A Divergent Q1: Reading the Philippine Listed Gaming Complex After Delinking

By: Diego Cruz

Four listed gaming operators on the Philippine Stock Exchange (DigiPlus Interactive, Bloomberry Resorts, PhilWeb Corporation, and DFNN) have just wrapped a Q1 2026 earnings cycle that, on first read, looks like a cycle defined by regulatory headwinds. Bloomberry swung to a net loss. DigiPlus posted its weakest quarter in years. DFNN's losses widened again in its most recent filing. The prevailing market narrative points to a single cause: the Bangko Sentral ng Pilipinas's ("BSP") August 2025 order suspending e-wallet links to online gaming platforms.

PhilWeb, a fraction of the size of DigiPlus and Bloomberry by market capitalization, did something else entirely. It posted a 30% year-on-year revenue gain, swung back to profitability, and is now trading at roughly six times the mandatory tender offer price set earlier this year[1]. The stock is up more than 600% over the trailing twelve months. When the tender offer ran at ₱2.17 per share, not a single public share was tendered. The stock today sits at around ₱13.

The single-cause explanation is incomplete. The consensus attributes the cycle to the e-wallet suspension, but one of the four operators is sitting in the same regulatory environment as the rest and outperforming them by an order of magnitude. The regulatory change is part of the story. A parallel business model shift is the other part, and it deserves equal weight.

The e-wallet suspension, and what it actually did

On 14 August 2025, the Bangko Sentral ng Pilipinas instructed all BSP-supervised digital wallet providers (in practice, GCash and Maya) to remove every in-app icon, link, and access point that directed users to licensed online gambling platforms in 48 hours.[2] Full disconnection was finalized by 17 August. By the end of that first weekend, PAGCOR was already reporting that online gaming transactions had fallen by approximately 50%[3]. PAGCOR's monthly income from its share of licensed online gaming GGR slid from roughly

[1]PhilWeb Corporation, "PhilWeb Corporation Reports Return to Profitability in Q1 2026," press release, April 14, 2026, https://www.prnewswire.com/apac/news-releases/philweb-corporation-reports-return-to-profitability-in-q1-2026-driven-by-scalable-e-gaming-infrastructure-driving-revenue-growth-and-margin-expansion-302741610.html.

[2]Bangko Sentral ng Pilipinas, Memorandum No. M-2025-031, August 14, 2025; coverage in *Philippine Star*, August 16, 2025.

[3]PAGCOR statements to media, late August 2025; *Philippine News Agency*, September 1, 2025.

₱5.7 billion in May 2025 to about ₱2.9 billion by September, a decline severe enough that PAGCOR's original ₱60 billion full-year GGR target for 2025 was ▫ unlikely to be met[4].

The impact at the listed operator level has been similarly material, and management teams have been direct about it. DigiPlus Chairman Eusebio Tanco's Q1 2026 remarks were explicit: "Our first-quarter performance reflects the softness following the delinking of licensed gaming platforms from e-wallet access points, which has affected user activity and transaction flows."[5] That is the cleanest direct attribution from any listed gaming operator this cycle, and it captures the immediate pain that the press coverage and most sell-side notes have been emphasizing.

The order's actual scope is narrower than it sounds. It did not ban e-wallets from gambling transactions. Licensed operators are still BSP-supervised merchants, and a player with an existing GameZone or ArenaPlus account can still fund it through GCash. What disappeared were the in-app shortcuts — the tiles and icons that surfaced gambling platforms inside GCash and Maya. The payment rails underneath stayed open. Users now have to leave the wallet app and go to the operator's site to top up. That is real friction, but it is not the same thing as a payments ban.

This distinction matters because what has happened since August 2025 is a slow, steady recovery in operator-level activity as users and platforms have routed around the friction. Most coverage continues to work off the September 2025 trough. Operator-level data through Q1 2026, which we will return to later, tells a different story about where the sector now sits.

The regulatory environment has continued to tighten on multiple other fronts. KYC now requires a real-time selfie. Credit card and cryptocurrency funding have been removed. Outdoor advertising is being limited and primetime broadcast advertising is restricted, with the Ad Standards Council now in the loop to pre-screen materials. A minimum deposit floor, with figures as high as ₱10,000 floated in Senate hearings, remains under debate[6].

