

From: Philippine Stock Exchange <no-reply@pse.com.ph>
Sent: Monday, 27 April 2026 12:12 pm

Subject: Quarterly Report

Dear Sir/Madam:

Your disclosure was approved as Company Report. Details are as follows:

Company Name: Pacific Online Systems Corporation
Reference Number: 0014819-2026
Date and Time: Monday, April 27, 2026 12:12 PM
Template Name: Quarterly Report
Report Number: CR02914-2026

Best Regards,
PSE EDGE

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The Philippine Stock Exchange, Inc., 6th to 10th Floors, PSE Tower, 5th Avenue corner 28th Street, Bonifacio Global City, Taguig City, Philippines 1634

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
Mar 31, 2026
2. SEC Identification Number
ASO93-008809
3. BIR Tax Identification No.
003-865-392-000
4. Exact name of issuer as specified in its charter
Pacific Online Systems Corporation
5. Province, country or other jurisdiction of incorporation or organization
Metro Manila, Philippines
6. Industry Classification Code(SEC Use Only)
7. Address of principal office
19F West Tower, Tektite Towers, Exchange Road, Ortigas, Pasig City
Postal Code
1605
8. Issuer's telephone number, including area code
+632-8584-1700
9. Former name or former address, and former fiscal year, 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 Stock	895,330,946

11. Are any or all of registrant's securities listed on a Stock Exchange?
 Yes No
 If yes, state the name of such stock exchange and the classes of securities listed therein:
 The Philippine Stock Exchange Inc.
12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period that 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

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.



Pacific Online Systems Corporation LOTO

PSE Disclosure Form 17-2 - Quarterly Report References: SRC Rule 17 and Sections 17.2 and 17.8 of the Revised Disclosure Rules

For the period ended	Mar 31, 2026
Currency (indicate units, if applicable)	Philippine Peso

Balance Sheet

	Period Ended		Fiscal Year Ended (Audited)	
	Mar 31, 2026		Dec 31, 2025	
Current Assets	923,163,406		1,144,790,227	
Total Assets	1,650,177,490		1,647,131,054	
Current Liabilities	333,260,735		347,742,583	
Total Liabilities	473,401,692		487,886,421	
Retained Earnings/(Deficit)	401,115,382		371,568,278	
Stockholders' Equity	1,176,775,798		1,159,244,633	
Stockholders' Equity - Parent	1,174,568,442		1,157,021,338	
Book Value per Share	1.43		1.41	

Income Statement

	Current Year (3 Months)	Previous Year (3 Months)	Current Year-To-Date	Previous Year-To-Date
Gross Revenue	129,464,286	129,464,286	129,464,286	129,464,286
Gross Expense	115,766,311	114,567,791	115,766,311	114,567,791
Non-Operating Income	26,042,914	22,896,698	26,042,914	22,896,698
Non-Operating Expense	3,968,488	6,968,671	3,968,488	6,968,671
Income/(Loss) Before Tax	35,772,401	30,824,522	35,772,401	30,824,522
Income Tax Expense	6,241,236	5,488,900	6,241,236	5,488,900
Net Income/(Loss) After Tax	29,531,165	25,335,622	29,531,165	25,335,622
Net Income Attributable to Parent Equity Holder	29,547,104	24,500,751	29,547,104	24,500,751
Earnings/(Loss) Per Share (Basic)	0.04	0.03	0.04	0.03

Earnings/(Loss) Per Share (Diluted)	0.04	0.03	0.04	0.03
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	Current Year (Trailing 12 months)	Previous Year (Trailing 12 months)
Earnings/(Loss) Per Share (Basic)	0.04	0.03
Earnings/(Loss) Per Share (Diluted)	0.04	0.03

Other Relevant Information
None

Filed on behalf by:

Name	Irene Bautista
Designation	Controller

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

The following unaudited financial statements are submitted as part of this report:

- a.) Consolidated Statements of Income for the three (3) months ended March 31, 2026 and March 31, 2025;
- b.) Consolidated Statements of Comprehensive Income for the three (3) months ended March 31, 2026 and March 31, 2025;
- c.) Consolidated Statements of Financial Position as of March 31, 2026 and Audited Statements of Financial Position as of December 31, 2025;
- d.) Consolidated Statements of Changes in Equity for the three (3) months ended March 31, 2026 and March 31, 2025; and
- e.) Consolidated Statements of Cash Flows for the three (3) months ended, March 31, 2026 and March 31, 2025.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Results of Operations for the Period Ended March 31, 2026 vs. March 31, 2025

Revenues

Pacific Online Systems Corporation (the "Company") consolidated with its subsidiaries (the "Group"), earned total revenues of P129.5 million for the three months ended March 31, 2026. Revenues in 2026 are the same with revenues of the same period in 2025 amounting to P129.5 due to the fixed income received from the nationwide lottery system under its joint operation, PinoyLotto Technologies Corp. (PinoyLotto).

