

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17.2(c) THEREUNDER

1. Date of Report (Date of earliest event reported)
Mar 2, 2020
2. SEC Identification Number
A199908874
3. BIR Tax Identification No.
202-955-796-000
4. Exact name of issuer as specified in its charter
DFNN INC.
5. Province, country or other jurisdiction of incorporation
PHILIPPINES
6. Industry Classification Code(SEC Use Only)
7. Address of principal office
L2-L5 14TH FLOOR, PHILIPPINE STOCK EXCHANGE TOWER, 5TH AVE. COR. 28TH
ST., BGC, TAGUIG CITY
Postal Code
1634
8. Issuer's telephone number, including area code
(02) 8396-5270
9. Former name or former address, if changed since last report
N/A
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
COMMON SHARES	324,620,008

11. Indicate the item numbers reported herein

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The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.



DFNN, Inc.

DFNN

PSE Disclosure Form 4-13 - Clarification of News Reports
References: SRC Rule 17 (SEC Form 17-C) and
Section 4.4 of the Revised Disclosure Rules

Subject of the Disclosure

Clarification on the News Article posted in Daily Tribune on 2 March 2020

Source	Daily Tribune
Subject of News Report	DFNN eyes R&D investments
Date of Publication	Mar 2, 2020

Clarification of News Report

This refers to the request to clarify the news article published in Daily Tribune on March 2, 2020 entitled, DFNN eyes R&D investments.

The article reported in part that:

“Listed gaming technology provider DFNN Inc. is allotting hundreds of millions of pesos as research and development (R&D) expenses this year in a bid to support the company’s long-term sustainability.

DFNN President and Chief Executive Officer Calvin Lim said the company’s nine-digit R&D budget, the same as last year’s, comes as it seeks to focus on new technologies as driver for long-term growth.

In particular, DFNN is considering to venture into education technology in 2020 in line with its expectations of a double-digit growth in its financial technology segment.

“If everything goes well, then yes, it’s something we’ll get involved in,” Lim told reporters in an interview on Thursday last week.

He said the fintech segment will be among the key drivers for the company’s revenues this year, but added that the DFNN is on the hunt for the next vertical growth.

“We have a couple of ideas, opportunities, something that we’ll still need to wait and see.”

Meanwhile, Lim said DFNN is still working on the operational terms and conditions for the service deal it inked with US mobile lottery provider AutoLotto, Inc. through its unit Nico Bayan Inc.

The agreement, signed last year, enables Nico Bayan Inc. to be a Philippine offshore gaming operations service provider. Lim said DFNN is “not ready to go live yet”, adding it could still take some time for the company to finalize the terms and conditions for the service.
 ...”

We confirm the above-quoted news article. However, we wish to clarify that the information and data expressed are projections and long-term plans to attain that next vertical growth. Kindly note that the service deal agreement entered into by AutoLotto, Inc. and Nico Bayan, Inc. (Nico Bayan), a subsidiary of DFNN, Inc. (DFNN), was already disclosed to the Exchange on October 17, 2019. To add, Nico Bayan likewise has other plans in that vertical.

It must also be noted that despite the boom in the Philippine Offshore Gaming Operations (POGO), DFNN’s exposure in this industry has been minimal from a revenue standpoint. As stated in the news article, DFNN will focus on R&D for new ventures this year. Additionally, we respectfully clarify that DFNN indirectly holds a POGO license through an affiliate. However, revenue from this stream is not a large part of the DFNN Group’s revenue mix.

In conclusion, nothing at the moment has come into fruition that constitutes a material transaction. Thus, no disclosure related to the above-quoted news article was made except the disclosure dated October 17, 2019.

Other Relevant Information

None

Filed on behalf by:

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Designation	Chief Legal Counsel/Chief Compliance Officer