Read separately, none of these is decisive. Read together, they amount to a steady and cumulative increase in the operational, technical, and capital burden of running a licensed

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[4]PAGCOR Electronic Gaming Licensing Department disclosures, as reported in "Philippine E-wallet Restrictions Trigger 49% Decline in PAGCOR Revenue," *Yogonet International*, October 23, 2025, https://www.yogonet.com/international/news/2025/10/23/115970-philippine-ewallet-restrictions-trigger-49-decline-in-pagcor-revenue.

[5]DigiPlus Interactive Corporation, Form 17-Q for the quarter ended March 31, 2026 (Philippine Stock Exchange, filed May 5, 2026); quotation from Chairman Eusebio Tanco's prepared remarks accompanying the filing.

[6]Philippine Amusement and Gaming Corporation, Memorandum on Promotional Activities for Licensed Electronic Gaming Operations, May 7, 2026.

online gambling business in the Philippines. This cumulative regulatory load, more than the e-wallet suspension on its own, is what explains the divergence between PhilWeb and the rest of the listed complex.

The scorecard, in order of exposure

The standard approach to introducing the four listed operators would be by market capitalization or alphabetical order, but neither tells you much. The more useful ordering is by how directly each one sits on the consumer-facing side of the e-wallet suspension. Approached this way, the divergence in Q1 2026 results becomes substantially less mysterious.

DigiPlus (PSE: PLUS) is the operator most directly exposed to the suspension on the consumer side. The company is the parent behind BingoPlus, ArenaPlus, and GameZone, three of the most recognizable consumer-facing online gaming brands in the country. Our analysis of data covering Q1 2026 shows that DigiPlus remains the market share leader in licensed electronic gaming GGR for the quarter[7]. When that much of the market sits inside in-app GCash and Maya tiles, an order that strips those tiles overnight is going to register on the P&L.

And it did. Q1 2026 revenue fell 25% year-on-year to roughly ₱17.2 billion. EBITDA declined 42% to about ₱2.6 billion. Net income came in at roughly ₱2.8 billion, down 33%[8]. Tanco's commentary, quoted above, is the most direct attribution of the cycle. DigiPlus's Q1 P&L is consistent with the consensus suspension narrative.

Bloomberry (PSE: BLOOM) presents a more complicated picture. Solaire's parent has been the bellwether of Philippine integrated resorts for over a decade, and the Q1 print (a roughly ₱116 million net loss against a roughly ₱3.3 billion profit a year earlier) appears unambiguous on the surface[9]. When the result is broken down, however, the suspension is one factor among several rather than the dominant one. The Q1 result at Solaire Resort Entertainment City reflected VIP rolling chip volume down 39% year-on-year, mass table revenue down 21%, and electronic gaming machine coin-in down 22%. Public commentary accompanying the result pointed to softness in VIP and premium mass demand, geopolitical pressure from the Middle East affecting high-roller flows, and one-time prior-year comparisons that had

[7]Arden Consult analysis based on operator-level activity data covering Q1 2026 (not publicly disclosed).

[8]DigiPlus Interactive Corporation, Form 17-Q for Q1 2026 (Philippine Stock Exchange, May 5, 2026); coverage in *BusinessWorld*, May 6, 2026, and *Context.ph*, May 5, 2026.

[9]Bloomberry Resorts Corporation, Q1 2026 disclosure to the Philippine Stock Exchange, May 15, 2026, with segment commentary from Enrique Razon Jr.'s prepared remarks; coverage in *Philippine Star*, May 16, 2026, and *World Casino Directory*.

elevated the base. The suspension is part of the broader operating backdrop. The proximate cause of the Q1 result is regional VIP cyclicality.

More importantly, Solaire's online business is the fastest-growing part of the entire group. According to our analysis, its online platform's revenue doubled inside a single quarter, in the very segment most directly exposed to the suspension[10]. The land-based flagship is softer year-on-year. The online channel is compounding. The group appears to have read the situation accordingly, shutting down MegaFUNalo! on 1 May 2026 and replacing it with FUNaloMax[11]. The most complicated name in the listed pack has a clear conviction call inside it, and that call is online.