Cost of services

Costs of services decreased by P3.7 million (5%) to P69.6 million for the period ended March 31, 2026 from P73.0 million for the same period in 2025 due to payment of software updates made in 2025.

General and Administrative Expenses

General and administrative expenses increased by P4.5 million (11%) to P46.1 million for the period ended March 31, 2026 from P41.6 million for the same period in 2025 due professional fees and other administrative expenses paid for the period.

Other income (expenses)

Other income (expense) increased by P6.2 million (39%) to P22.1 million other income as of March 31, 2026 compared to P1.8 million other income for the period ended March 31, 2025. The increase was mainly driven by higher other income from draw machines and dividends received from Belle Corporation, partially offset by lower interest expense in 2026.

Net income

As a result, the Group recognized net income amounting to P29.5 million for the three months ended March 31, 2026, compared to the P25.3 million net income for the same period in 2025.

Other comprehensive income and Total comprehensive income

Other comprehensive income of the Group pertains to the unrealized valuation gains and losses on its financial assets at fair value through other comprehensive income. The Group posted a loss of P12.0 million during the three months period ended March 31, 2026. Thus, total other comprehensive loss for the three months ended March 31, 2026 is at P17.5 million, lower by P7.8 million (31%) from the P25.3 million other comprehensive income for the same period in 2025.

Financial Condition as of March 31, 2026 vs. December 31, 2025

TOTAL ASSETS

The Group's total assets of P1,650.2 million as of March 31, 2026 increased by P3.0 million or 0.2% from P1,647.1 million as of December 31, 2025. The main movements in the asset accounts are as follows:

Cash and cash equivalents

Cash and cash equivalents decreased by P263.1 million (37%) to P456.5 million as at March 31, 2026 from P719.6 million as at December 31, 2025 mainly due to the purchase of two hundred million (200,000,000) treasury shares of Belle Corporation.

Investments held for trading

As at March 31, 2026, investments held for trading of the Group consists of investments in listed shares of stock of Vantage Equities, Inc. and APC Group, Inc. The amount of the Group's investments held for trading increased by P4.6 million (11%) as at March 31, 2026 mainly due to its marked-to-market gain for the period.

Trade and other receivables

Trade and other receivables increased by P3.7 million (2%) to P213.0 million as at March 31, 2026 from P209.3 million as at December 31, 2025 due to the dividend receivable to be collected next month.

Creditable withholding taxes (CWTs)

Creditable withholding taxes increased by P0.4 million (0.3%) to P141.1 million as at March 31, 2026 from P140.7 million as at December 31, 2025 due to additional creditable withholding taxes as a result of collection of revenues.

Other current assets

Other current assets of the Group are composed of supplies, prepayments and input taxes. This account increased by P32.7 million (103%) to P64.4 million as at March 31, 2026 from P31.7 million as at December 31, 2025 due mainly to advance payment for the purchase of new draw machines.

Property and equipment

The Company's property and equipment is composed of lottery equipment, leasehold improvements, office furniture, fixtures and equipment and transportation equipment. This account decreased by P61.7 million (9%) to P607.1 million as at March 31, 2026 from P652.0 million as at December 31, 2025 mainly due to depreciation expense recognized for the period.

Financial assets at fair value through other comprehensive income (FVOCI)

On March 4, 2026, the Parent Company has purchased Two Hundred Million (200,000,000) treasury shares of Belle Corporation (Belle) at the price of P1.40 per share. It decreased by P12.0 million due to unrealized valuation loss for the period.

Other noncurrent assets

Other noncurrent assets is composed of net retirement asset, refundable deposits and ROU assets. It decreased by P0.4 million to P4.0 million as at March 31, 2026 from P4.4 million as at December 31, 2025 mainly due to accrual of retirement expense and ROU assets amortization for the period.

LIABILITIES

The Group recorded total liabilities at P473.4 million as at March 31, 2026, lower by P14.5 million (3%) compared to the total liabilities of P487.9 million as at December 31, 2025.

Trade and other current liabilities

Trade and other current liabilities increased by P20.3 million (10%) to P228.8 million as at March 31, 2026 coming from P208.4 million as at December 31, 2025. The increase is mainly due to the accrual of various expenses for the period.

Loans Payable

Loans payable of the Company amounted to P243.2 million as at March 31, 2026, decreased by P34.7 million (12%) from the balance of P278.0 million as at December 31, 2025. Loans payable were availed by PinoyLotto to fund its capital expenditures for the nationwide lottery system. The decrease is due to the payment of principal for the period.

Lease Liabilities

Lease liabilities decreased by P0.7 million (10%) to P0.1 million as at March 31, 2026 from P0.8 million as at December 31, 2025 due to payment of lease liabilities for the period.

