



**STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR  
CONSOLIDATED FINANCIAL STATEMENTS**

March 25, 2026

Securities and Exchange Commission  
Secretariat Building, PICC Complex  
Roxas Boulevard, Metro Manila Philippines

The management of **GMA Network, Inc. and Subsidiaries** is responsible for the preparation and fair presentation of the consolidated financial statements including the schedules attached therein, as at December 31, 2025 and 2024, and for each of the three years in the period ended December 31, 2025, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

The Board of Directors reviews and approves the consolidated financial statements including the schedules attached therein and submits the same to the stockholders.

SyCip Gorres Velayo & Co., the independent auditors appointed by the stockholders has audited the consolidated financial statements of the company in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.

**FELIPE L. GOZON**  
Chairman of the Board

**GILBERTO R. DUAVIT, JR.**  
President  
Chief Executive Officer

**FELIPE S. YALONG**  
Executive Vice President  
Chief Financial Officer

SUBSCRIBED AND SWORN to before me this 14 day of APRIL 2026 QUEZON CITY affiants  
exhibited to me their (Felipe L. Gozon) TIN \_\_\_\_\_ (Gilberto R. Duavit, Jr.) TIN \_\_\_\_\_ and  
(Felipe S. Yalong)

Doc. No. 190  
Page No. 39  
Book No. 1  
Series of 2026

**ATTY. CANALINE C. STELL J. JAVIER**  
Notary Public for \_\_\_\_\_ in Quezon City  
Until Dec. 31, 2026  
Adm. Matter No. 441 (2025-2026)  
PTR No. 712150, Jan. 19, 2025, QC  
IBP Lifetime No. 016879  
Roll of Attorney's No. 69611  
City of Quezon City, Philippines  
Notary Public No. 0025278

**GMA NETWORK, INC.**

GMA Network Center, EDSA cor. Timog Ave., Diliman, Quezon City, Philippines  
Telephone No.: (632) 8982-7777

# COVER SHEET

for

## AUDITED FINANCIAL STATEMENTS

SEC Registration Number

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### COMPANY NAME

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### PRINCIPAL OFFICE (No. / Street / Barangay / City / Town / Province)

|   |   |   |  |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |
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| u | e |   |  | c | o | r | n | e | r |   | E | D | S | A | , |   | Q | u | e | z | o | n |   | C | i | t | y |   |   |
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Form Type

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Department requiring the report

CMD

Secondary License Type, If Applicable

Not Applicable

### COMPANY INFORMATION

Company's Email Address

Not applicable

Company's Telephone Number

8982-7777

Mobile Number

Not applicable

No. of Stockholders

1,619

Annual Meeting (Month / Day)

3rd Wednesday of May

Fiscal Year (Month / Day)

12/31

### CONTACT PERSON INFORMATION

The designated contact person **MUST** be an Officer of the Corporation

Name of Contact Person

Felipe S. Yalong

Email Address

FSY@gmanetwork.com

Telephone Number/s

8928-5133

Mobile Number

Not applicable

### CONTACT PERSON'S ADDRESS

GMA Network Center, Timog Avenue corner EDSA, Quezon City

**NOTE 1 :** In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

**2 :** All Boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the corporation from liability for its deficiencies.



## INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Stockholders  
GMA Network, Inc. and Subsidiaries  
GMA Network Center  
Timog Avenue corner EDSA  
Quezon City

### Opinion

We have audited the consolidated financial statements of GMA Network, Inc. and Subsidiaries (the Group), which comprise the consolidated statements of financial position as at December 31, 2025 and 2024, and the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years in the period ended December 31, 2025, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for each of the three years in the period ended December 31, 2025 in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

### Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics for Professional Accountants in the Philippines (the Code of Ethics), as applicable to the audits of the financial statements of public interest entities, together with the ethical requirements that are relevant to the audits of financial statements of public interest entities in the Philippines. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.