DFNN (PSE: DFNN) is included here for different reasons than the other three. It is an IT solutions provider and PAGCOR licensee. Its scale is an order of magnitude smaller than the other three. FY 2025 numbers, disclosed in mid-May, show a net loss of roughly ₱411 million, 36% wider than 2024. The Q3 2025 filing directly attributed the wider loss to lower commission income from online gaming following the e-wallet suspension. The FY 2025 commentary leans more on cost dynamics, with general and administrative expenses up almost 74% year-on-year[12].

DFNN's reported losses widened in 2024, before any BSP order, and again in 2025. The trajectory predates the regulatory cycle, which is worth noting when reading the Q1 results across the listed complex side by side. It is a reminder that the four names sit on different operating cycles, even within the same regulatory environment.

PhilWeb (PSE: WEB) is the outlier. PhilWeb retains a legacy B2C and retail outlet presence, but the growth story sits in its managed services business: providing online gaming platforms to PAGCOR licensees and earning its return through a share of the gaming revenue those platforms generate. Q1 2026 revenue came in at roughly ₱233.1 million, up 30% year-on-year and 33% quarter-on-quarter. EBITDA swung from a roughly ₱3 million loss to a roughly ₱23 million gain. Net income was about ₱14 million against a roughly ₱26 million loss in the prior-year quarter. EBITDA margin moved from negative territory to roughly 10%, a twelve-point

[10]Bloomberry Resorts Corporation, Q1 2026 disclosure; remote-gaming platform GGR figures from Arden Consult analysis of operator-level data (not publicly disclosed).
[11]"Bloomberry Tightens Spending, Revamps Online Gaming after Q1 Loss," *InsiderPH*, May 14, 2026, https://insiderph.com/bloomberry-tightens-spending-revamps-online-gaming-after-q1-loss.
[12]DFNN Inc., SEC Form 17-A for FY 2025 (Philippine Stock Exchange, mid-May 2026) and Q3 2025 quarterly report (December 2025); coverage in *GGRAsia* and *iGaming Today*.

expansion[13]. The stock has gone from below ₱2.00 to around ₱13 over the past twelve months.

So three of the four listed gaming operators printed softer Q1 results, with the e-wallet suspension forming part of the explanation in each case. Most directly for DigiPlus, given its consumer-facing footprint. Partially for Bloomberry, alongside other operating factors. Least so for DFNN, where company-specific factors pre-date the regulatory cycle. PhilWeb is sitting in the same regulatory environment and has rerated more than 600%. What explains the divergence is the question the rest of this piece works through.

What PhilWeb does differently

PhilWeb and DigiPlus are often bracketed together as listed Philippine online gaming names, but the businesses driving their respective Q1 results are structurally different. DigiPlus is a B2C operator. It owns the BingoPlus, ArenaPlus, and GameZone brands, acquires players, runs the marketing funnels, takes the bets, manages player liability, and collects the margin on house win. PhilWeb's managed services business, the segment driving the recent growth, is something more specific than a generic B2B platform. It is a managed services provider for online gaming. Land-based casino operators bring the PAGCOR license, the brand, and the player-facing presence. PhilWeb builds and operates the online platform on their behalf, covering technology, content, customer service, marketing, and operational support, and earns its return through a share of the gaming revenue generated. The technology is part of the offer. The operational delivery is the offer.

This distinction is more consequential than it sounds. A platform vendor is a software license with a maintenance contract. A managed services operator is effectively an outsourced business unit. The latter takes more to stand up, integrates more deeply with the partner's operations once in place, and aligns incentives through revenue share rather than license fees. In Q1 2026, PhilWeb's Online e-Gaming Solutions segment generated roughly ₱79.3 million of revenue, approximately 34% of group total, against essentially zero contribution in the prior-year quarter[14]. That is the segment in which the managed services model lives, and it has grown from nothing to a third of the business in twelve months. The platform clients PhilWeb has named publicly include FBM Philippines, Hann Resorts in Clark, Tiger Resort (which launched Okada Play in March), Newport World Resorts, NUSTAR Online, and PT

[13]PhilWeb Corporation, "Return to Profitability in Q1 2026" (press release, April 14, 2026); coverage in *PR Newswire APAC*, *Focus Gaming News*, *Manila Times*, and *GGRAsia*.
[14]PhilWeb Corporation, "Return to Profitability in Q1 2026" (press release, April 14, 2026), segment disclosure on Online e-Gaming Solutions.