EQUITY

Total equity of the Company increased by P17.5 million (2%) to P1,176.8 million as at March 31, 2026 from P1,159.2 million as at December 31, 2025. The increase is mainly due to the total comprehensive income recognized during the period.

Cash Flows for the Three Months Ended March 31, 2026 vs. March 31, 2025

The Group's cash and cash equivalents balance as of March 31, 2026 of P456.5 million was lower by P125.1 million (22%) compared to the cash and cash equivalents balance of P581.6 million in March 31, 2025, mainly due to the purchase of two hundred million (200,000,000) treasury shares of Belle Corporation.

Discussion and Analysis of Material Events and Uncertainties Known to Management

PinoyLotto, the joint venture operation for the nationwide lottery system, will continue to maintain operations for its 6,500 installed terminals. POSC owns 50% of the joint venture operation, assuring the Parent Company with steady income for the duration of its 5-year term. In addition, PinoyLotto will service the PCSO also through its new contract on draw machines in support of its main lottery operations.

Pacific Online is actively seeking opportunities for growth through profitable investments in the entertainment industry that will increase shareholder value for its various stakeholders.

Except for what has been noted above, there were no material events or uncertainties known to management that had a material impact on past performance, or that would have a material impact on the future operations, in respect of the following:

1. Known trends, demands, commitments, events or uncertainties that would have a material impact on the Group;
2. Material commitments for capital expenditures that are reasonably expected to have a material impact on the Group's short-term or long-term liquidity;
3. Known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales/revenues/income from continuing operations;
4. Significant elements of income or loss that did not arise from the Group's continuing operations;
5. Seasonal aspects that had a material impact on the Group's results of operations;

6. Material changes in the financial statements of the Group for the periods ended December 31, 2025 to March 31, 2026;
7. Any events that will trigger direct or contingent financial obligation that is material to the Group, including any default or acceleration of an obligation; and
8. Any material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships with unconsolidated entities or other persons created during the reporting period.

Key Performance Indicators

The Group monitors its performance and benchmarks itself to prior year's results in terms of the following indicators:

Liquidity & Financial Leverage Ratios	The manner by which the Company calculates the performance indicators	31 March 2026	31 December 2025
Current ratio	Current assets over current liabilities	2.77:1	3.29:1
Debt to equity ratio	Total interest-bearing debt over total equity	0.21:1	0.24:1
Asset-to-equity ratio	Total assets over total equity	1.40:1	1.42:1
Solvency ratio	Total assets over total liabilities	3.49:1	3.38:1
Operating income margin	Operating income over revenues	10.58%	11.51%
Net profit (loss) margin	Net income (loss) over revenues	22.81%	19.57%
Return on equity	Net income (loss) over total equity	2.51%	2.19%
Return on assets	Net income (loss) over total assets	1.79%	1.54%

PART II - OTHER INFORMATION

Financial Instruments

Financial Risk Management Objectives and Policies

The financial instruments mainly comprise cash and cash equivalents, trade and other receivables (excluding advances to contractors, suppliers, officers and employees), guarantee and refundable deposits (presented as part of "Other current assets" or "Other noncurrent assets" account), investments held for trading, financial assets at FVOCI, trade payables and other current liabilities (excluding statutory payables), loans payable and lease liabilities. The main purpose of these financial instruments is to finance the Group's projects and operations.

The main risks arising from the financial instruments are credit risk, equity price risk, liquidity risk and foreign currency risk. The BOD reviews and approves policies for managing these risks.

Credit Risk. Credit risk is the risk that the Group will incur a loss because its customers or counterparties fail to discharge their contractual obligations. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. The Group does not offer credit terms without the specific approval of the management. There is no significant concentration of credit risk.

With respect to credit risk arising from the financial assets of the Group, which comprise of cash (excluding cash on hand) trade and other receivables (excluding advances to suppliers) and guarantee and refundable deposits (presented as part of "Other current assets" or "Other noncurrent assets"), the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying value of these financial assets.

The table below shows the Group's aging analysis of financial assets.

	March 31, 2026							Total
	Neither Past Due nor Impaired	Past Due but not Impaired				Impaired		
		Less than 30 Days	31 to 60 Days	61 to 90 Days	Over 90 Days			
Cash and cash equivalents*	P130,229,382	P-	P-	P-	P-	P-	P130,229,382	
Trade and other receivables**	202,975,631	-	-	-	-	117,765,217	320,740,848	
Guarantee deposit***	5,355,837	-	-	-	-	-	5,355,837	
Refundable deposit****	795,326	-	-	-	-	-	795,326	
	P339,356,176	P-	P-	P-	P-	P117,765,217	P457,121,393	

*Excluding cash on hand.