We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

### ***Revenue Recognition***

The Group derives a significant portion of its revenue from advertising, which represents 91% of the consolidated revenues for the year ended December 31, 2025. Proper recognition of revenue from advertising is significant to our audit given the large volume of transactions processed daily and the highly automated airtime revenue process with multiple information technology (IT) interfaces from initiation to reporting. Further, there are different rates applicable depending on the time slot when the advertisements are aired which are adjusted by discounts granted by the Group on a case-by-case basis as indicated in the telecast orders. Lastly, there are variations in the timing of billings which are made depending on when the advertisements are aired.

Refer to Note 22 of the consolidated financial statements for the disclosure on details about the Group's revenues.

### ***Audit Response***

We obtained an understanding of the Group's advertising revenue process and tested the relevant internal controls, including the revenue related IT controls. In addition, we selected samples of billing statements and performed re-computation. This was done by comparing the rates applied to the billing statements against the rates on the telecast orders and the billable airtime against the certificates of performance generated when the advertisements were aired. On a sampling basis, we also tested transactions taking place before and after year-end to check the timing of the recognition of the sample advertising revenues.

### ***Adequacy of Allowance for Expected Credit Losses on Trade Receivables***

The Group applies the simplified approach in calculating expected credit losses (ECL) on trade receivables. Under this approach, the Group establishes a provision matrix that is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment. Allowance for ECL and the provision for ECL as of and for the year ended December 31, 2025 amounted to ₱1,048.00 million and ₱128.32 million, respectively. The use of the ECL model is significant to our audit as it involves the exercise of significant management judgment. Key areas of judgment include: segmenting the Group's credit risk exposures; defining default; determining assumptions to be used in the ECL model such as timing and amounts of expected net recoveries from defaulted accounts, and incorporating forward-looking information (called overlays), in calculating ECL.

The disclosures in relation to allowance for credit losses using the ECL model are included in Notes 4 and 7 to the consolidated financial statements.



### *Audit response*

We evaluated the Group's methodologies and models used which included whether these were made in accordance with PFRS 9, *Financial Instruments*.

We (a) assessed the Group's segmentation of its credit risk exposures based on homogeneity of credit risk characteristics; (b) tested the definition of default against historical analysis of accounts and credit risk management policies and practices in place, (c) tested historical loss rates by inspecting historical recoveries and write-offs; (d) compared the classification of outstanding exposures to their corresponding aging buckets; and (e) evaluated the forward-looking information used for overlay using publicly available information and our understanding of the Group's receivable portfolios and industry practices..

On a sample basis, we tested the completeness and accuracy of the underlying data used in the ECL calculation and recalculated impairment provisions.

### **Other Information**

Management is responsible for the other information. The other information comprises the information included in the SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2025 but does not include the consolidated financial statements and our auditor's report thereon. The SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2025 are expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audits, or otherwise appears to be materially misstated.

### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with PFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.



## **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is  
Julie Christine O. Mateo.

SYCIP GORRES VELAYO & CO.



Julie Christine O. Mateo

Partner

CPA Certificate No. 93542

Tax Identification No. 198-819-116

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

SEC Partner Accreditation No. 93542-SEC (Group A)

Valid to cover audit of 2020 to 2024 financial statements,  
with extension up to audit of 2025 financial statements

SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

BIR Accreditation No. 08-001998-068-2023, October 23, 2023, valid until October 22, 2026

