and contract liabilities as at March 31, 2026 amounting to P1,520,576 and P1,058,912, respectively, and as at December 31, 2025 amounting to P1,320,142 and P402,999, 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.

14.4 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 at an acceptable level by buying foreign currencies at spot rates where necessary to address short-term imbalances.

The Group is also exposed to foreign currency risk arising from its investment in convertible notes denominated in Hong Kong dollars (HKD). The convertible notes are translated into Philippine peso (PHP) at the closing exchange rate at each reporting date. Accordingly, fluctuations in the HKD/PHP exchange rate may affect the carrying value of the financial asset and result in foreign exchange gains or losses, which are recognized in profit or loss.

Interest rate risk

The Group's exposure to changes in interest rates relates primarily to its short-term and long-term debt obligations, as well as its investment in convertible notes classified as financial assets at FVPL.

Management seeks to minimize interest rate risk by maintaining an appropriate mix of variable and fixed interest rates on its loans. The Group's short-term and long-term bank loans are market-determined, with long-term loan interest rates based on PDST-R2 plus a certain mark-up. The Group has not entered into interest rate swaps or options in 2026 and 2025.

Interest rate movements may also affect the fair value of the debt component of the convertible notes. An increase in market interest rates may result in a decrease in fair value, while a decrease in interest rates may have the opposite effect. Such changes in fair value are recognized in profit or loss.

There is no other impact on the Group's equity other than those affecting profit or loss.

Equity price risk

Equity price risk is the risk that the fair value of investments in equity securities may decrease as a result of changes in equity indices and the value of individual stocks.

Management monitors movements in share prices pertaining to its investments. The Group is exposed to equity price risk arising from investments held by the Group, including financial assets at FVPL and financial assets at FVOCI.

The Group's investment in convertible notes includes an embedded conversion option into equity shares of the issuer, which exposes the Group to changes in the issuer's share price. An increase in the share price generally results in an increase in the fair value of the instrument, while a decrease in share price may result in a decline in fair value. These changes are recognized in profit or loss.

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 FVPL

The fair value of the financial assets at FVPL as at March 31, 2026 was determined using a valuation technique that incorporates both a discounted cash flow model and an option pricing model, reflecting the debt host contract and the embedded conversion option.

The fair value measurement is categorized under Level 3 of the fair value hierarchy due to the use of unobservable inputs. The significant unobservable inputs include expected volatility of the issuer's share price and discount rates.

As of March 31, 2026, there were no transfers between levels of the fair value hierarchy.

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, 2026 and December 31, 2025. The fair value is under Level 1 of the fair value hierarchy.

As of March 31, 2026 and December 31, 2025, there were no transfers between levels of the fair value hierarchy.

14.5 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, 2026 and December 31, 2025.