**Excluding advances to suppliers, officers and employees.

***Presented under "Other current assets" account.

****Presented under "Other noncurrent assets" account.

December 31, 2025

	Neither Past Due nor Impaired	Past Due but not Impaired				Impaired	Total
		Less than 30 Days	31 to 60 Days	61 to 90 Days	Over 90 Days		
Cash and cash equivalents*	₱719,159,735	₱-	₱-	₱-	₱-	₱-	₱719,159,735
Trade and other receivables**	193,640,698	-	-	-	-	117,765,218	311,405,916
Guarantee deposit***	5,355,837	-	-	-	-	-	5,355,837
Refundable deposit****	795,326	-	-	-	-	-	795,326
	₱918,951,596	₱-	₱-	₱-	₱-	₱117,765,218	₱1,036,716,814

*Excluding cash on hand.

**Excluding advances to suppliers, officers and employees.

***Presented under "Other current assets" account.

****Presented under "Other noncurrent assets" account.

Financial assets are considered past due when collections are not received on due date.

Credit Quality of Financial Assets

The financial assets are grouped according to stage whose description is explained as follows:

Stage 1 - those that are considered current and up to 30 days past due, and based on change in rating, delinquencies and payment history, do not demonstrate significant increase in credit risk.

Stage 2 - those that, based on change in rating, delinquencies and payment history, demonstrate significant increase in credit risk, and/or are considered more than 30 days past due but does not demonstrate objective evidence of impairment as of reporting date

Stage 3 - those that are considered in default or demonstrate objective evidence of impairment as of reporting date.

The credit quality of the Group's financial assets are as follows:

	March 31, 2026			Total
	ECL Staging			
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	
Financial Assets at Amortized Cost				
Cash and cash equivalents*	₱130,229,382	₱-	₱-	₱130,229,382
Trade and other receivables-net**	202,975,631	-	117,765,217	320,740,848
Guarantee deposit***	5,355,837	-	-	5,355,837
Refundable deposit ***	795,326	-	-	795,326
Gross Carrying Amount	₱342,584,649	₱-	₱117,765,217	₱460,349,866

*Excluding cash on hand.

**Excluding advances to suppliers, officers and employees.

***Presented under "Other current assets" account.

****Presented under "Other noncurrent assets" account.

	December 31, 2025			
	ECL Staging			
	Stage 1	Stage 2	Stage 3	Total
12-month ECL	Lifetime ECL	Lifetime ECL		
Financial Assets at Amortized Cost				
Cash and cash equivalents*	P719,159,735	P-	P-	P719,159,735
Trade and other receivables-net**	193,640,698	-	117,765,218	311,405,916
Guarantee deposit***	5,355,837	-	-	5,355,837
Refundable deposit ****	795,326	-	-	795,326
Gross Carrying Amount	P918,951,596	P-	P117,765,218	P1,036,716,814

*Excluding cash on hand.

**Excluding advances to suppliers, officers and employees.

***Presented under "Other current assets" account.

****Presented under "Other noncurrent assets" account.

Equity Price Risk. Equity price risk is the risk that the fair value of quoted marketable securities and financial assets at FVOCI in listed equities decreases as a result of changes in the value of individual stock. The Group's exposure to equity price risk relates primarily to the Group's marketable securities. The Group monitors the equity investments based on market expectations. Significant movements within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the BOD.

The following table demonstrates the sensitivity to a reasonably possible change in equity price, with all other variables held constant, of the Group's 2026 and 2025 consolidated total comprehensive income before income tax:

	March 31, 2026		December 31, 2025	
	Increase (Decrease in Equity Price)	Financial Impact	Increase (Decrease in Equity Price)	Financial Impact
Impact in profit or loss	27.12% (27.12%)	P15,512,513 (15,512,513)	27.12% (27.12%)	P15,512,513 (15,512,513)

Liquidity Risk. Liquidity risk is 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 seeks to manage its liquidity profile to be able to finance its capital expenditures and service its maturing debts. The Group's objective is to maintain a balance between continuity of funding and flexibility through valuation of projected and actual cash flow information. The Group considers obtaining borrowings as the need arises.

The table also analyzes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

March 31, 2026					
	Less than 3 months	3-6 months	6-12 months	More than 12 months	Total
Trade payables and other current liabilities*	P215,761,625	P -	P-	P -	P215,761,625
Loan payable	34,745,098	34,745,098	34,745,098	138,980,392	243,215,686
Lease liabilities	85,907	85,907	85,907	441,910	699,631
	P250,592,630	P34,831,005	P34,831,005	P139,422,302	P 459,676,942

*Excluding statutory payables

December 31, 2025					
	Less than 3 months	3-6 months	6-12 months	More than 12 months	Total
Trade payables and other current liabilities*	P200,814,964	P-	P-	P-	P200,814,964
Loan payable	34,745,098	34,745,098	69,490,196	138,980,392	277,960,784
Lease liabilities	94,795	94,795	189,591	465,028	844,209
	P235,654,857	P34,839,893	P69,679,787	P139,445,420	P479,619,967

*Excluding statutory payables

Foreign Currency Risk. Foreign currency risk is the risk that the fair value or future cash flows of financial asset or financial liability will fluctuate due to changes in foreign exchange rates.