PTR No. 10765089, January 2, 2026, Makati City

March 25, 2026



**GMA NETWORK, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

|                                                                                                    | December 31            |                 |
|----------------------------------------------------------------------------------------------------|------------------------|-----------------|
|                                                                                                    | 2025                   | 2024            |
| <b>ASSETS</b>                                                                                      |                        |                 |
| <b>Current Assets</b>                                                                              |                        |                 |
| Cash and cash equivalents (Notes 6, 31 and 32)                                                     | <b>₱1,461,385,715</b>  | ₱2,146,310,807  |
| Trade and other receivables (Notes 7, 21, 31 and 32)                                               | <b>6,392,191,247</b>   | 6,796,656,346   |
| Program and other rights (Note 8)                                                                  | <b>1,688,863,434</b>   | 1,873,413,569   |
| Inventories (Note 9)                                                                               | <b>814,348,336</b>     | 935,924,363     |
| Prepaid expenses and other current assets (Note 10)                                                | <b>1,183,189,245</b>   | 1,761,745,865   |
| <b>Total Current Assets</b>                                                                        | <b>11,539,977,977</b>  | 13,514,050,950  |
| <b>Noncurrent Assets</b>                                                                           |                        |                 |
| Property and equipment:                                                                            |                        |                 |
| At cost (Note 13)                                                                                  | <b>2,969,765,662</b>   | 3,502,202,674   |
| At revalued amounts (Notes 14 and 32)                                                              | <b>9,392,333,955</b>   | 8,813,281,439   |
| Program and other rights - net of current portion (Note 8)                                         | <b>463,578,095</b>     | 462,959,633     |
| Financial assets at fair value through other comprehensive income (FVOCI)<br>(Notes 11, 31 and 32) | <b>404,465,579</b>     | 370,856,990     |
| Investments and advances (Notes 12 and 21)                                                         | <b>167,651,596</b>     | 170,426,515     |
| Right-of-use assets (Note 28)                                                                      | <b>105,738,829</b>     | 91,284,052      |
| Investment properties (Notes 15 and 32)                                                            | <b>29,384,113</b>      | 30,841,564      |
| Other noncurrent assets (Notes 16, 31 and 32)                                                      | <b>378,210,317</b>     | 373,960,322     |
| <b>Total Noncurrent Assets</b>                                                                     | <b>13,911,128,146</b>  | 13,815,813,189  |
| <b>TOTAL ASSETS</b>                                                                                | <b>₱25,451,106,123</b> | ₱27,329,864,139 |
| <b>LIABILITIES AND EQUITY</b>                                                                      |                        |                 |
| <b>Current Liabilities</b>                                                                         |                        |                 |
| Trade payables and other current liabilities (Notes 17, 27, 31 and 32)                             | <b>₱2,866,389,444</b>  | ₱2,858,147,097  |
| Short-term loans (Notes 18, 31 and 32)                                                             | <b>1,476,683,750</b>   | 3,720,545,000   |
| Income tax payable                                                                                 | <b>89,840,285</b>      | 147,163,716     |
| Dividends payable (Notes 20, 31 and 32)                                                            | <b>39,510,213</b>      | 36,489,727      |
| Current portion of lease liabilities (Notes 28, 31 and 32)                                         | <b>16,590,142</b>      | 21,199,972      |
| Current portion of obligations for program and other rights<br>(Notes 19, 31 and 32)               | <b>631,972,080</b>     | 583,054,563     |
| <b>Total Current Liabilities</b>                                                                   | <b>5,120,985,914</b>   | 7,366,600,075   |
| <b>Noncurrent Liabilities</b>                                                                      |                        |                 |
| Pension liability (Note 27)                                                                        | <b>6,034,061,464</b>   | 4,680,281,181   |
| Other long-term employee benefits (Note 27)                                                        | <b>328,197,763</b>     | 282,678,068     |
| Lease liabilities - net of current portion (Notes 28, 31 and 32)                                   | <b>113,658,993</b>     | 94,421,705      |
| Dismantling provision (Note 28)                                                                    | <b>29,141,656</b>      | 52,557,654      |
| Obligations for program and other rights - net of current portion<br>(Notes 19, 31 and 32)         | <b>56,589,474</b>      | —               |
| Deferred tax liabilities - net (Note 29)                                                           | <b>299,164,611</b>     | 511,813,753     |
| <b>Total Noncurrent Liabilities</b>                                                                | <b>6,860,813,961</b>   | 5,621,752,361   |
| <b>Total Liabilities</b>                                                                           | <b>11,981,799,875</b>  | 12,988,352,436  |