Note 15 - Other matters

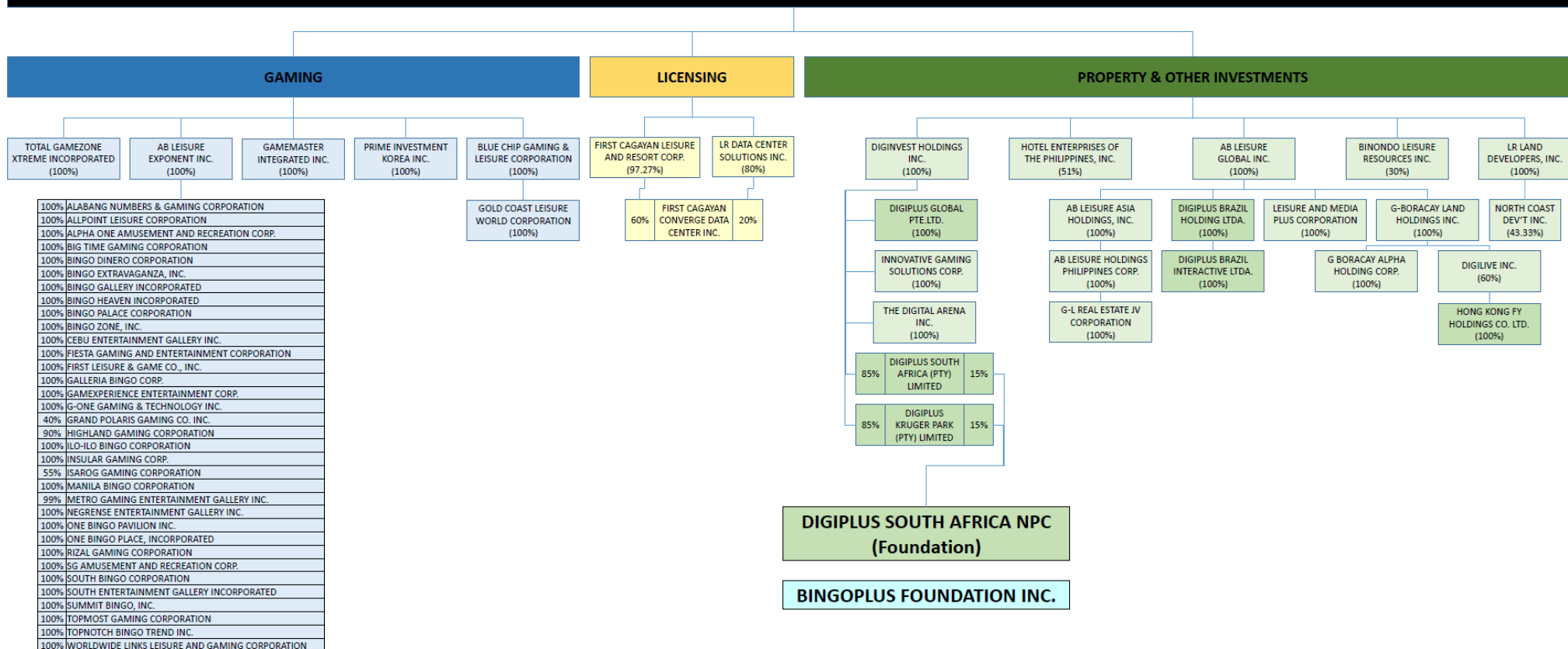
During the three-month period ended March 31, 2026, geopolitical tensions in certain regions continued to evolve, with some areas escalating into armed conflict involving multiple state actors. These developments have contributed to heightened volatility in global financial and commodity markets and disruptions to selected trade routes and supply chains. Management has assessed the implications on the Group's interim condensed consolidated financial statements, including impairment of non-financial assets, expected credit losses on financial assets, fair value measurements, contract enforceability, and liquidity risk.

Based on information available as at March 31, 2026, management has determined that these developments have not had a material impact on the Group's interim condensed consolidated financial position and results of operations. However, the situation remains fluid, and potential future impacts will depend on its duration and broader economic consequences. Management continues to monitor developments and will recognize any material effects in subsequent reporting periods, as appropriate.

DigiPlus Interactive Corp. and Subsidiaries

Map of Conglomerate As of March 31, 2026

DIGIPLUS INTERACTIVE CORP.



DigiPlus Interactive Corp. and Subsidiaries

Schedule of Financial Soundness Indicators

(As at March 31, 2026 and December 31, 2025 and
for the three months ended March 31, 2026 and 2025)

(All amounts in Philippine Peso)

Key Performance Indicator	Formula	2026	2025
Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	1.75	3.08
Acid Test Ratio	$\frac{\text{Cash and cash equivalents +Receivables, net +Due from related parties}}{\text{Current Liabilities}}$	1.55	2.88
Debt to Equity Ratio	$\frac{\text{Total Liabilities}}{\text{Stockholders' Equity}}$	0.43	0.29
Asset to Equity Ratio	$\frac{\text{Total Assets}}{\text{Stockholders' Equity}}$	1.43	1.29
Return on Average Equity	$\frac{\text{Net Income}}{\text{Average Stockholders' Equity}}$	7%	13%
Return on Average Assets	$\frac{\text{Net Income}}{\text{Average Total Assets}}$	5%	9%
Solvency Ratio	$\frac{\text{Net Income + Depreciation}}{\text{Average Total Liabilities}}$	0.22	0.32
Interest Coverage Ratio	$\frac{\text{Income Before Interest, Tax& Depreciation}}{\text{Interest Expense}}$	79.03	157.58
Net Book Value Per Share	$\frac{\text{Stockholders' Equity}}{\text{Shares Outstanding}}$	8.85	9.07
Basic Earnings Per Share	$\frac{\text{Income Attributable toOrdinary Stockholders of theParent Company}}{\text{Weighted Average SharesOutstanding}}$	0.6213	0.9526
Net Profit Margin	$\frac{\text{Net income}}{\text{Revenue}}$	16%	18%