As at March 31, 2026 and December 31, 2025, foreign currency-denominated financial asset and financial liability in US dollars, translated into Philippine peso at the closing rate:

	Mar. 31, 2026		Dec. 31, 2025	
	USD	Peso Equivalent	USD	Peso Equivalent
Cash and cash equivalents	\$24,087	P1,463,273.74	\$24,027	P1,413,020
Accounts payable and other current liabilities	(1,372,479)	(83,378,118)	(1,270,696)	(74,729,216)
Net foreign currency-denominated assets (liabilities)	(\$1,348,392)	(P81,914,844)	(\$1,246,669)	(P73,316,196)

*Presented under "Trade payables and other current liabilities" account.

In translating the foreign currency-denominated financial liabilities into peso amounts, the exchange rate used was P60.75 to US\$1.0 and P58.81 to US\$1.0, as at March 31, 2026 and December 31, 2025, respectively.

It is the Group's policy to ensure that capabilities exist for active but conservative management of its foreign currency risk. The Group seeks to mitigate its transactional currency exposure by maintaining its costs at consistently low levels, regardless of any upward or downward movement in the foreign currency exchange rate.

The following table demonstrates the sensitivity to a reasonably possible change in the U.S. dollar exchange rates, with all other variables held constant, of the Group's consolidated income before tax as at March 31, 2026 and December 31, 2025. There is no other impact on the Group's equity other than those already affecting the profit or loss in the consolidated statement of comprehensive income.

	Mar. 31, 2026		Dec. 31, 2025	
	Increase in US\$ Rate	Decrease in US\$ Rate	Increase in US\$ Rate	Decrease in US\$ Rate
Change in US\$ rate*	3%	(3%)	2%	(2%)
Effect on income before income tax	(P2,702,173)	P2,702,173	(P1,034,439)	P1,034,439

The increase in US\$ rate means stronger US dollar against peso while the decrease in US\$ means stronger peso against the US dollar.

Capital Management

The primary objective of the Group's capital management is to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. There were no changes made in the objectives, policies or processes in 2026 and 2025.

The Group considers the following as its capital:

	Mar. 31, 2026	Dec. 31, 2025
Common stock	P895,330,946	P895,330,946
Additional paid-in capital	264,640,323	264,640,323
Cost of Parent Company common shares held by a subsidiary	(384,595,174)	(384,595,174)
	P765,376,095	P765,376,095

Fair Value of Assets and Financial Liabilities

Set out below is a comparison by category and by class of carrying values and fair values of the Group's assets and financial liabilities:

	Mar. 31, 2026		Dec. 31, 2025	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets				
At amortized cost:				
Cash and cash equivalents	P456,459,715	P456,459,715	P719,569,465	P719,569,465
Trade and other receivables*	202,975,631	202,975,631	193,640,698	193,640,698
Guaranteed deposits**	5,355,837	5,355,837	5,355,837	5,355,837
Refundable security deposits**	795,326	795,326	795,326	795,326
At FVPL				
Investment held for trading	48,050,492	48,050,492	43,462,334	43,462,334
At FVOCI				
Financial Assets at FVOCI	268,000,000	268,000,000	-	-
	P981,637,001	P981,637,001	P962,823,660	P962,823,660
Financial Liabilities				
At amortized cost:				
Trade payables and other current liabilities***	P215,761,625	P215,761,625	P200,814,964	P200,814,864
Loan payable	243,215,686	243,215,686	277,960,784	294,035,746
Lease liabilities	699,631	699,631	778,558	823,703
	P 459,676,942	P 459,676,942	P479,554,306	P495,674,413

**Excluding advances to contractors, suppliers, officers and employees.*

***Presented under "Other current assets" and/or "Other noncurrent assets" account in the consolidated statements of financial position.*

****Excluding statutory payables*

The Group has no financial liabilities measured at fair value as at March 31, 2026 and December 31, 2025. There were no transfers between fair value measurements as at March 31, 2026 and December 31, 2025.

The following methods and assumptions are used to estimate the fair value of each class of financial assets and financial liabilities:

Cash and Cash Equivalents, Trade and Other Receivables (excluding Advances to Suppliers, Officers and Employees), Restricted Cash, Guaranteed Deposits, Refundable Deposits, Trade Payables and Other Current Liabilities (excluding Statutory Payables). The carrying values of these financial instruments approximate their fair values due to the relatively short-term maturities of these financial assets and financial liabilities.

Investment Held for Trading and Financial Assets at FVOCI. The fair values of investments in quoted equity shares are based on quoted prices in the PSE or those shares whose prices are readily available from brokers or other regulatory agency as at reporting date.