(Forward)



|                                                                         | December 31            |                 |
|-------------------------------------------------------------------------|------------------------|-----------------|
|                                                                         | 2025                   | 2024            |
| <b>Equity</b>                                                           |                        |                 |
| Capital stock (Note 20)                                                 | <b>₱4,864,692,000</b>  | ₱4,864,692,000  |
| Additional paid-in capital                                              | <b>1,686,556,623</b>   | 1,686,556,623   |
| Revaluation increment on land - net of tax (Note 14)                    | <b>6,649,731,297</b>   | 6,215,441,910   |
| Remeasurement loss on retirement plans - net of tax (Note 27)           | <b>(3,025,254,359)</b> | (1,949,544,969) |
| Net unrealized loss on financial assets at FVOCI - net of tax (Note 11) | <b>(102,972,038)</b>   | (107,208,473)   |
| Retained earnings (Note 20)                                             | <b>3,350,519,651</b>   | 3,580,770,215   |
| Total equity attributable to equity holders of the Parent Company       | <b>13,423,273,174</b>  | 14,290,707,306  |
| Non-controlling interests (Note 2)                                      | <b>46,033,074</b>      | 50,804,397      |
| <b>Total Equity</b>                                                     | <b>13,469,306,248</b>  | 14,341,511,703  |
| <b>TOTAL LIABILITIES AND EQUITY</b>                                     | <b>₱25,451,106,123</b> | ₱27,329,864,139 |