Gaming[15]. Each is independently licensed by PAGCOR and operates with its own GGR contribution. PhilWeb earns a share of the activity on each of those platforms, diversified across a growing portfolio rather than concentrated in any single consumer brand.

The economic implication is worth being precise about. Under a revenue-share arrangement, PhilWeb is not fully insulated from consumer-side friction. If any one partner's online volumes are softer because of the e-wallet suspension, PhilWeb's share of that revenue is also softer. What PhilWeb is, however, is structurally diversified across the friction and exposed to it indirectly rather than head-on. DigiPlus is directly exposed to the suspension through three of its own consumer brands. PhilWeb carries a diversified, indirect slice across a portfolio of operator partners, several of whom are launching new platforms in a post-suspension environment without legacy GCash-routed users in their base. The operational leverage from running multiple partner platforms on a largely fixed-cost infrastructure is what has driven EBITDA margin from negative to roughly 10% inside twelve months.

Then there is the cumulative regulatory friction described earlier. That friction is not a tax on the industry. It is a tax on individual operators trying to do this themselves. KYC and real-time selfie verification, deposit limits, the new rebate cap, AML monitoring, responsible gaming tools, the forthcoming 24/7 helpline integration, advertising pre-clearance with the Ad Standards Council. None of these is individually insurmountable. Together, they materially raise the engineering, legal, and operational burden of running a compliant online platform. An integrated resort group with a land-based casino in Pasay or Pampanga now faces a real build-or-outsource decision. It can construct the necessary online stack internally (expensive, slow, and outside its core competence) or outsource the entire effort to a specialist. PhilWeb's partnership cadence over the past six months indicates clearly which way that decision is going: FBM in February, Hann earlier in the year, Okada Play in March, the PT Gaming and NUSTAR content aggregation deal in April. PhilWeb's leadership has framed this publicly in industry coverage: integrated resort operators are working through significant integration efforts, and PhilWeb's offering is positioned to take that operational lift off their plate[16]. The complexity is not a headwind. It is the sales pitch.

Integrated resort operators looking at the build-or-outsource decision are not simply buying compliant technology. They are buying an operator: a partner that brings the technology stack, the operating template, and the regulatory experience to run an online platform on

[15]Compiled from company disclosures and partner press releases: FBM Philippines (February 23, 2026), Hann Resorts (Q1 2026), Tiger Resort / Okada Play (March 2026), PT Gaming and NUSTAR Online content aggregation (April 2026), and Newport World Resorts (earlier partnership). Each entity is independently licensed by PAGCOR.
[16]"PhilWeb Eyes Online-Led Growth, B2B Expansion, Says President," *GGRAsia*, April 28, 2026, https://www.ggrasia.com/philweb-eyes-online-led-growth-b2b-expansion-says-president.

their behalf. PhilWeb's recently-launched partnerships are the early evidence. The deal flow PhilWeb management has indicated is expected to commence in Q2 2026 will be the test of whether that template scales across multiple parallel partner platforms.

Taken together, the picture is of a business structurally diversified across consumer-side friction rather than fully exposed to it, whose value proposition strengthens as the compliance load on individual operators increases, and with access to advisory expertise from a proven operator in Philippine online gaming. These three factors, more than the regulatory changes taken in isolation, are what differentiate PhilWeb's Q1 from the rest of its listed peers.