Loans Payable and Lease Liabilities. The fair values are based on the discounted value of expected future cash flows using the applicable interest rate for similar types of instruments.

As at March 31, 2026 and December 31, 2025, the discount rates used in determining the fair value of financial instruments for which fair values are disclosed are as follows:

	Mar. 31, 2026	Dec. 31, 2025
Liabilities for which fair values are disclosed		
Loans payable	5.78%	5.78%
Lease liabilities	5.80%	5.80%

Other Required Disclosures

1. The attached interim financial reports were prepared in compliance with Philippine Financial Reporting Standards (PFRS).

The accounting policies set out below have been applied consistently to all years presented in these consolidated financial statements and have been applied consistently by the Group entities.

2. Except as reported in the Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD & A"), there were no unusual items affecting assets, liabilities, equity, net income or cash flows for the interim period.
3. There were no material changes in estimates of amounts reported in prior periods that have material effects in the current interim period.
4. Except as disclosed in the MD & A, there were no other issuance, repurchases and repayments of debt and equity securities.
5. Except as disclosed in the MD & A, there were no material events that occurred subsequent to March 31, 2026 and up to the date of this report that need disclosure herein.
6. Except as disclosed in the MD & A, there were no changes in the composition of the Group since March 31, 2026, such as business combinations, acquisitions or disposals of subsidiaries and long-term investments, restructuring, and discontinued operations.

7. There were no changes in contingent liabilities or contingent assets since March 31, 2026.
8. Except as disclosed in the MD & A, there exist no material contingencies and other material events or transactions affecting the current interim period.


SIGNATURES

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


Issuer: **PACIFIC ONLINE SYSTEMS CORPORATION**



WILLY N. OCIER
Chairman of the Board
Date: April 27, 2026



ARMIN ANTONIO B. RAQUEL SANTOS
President and Chief Executive Officer
Date: April 27, 2026



DIOVILLE M. VILLARIAS
Chief Financial Officer and Treasurer
Date: Date: April 27, 2026

PACIFIC ONLINE SYSTEMS CORPORATION AND SUBSIDIARIES
Consolidated Statements of Financial Position

	Mar. 31, 2026	Dec. 31, 2025
ASSETS		
Current Assets		
Cash and cash equivalents	P456,459,715	P719,569,465
Investments held for trading	48,050,492	43,462,334
Trade and other receivables	213,022,939	209,311,438
Creditable withholding taxes (CWTs)	141,159,994	140,714,366
Other current assets	64,470,266	31,732,624
Total Current Assets	923,163,406	1,144,790,227
Noncurrent Assets		
Property and equipment	454,990,285	497,951,256
Financial assets at fair value through other comprehensive income (FVOCI)	268,000,000	-
Other noncurrent assets	4,023,799	4,389,571
Total Noncurrent Assets	727,014,084	502,340,827
	P1,650,177,490	P1,647,131,054
LIABILITIES AND EQUITY		
Current Liabilities		
Trade payables and other current liabilities	P228,767,720	P208,428,424
Current portion of loan payable	104,235,294	138,980,392
Current portion of lease liabilities	257,721	333,767
Total Current Liabilities	333,260,735	347,742,583
Noncurrent Liabilities		
Loan payable - net of current portion	138,980,392	138,980,392
Lease liabilities – net of current portion	441,910	444,794
Net deferred tax liabilities	718,655	718,655
Total Noncurrent Liabilities	140,140,957	140,143,838
Total Liabilities	473,401,692	487,886,421

(Forward)

	Mar. 31, 2026	Dec. 31, 2025
Equity Attributable to Equity Holders of the Parent Company		
Capital stock	₱895,330,946	₱895,330,946
Additional paid-in capital	254,640,323	254,640,323
Cost of Parent Company common shares held by a subsidiary	(384,595,174)	(384,595,174)
Other equity reserves	8,076,965	20,076,965
Retained earnings	401,115,382	371,568,278
	1,174,568,442	1,157,021,338
Non-controlling Interest	2,207,356	2,223,295
Total Equity	1,176,775,798	1,159,244,633
	₱1,650,177,490	₱1,647,131,054

PACIFIC ONLINE SYSTEMS CORPORATION AND SUBSIDIARIES
Consolidated Statements of Comprehensive Income (Unaudited)
For the three months ended March 31, 2026 and 2025