*See accompanying Notes to Consolidated Financial Statements.*



**GMA NETWORK, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

|                                                                                | Years Ended December 31 |                 |                 |
|--------------------------------------------------------------------------------|-------------------------|-----------------|-----------------|
|                                                                                | 2025                    | 2024            | 2023            |
| <b>REVENUES</b> (Note 22)                                                      | <b>₱18,115,045,355</b>  | ₱17,564,643,764 | ₱18,637,213,847 |
| <b>PRODUCTION COSTS</b> (Note 23)                                              | <b>(8,753,639,886)</b>  | (8,148,226,904) | (8,173,434,050) |
| <b>COST OF SALES</b> (Note 9)                                                  | <b>(128,209,356)</b>    | (218,278,982)   | (297,863,633)   |
| <b>GROSS PROFIT</b>                                                            | <b>9,233,196,113</b>    | 9,198,137,878   | 10,165,916,164  |
| <b>GENERAL AND ADMINISTRATIVE EXPENSES</b><br>(Note 24)                        | <b>(6,659,638,467)</b>  | (6,469,366,918) | (6,120,348,230) |
| <b>OTHER INCOME (EXPENSE) – NET</b>                                            |                         |                 |                 |
| Interest expense (Notes 18 and 28)                                             | (143,409,389)           | (185,528,697)   | (131,129,984)   |
| Foreign currency exchange gain (loss)                                          | 79,098,406              | 3,342,471       | (1,203,300)     |
| Interest income (Note 6)                                                       | 31,543,843              | 16,989,407      | 34,239,643      |
| Equity in net losses of a joint venture (Note 12)                              | (3,959,122)             | (1,559,719)     | (10,343,259)    |
| Others - net (Note 26)                                                         | 409,287,406             | 226,787,362     | 239,464,833     |
|                                                                                | <b>372,561,144</b>      | 60,030,824      | 131,027,933     |
| <b>INCOME BEFORE INCOME TAX</b>                                                | <b>2,946,118,790</b>    | 2,788,801,784   | 4,176,595,867   |
| <b>PROVISION FOR (BENEFIT FROM) INCOME TAX</b><br>(Note 29)                    |                         |                 |                 |
| Current                                                                        | 755,983,069             | 650,627,026     | 1,096,163,757   |
| Deferred                                                                       | (6,875,421)             | 73,207,945      | (81,417,353)    |
|                                                                                | <b>749,107,648</b>      | 723,834,971     | 1,014,746,404   |
| <b>NET INCOME</b>                                                              | <b>2,197,011,142</b>    | 2,064,966,813   | 3,161,849,463   |
| <b>OTHER COMPREHENSIVE INCOME (LOSS) -</b><br>net of tax                       |                         |                 |                 |
| <i>Items not to be reclassified to profit or loss in subsequent periods:</i>   |                         |                 |                 |
| Remeasurement gain (loss) on retirement plans<br>(Note 27)                     | (1,075,709,390)         | 259,154,207     | 19,214,447      |
| Revaluation increment on land (Notes 14 and 29)                                | 434,289,387             | –               | 1,645,039,718   |
| Net changes in the fair market value of financial assets<br>at FVOCI (Note 11) | 4,549,406               | (1,641,148)     | 14,732,056      |
|                                                                                | <b>(636,870,597)</b>    | 257,513,059     | 1,678,986,221   |
| <b>TOTAL COMPREHENSIVE INCOME</b>                                              | <b>₱1,560,140,545</b>   | ₱2,322,479,872  | ₱4,840,835,684  |
| <b>Net income (loss) attributable to:</b>                                      |                         |                 |                 |
| Equity holders of the Parent Company                                           | ₱2,201,782,465          | ₱2,069,420,969  | ₱3,170,179,282  |
| Non-controlling interests (Note 2)                                             | (4,771,323)             | (4,454,156)     | (8,329,819)     |
|                                                                                | <b>2,197,011,142</b>    | ₱2,064,966,813  | ₱3,161,849,463  |
| <b>Total comprehensive income (loss) attributable to:</b>                      |                         |                 |                 |
| Equity holders of the Parent Company                                           | ₱1,564,911,868          | ₱2,327,782,796  | ₱4,844,128,372  |
| Non-controlling interests (Note 2)                                             | (4,771,323)             | (5,302,924)     | (3,292,688)     |
|                                                                                | <b>₱1,560,140,545</b>   | ₱2,322,479,872  | ₱4,840,835,684  |
| <b>Basic / Diluted Earnings Per Share</b> (Note 30)                            | <b>₱0.453</b>           | ₱0.425          | ₱0.652          |

See accompanying Notes to Consolidated Financial Statements.



**GMA NETWORK, INC. AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023**

|                                                                                                    | Equity Attributable to Equity Holders of the Parent Company |                                  |                                                               |                                                                           |                                                                                        |                                |                 |                                              |                 |
|----------------------------------------------------------------------------------------------------|-------------------------------------------------------------|----------------------------------|---------------------------------------------------------------|---------------------------------------------------------------------------|----------------------------------------------------------------------------------------|--------------------------------|-----------------|----------------------------------------------|-----------------|
|                                                                                                    | Capital Stock<br>(Note 20)                                  | Additional<br>Paid-in<br>Capital | Revaluation<br>Increment on<br>Land - net of tax<br>(Note 14) | Remeasurement<br>Loss on<br>Retirement<br>Plans - net of tax<br>(Note 27) | Net Unrealized<br>Loss on<br>Financial Assets<br>at FVOCI -<br>net of tax<br>(Note 11) | Retained Earnings<br>(Note 20) | Total           | Non-<br>controlling<br>Interests<br>(Note 2) | Total Equity    |
| Balances at January 1, 2025                                                                        | ₱4,864,692,000                                              | ₱1,686,556,623                   | ₱6,215,441,910                                                | (₱1,949,544,969)                                                          | (₱107,208,473)                                                                         | ₱3,580,770,215                 | ₱14,290,707,306 | ₱50,804,397                                  | ₱14,341,511,703 |
| Net income (loss)                                                                                  | —                                                           | —                                | —                                                             | —                                                                         | —                                                                                      | 2,201,782,465                  | 2,201,782,465   | (4,771,323)                                  | 2,197,011,142   |
| Other comprehensive income (loss)                                                                  | —                                                           | —                                | 434,289,387                                                   | (1,075,709,390)                                                           | 4,549,406                                                                              | —                              | (636,870,597)   | —                                            | (636,870,597)   |
| Total comprehensive income (loss) for the year                                                     | —                                                           | —                                | 434,289,387                                                   | (1,075,709,390)                                                           | 4,549,406                                                                              | 2,201,782,465                  | 1,564,911,868   | (4,771,323)                                  | 1,560,140,545   |
| Realized gain from sale of financial assets at FVOCI<br>transferred to retained earnings (Note 11) | —                                                           | —                                | —                                                             | —                                                                         | (312,971)                                                                              | 312,971                        | —               | —                                            | —               |
| Cash dividends - ₱0.50 a share (Note 20)                                                           | —                                                           | —                                | —                                                             | —                                                                         | —                                                                                      | (2,432,346,000)                | (2,432,346,000) | —                                            | (2,432,346,000) |
| Balances at December 31, 2025                                                                      | ₱4,864,692,000                                              | ₱1,686,556,623                   | ₱6,649,731,297                                                | (₱3,025,254,359)                                                          | (₱102,972,038)                                                                         | ₱3,350,519,651                 | ₱13,423,273,174 | ₱46,033,074                                  | ₱13,469,306,248 |