Outlook

The most important near-term signal is whether the recovery already visible at the operator level shows up in reported Q2 2026 earnings. The industry peaked at roughly ₱40.6 billion of bimonthly GGR in May-June 2025, then fell sharply through the e-wallet suspension and the broader regulatory tightening, bottoming at ₱23.5 billion in September-October before posting its first sequential gain (+11% to ₱26.6 billion) in November-December[17]. The operators that were most reliant on the e-wallet discovery layer for volume lost more than half of their monthly GGR through the trough and have been rebuilding since, but the industry as a whole is still running below the Q2 2025 peak. The reported P&Ls now have a recovery to catch up with. Whether that operator-level recovery flows through to the listed names' reported numbers is the cleanest signal Q2 2026 earnings will provide.

The regulatory backdrop is the other variable to watch. Chairman Tengco continues to push for some form of mini-app reinstatement, likely with KYC gates, capped top-ups, and integration only at the merchant level, and has made the case publicly that PAGCOR's position is for smarter regulation[18]. BSP has not signaled willingness to move, but the conversation is alive. Any form of restoration would meaningfully alter the operating environment for licensed B2C operators, though the form and timing remain uncertain. At the other end of the spectrum, multiple senators have filed bills proposing outright bans on online gambling, with varying degrees of player-level criminalization[19]. An outright ban remains unlikely, given the fiscal revenues at stake and the absence of any credible enforcement mechanism against offshore unlicensed sites that would simply absorb the demand. But the

[17]Arden Consult analysis of operator-level GGR data (not publicly disclosed).
[18]Alejandro Tengco (chairman, PAGCOR), public remarks at the iGaming industry summit, Barcelona, March 2026, and subsequent press interviews.
[19]Senate bill filings by Senators Cayetano, Villanueva, and Zubiri proposing restrictions on or prohibition of online gambling, late 2025 to early 2026.

bills exist, and any meaningful legislative momentum toward prohibition would change the operating calculus for every licensed participant in the market.

The wider story is the regulatory load itself. KYC and real-time selfie verification, AML monitoring, advertising controls, the supplier accreditation framework that took effect through 2025, and the Minimum Guaranteed Fee taking effect this quarter have together raised the compliance bar to a level that is itself a market force[20].

Two responses to it are already taking shape. The first is the managed services model PhilWeb represents: land-based licensees outsourcing the engineering, compliance, and operational lift of running an online platform to a specialist that earns through revenue share. The second is the entry of internationally regulated B2B providers under PAGCOR's accreditation framework, with a first batch vetted by year-end 2025 and more than a dozen additional applicants that filed ahead of the May 2026 deadline[21] — international names with global footprints and compliance infrastructure built under mature regulators. Both responses converge on the same underlying point: a higher compliance bar creates demand for specialist expertise, and that demand is now being filled by participants whose operating histories sit in jurisdictions where being supervised is the default rather than the exception.

The reading we take on the cycle is the one we set out earlier this year. In *From Chaos to Architecture*, published in January 2026, Arden Consult's CEO Tonet Quiogue described the regulatory shifts of late 2025 as a deliberate move from reactive enforcement to durable architecture — selection mechanisms designed to reward capital, compliance, and long-term operating intent over volume and convenience[22]. The Q1 2026 listed prints are what that transition looks like on the way through. The industry that emerges on the other side is smaller in places, structurally different in others, and built on more durable revenue than what preceded it. PhilWeb's Q1 result is one rational response to that environment. The B2B accreditation pipeline is another. Neither is the whole story, but together they describe the shape the industry is taking as the reset works its way through.

Disclosure: Arden Consult's CEO and Head of Legal and Regulatory, Atty. Marie Antonette Quiogue, sits on the board of PhilWeb Corporation as an independent director. The analysis is the author's, based on public disclosures, including PhilWeb's 14 April 2026 results release. Views are current as of writing and worth revisiting in three months.

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[20] Senate hearings on online gambling regulation, October–November 2025; coverage in *iGaming Expert* and *Manila Bulletin*.

[21] PAGCOR B2B Supplier Accreditation Framework; first batch of accredited international providers vetted by year-end 2025, with subsequent applicants reviewed through the May 2026 deadline.

[22] Tonet Quiogue, "From Chaos to Architecture: How 2025 Reshaped Philippines iGaming" (Arden Consult, January 2026), https://ardenconsult.org/insights-and-articles.

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