	Three Months Ended Mar 31		This Quarter	
	2026	2025	2026	2025
REVENUES	P129,464,286	P129,464,286	P129,464,286	P129,464,286
COST OF SERVICES	(69,622,133)	(72,991,620)	(69,622,133)	(72,991,620)
GROSS PROFIT	59,842,153	56,472,666	59,842,153	56,472,666
GENERAL AND ADMINISTRATIVE EXPENSES	(46,144,178)	(41,576,171)	(46,144,178)	(41,576,171)
OPERATING INCOME	13,697,975	14,896,495	13,697,975	14,896,495
OTHER INCOME (CHARGES)				
Dividend income	12,000,000	11,711,723	12,000,000	11,711,723
Interest income	5,121,917	5,223,899	5,121,917	5,223,899
Finance charges	(3,968,488)	(6,968,671)	(3,968,488)	(6,968,671)
Marked-to-market gains (losses) on investment held for trading	4,588,159	3,079,130	4,588,159	3,079,130
Other income (charges) - net	4,332,838	2,881,946	4,332,838	2,881,946
Total Other Income (Charges)	22,074,426	15,928,027	22,074,426	15,928,027
INCOME BEFORE INCOME TAX	35,772,401	30,824,522	35,772,401	30,824,522
INCOME TAX EXPENSE (BENEFIT)				
Current	6,241,236	5,488,900	6,241,236	5,488,900
Deferred	-	-	-	-
	6,241,236	5,488,900	6,241,236	5,488,900
NET INCOME (LOSS)	P29,531,165	P25,335,622	P29,531,165	P25,335,622
OTHER COMPREHENSIVE INCOME (LOSS)				
<i>Items that will never be reclassified to profit or loss in subsequent periods:</i>				
Unrealized valuation gains (losses) on financial assets at fair value through other comprehensive income (FVOCI)	(12,000,000)	-	(12,000,000)	-
Remeasurement gains (losses) on retirement benefits, net of deferred tax	-	-	-	-
	(12,000,000)	-	(12,000,000)	-
TOTAL COMPREHENSIVE INCOME (LOSS)	P17,531,165	P25,335,622	P17,531,165	P25,335,622
Net income (loss) attributable to:				
Equity holders of the Parent Company	29,547,104	24,500,751	29,547,104	24,500,751
Non-controlling interests	(15,939)	834,871	(15,939)	834,871
	P29,531,165	P25,335,622	P29,531,165	P25,335,622
Total comprehensive income (loss) attributable to:				
Equity holders of the Parent Company	17,547,104	24,500,751	17,547,104	24,500,751
Non-controlling interests	(15,939)	834,871	(15,939)	834,871
	P17,531,165	P25,335,622	P17,531,165	P25,335,622
Basic/Diluted Earnings per Share	P0.0359	P0.0298	P0.0359	P0.0298

PACIFIC ONLINE SYSTEMS CORPORATION AND SUBSIDIARIES
Consolidated Statements of Changes in Equity (Unaudited)

	Mar. 31, 2026	Mar. 31, 2025
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY:		
CAPITAL STOCK	₱895,330,946	₱895,330,946
ADDITIONAL PAID-IN CAPITAL	254,640,323	254,640,323
COST OF PARENT COMPANY SHARES HELD BY SUBSIDIARIES	(384,595,174)	(384,595,174)
OTHER EQUITY RESERVES		
Cumulative Unrealized Valuation Losses on Financial Assets at FVOCI		
Balance at beginning of year	-	-
Unrealized valuation gains (losses)	(12,000,000)	-
Realized portion of the fair value reserve	-	-
Balance at end of period	(12,000,000)	-
Cumulative Remeasurement Gains (Losses) On Retirement Benefits		
Balance at beginning of year	17,466,611	12,891,702
Net remeasurement gains (losses)	-	-
Balance at end of period	17,466,611	12,891,702
Other Reserves	2,610,354	2,610,354
	8,076,965	15,502,056
RETAINED EARNINGS		
Balance at beginning of year	371,568,278	313,959,798
Net income (loss)	29,547,104	24,500,751
Balance at end of period	401,115,382	338,460,549
NON-CONTROLLING INTEREST		
Balance at beginning of year	2,223,295	2,970,268
Share in net income (loss)	(15,939)	834,871
Balance at end of period	2,207,356	3,805,139
	₱1,176,775,798	₱1,123,143,842

PACIFIC ONLINE SYSTEMS CORPORATION AND SUBSIDIARIES
Consolidated Statements of Cash Flows (Unaudited)
For the three months ended March 31, 2026 and 2025

