



PRESS RELEASE

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3Q 2018 EARNINGS RELEASE

Third Quarter 2018: DFNN reports increased revenue in all business sectors

Publicly listed I.T. company, DFNN Inc. (PSE: DFNN) (“DFNN” or “the Company”) posted today its financial report for the first nine months of the year. The Company disclosed a consolidated revenue of P984.3 million, an increase of P135.8 million or 16% in comparison to the total revenue of P848.5 million posted in the same period last year. DFNN posted an EBITDA of P188.4 million, a surge of P45.6 million or 31.9% from the P142.8 million reported in 2017.

This steady trajectory is largely attributed to an increase in revenue in all business sectors, most predominantly service income, which grew by P97.4 million or 547.1% compared to the same period last year. Additionally, sales of application and software licenses amounted to P40.8 million, an increase of P29.3 million or 255.5%. The significant growth in these business streams pertains to the increase in foreign license revenue, messaging services revenue and income generated through processing and integration fees from the aggressive sales efforts of the management team as well as the enhancement of the product suite to expand into blockchain technologies.

Moreover, commission income from the Company’s licensed gaming operations reported a growth of P9.1 million or 1.1% despite the reduction of electronic gaming terminals (EGMs). For just the third quarter of 2018, Xchangebet, the Company’s sports betting exchange product, increased its number of active sites by 53% from the same period last year. Xchangebet, operates under DFNN’s e-casino gaming platform, Instawin. The latter remains to be the foremost leader in the Philippine market, providing the most comprehensive variety of games in over 200 locations nationwide.

The increase in costs for this period is due to the Group’s expansion of current and new business streams as well as concerted efforts at maintaining market share. The rise in expenditure is comprised primarily of marketing, transaction, and quality assurance costs.

DFNN President and CEO, Calvin Lim, stated, “Through the formation of new strategic partnerships and overall enhancements to our platform, we aim to elevate all aspects of our business. We continue to seize opportunities in related sectors along the technology space and are confident of ending the year with improved results.”



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About DFNN:

DFNN, Inc. is a publicly listed company on the Philippine Stock Exchange (Ticker: DFNN). Since 1999, the Company has operated as a leading I.T. solutions provider and systems integrator, enabling its clients to compete in an increasingly technology dependent environment. Backed by its domain expertise in the financial sector, DFNN has competencies in: high volume and secure financial transactions, software/middleware development, I.T. support services, secure platform development, and turnkey implementations.

Through its subsidiaries, DFNN also possesses licenses for Electronic Gaming Machines (EGMs), sports betting, and digit and pari-mutuel games with the Philippine Amusement and Gaming Corporation (PAGCOR). DFNN believes that its unique background as an I.T. company with a strong success and track record puts it in a unique position to explore and maximize opportunities in various sectors. Our slogan: "Technology at Play".

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