	For the three months ended March 31	
	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (Loss) before income tax	P35,772,401	P30,824,522
Adjustments for:		
Depreciation and amortization	43,139,772	42,204,203
Retirement benefits	280,210	607,563
Finance charges	3,968,488	6,968,671
Unrealized foreign exchange loss (gain)	33,194	159,313
Interest income	(5,121,917)	(5,223,899)
Marked-to-market losses (gains) on investments held for trading	(4,588,159)	(3,079,130)
Dividend income	(12,000,000)	(11,711,723)
Gain on sale of property and equipment	(5,000)	(290,000)
Operating income (loss) before working capital changes	61,478,989	60,459,520
Decrease (increase) in:		
Trade and other receivables	(3,711,505)	2,375,895
Other current assets	(32,737,642)	25,030,130
Other noncurrent assets	-	409,918
Increase (decrease) in:		
Trade and other payables	20,339,297	(3,400,503)
Net cash generated from (used for) operations	45,369,139	84,874,960
Interest received	5,121,917	5,223,899
Income tax paid	(6,686,863)	(23,541,009)
Net cash provided by (used in) operating activities	43,804,193	66,557,850
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividends received	12,000,000	11,711,723
Proceeds from sale of property and equipment	5,000	3,025,800
Investment in HHRPI	-	(50,000,000)
Acquisitions of:		
Financial assets through FVOCI	(280,000,000)	-
Property and equipment	(93,236)	-
Net cash flows provided by (used in) investing activities	(268,088,236)	(35,262,477)
CASH FLOWS FROM FINANCING ACTIVITIES		
Loan payments	(34,745,098)	(34,745,098)
Payment of lease liabilities	(78,927)	(57,445)
Finance charges paid	(3,968,488)	(6,968,671)
Net cash flows provided by (used in) financing activities	(38,792,513)	(41,771,214)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(263,076,556)	(10,475,841)
CASH AT BEGINNING OF YEAR	P719,569,465	P592,197,740
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(33,194)	(159,313)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	P456,459,715	P581,562,586

PACIFIC ONLINE SYSTEMS CORPORATION
Attachments to Unaudited Financial Statements
Trade and Other Receivables
As of March 31, 2026

1.) Schedule of Trade and Other Receivables

Types of Receivables	Amount
Trade receivables	P62,908,583
Nontrade receivable	62,912,396
Receivable from disposal of investment	65,000,000
Advances to:	
Contractors and suppliers	7,872,800
Officers and employees	2,174,508
Other receivables	12,154,652
Total	P213,022,939

2.) Description

<i>Types of Receivables</i>	<i>Nature and Description</i>	<i>Collection / Liquidation Period</i>
Advances to contractors and suppliers	Non-interest bearing and are subject to liquidation	Within one (1) year
Advances to officers and employees	Company loan and other advances granted to officers and employees	Within one (1) year
Other receivables	Other advances	Within one (1) year

3.) Normal operating cycle: 365 days

PACIFIC ONLINE SYSTEMS CORPORATION
Attachments to Unaudited Financial Statements
Segment Information
For the period ended March 31, 2026

The primary segment reporting format is presented based on business segments in which the Group's risks and rates of return are affected predominantly by differences in the products and services provided. Thus, the operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

The Group is engaged in the businesses of leasing lottery equipment to PCSO (leasing activities). Revenue generated from the leasing activities account for 100% of the Group's revenue in 2026.


End of Report

Certification


We, **Willy N. Ocier**, Chairman of the Board, **Armin Antonio B. Raquel Santos**, President and Chief Executive Officer, and **Dioville M. Villarias**, Chief Financial Officer and Treasurer of **PACIFIC ONLINE SYSTEMS CORPORATION**, a corporation duly registered under and by virtue of the laws of the Republic of the Philippines, with SEC registration number **AS93008809** and with principal office address at **Unit 1902-C West Tower, Philippine Stock Exchange Centre, Exchange Road, Ortigas Center, Pasig City**, on oath state:

- 1) That we have caused this **SEC Form 17-Q (Quarterly Report)** for the period ended **March 31, 2026** to be prepared on behalf of **Pacific Online Systems Corporation**;
- 2) That we have read and understood its contents which are true and correct based on our own personal knowledge and/or authentic records;
- 3) That the company, **Pacific Online Systems Corporation**, will comply with the requirements set forth in SEC Notice dated May 12, 2021 to effect a complete and official submission of reports and/or documents through electronic mail;
- 4) That we are fully aware that submitted documents which will require pre-evaluation and/or payment of processing fee shall be considered complete and officially received only upon payment of a filing fee; and
- 5) That the e-mail account designated by the company pursuant to SEC Memorandum Circular No. 28, s.2020 shall be used by the company in its submission to CGFD.

IN WITNESS WHEREOF, we have hereunto set our hands this 27th day of April 2026.



WILLY N. OCIER



ARMIN ANTONIO B. RAQUEL SANTOS



DIOVILLE M. VILLARIAS

SUBSCRIBED AND SWORN to before me this 27th day of April 2026, In Pasig City, Philippines.

Doc. No. 108;
Page No. 109;
Book No. 34;
Series of 2026.

FERDINAND NOTARY PUBLIC
Notary Public
For and in Pasig City and the Municipality of Patros
Commission No. 122 (2026-2027) valid until 12/31/2027
MCLE Exemption No. VIII-BEP003234, until 04/14/28
Roll No. 46377; IBP LRN 02459; OR 535886; 06/21/2001
TIN 123-011-785; PFR 4018763AA; 01/09/26; Pasig City
Unit 5, West Tower PSE, Exchange Road
Ortigas Center, Pasig City, NCR, 1605 Philippines