| Equity Attributable to Equity Holders of the Parent Company |                            |                                  |                                                               |                                                                           |                                                                                        |                                |                 |                                              |                 |
|-------------------------------------------------------------|----------------------------|----------------------------------|---------------------------------------------------------------|---------------------------------------------------------------------------|----------------------------------------------------------------------------------------|--------------------------------|-----------------|----------------------------------------------|-----------------|
|                                                             | Capital Stock<br>(Note 20) | Additional<br>Paid-in<br>Capital | Revaluation<br>Increment on<br>Land - net of tax<br>(Note 14) | Remeasurement<br>Loss on<br>Retirement<br>Plans - net of tax<br>(Note 27) | Net Unrealized<br>Loss on<br>Financial Assets<br>at FVOCI -<br>net of tax<br>(Note 11) | Retained Earnings<br>(Note 20) | Total           | Non-<br>controlling<br>Interests<br>(Note 2) | Total Equity    |
| Balances at January 1, 2024                                 | ₱4,864,692,000             | ₱1,686,556,623                   | ₱6,215,441,910                                                | (₱2,209,547,944)                                                          | (₱105,567,325)                                                                         | ₱4,430,164,446                 | ₱14,881,739,710 | ₱56,107,321                                  | ₱14,937,847,031 |
| Net income (loss)                                           | —                          | —                                | —                                                             | —                                                                         | —                                                                                      | 2,069,420,969                  | 2,069,420,969   | (4,454,156)                                  | 2,064,966,813   |
| Other comprehensive income                                  | —                          | —                                | —                                                             | 260,002,975                                                               | (1,641,148)                                                                            | —                              | 258,361,827     | (848,768)                                    | 257,513,059     |
| Total comprehensive income (loss) for the year              | —                          | —                                | —                                                             | 260,002,975                                                               | (1,641,148)                                                                            | 2,069,420,969                  | 2,327,782,796   | (5,302,924)                                  | 2,322,479,872   |
| Cash dividends - ₱0.60 a share (Note 20)                    | —                          | —                                | —                                                             | —                                                                         | —                                                                                      | (2,918,815,200)                | (2,918,815,200) | —                                            | (2,918,815,200) |
| Balances at December 31, 2024                               | ₱4,864,692,000             | ₱1,686,556,623                   | ₱6,215,441,910                                                | (₱1,949,544,969)                                                          | (₱107,208,473)                                                                         | ₱3,580,770,215                 | ₱14,290,707,306 | ₱50,804,397                                  | ₱14,341,511,703 |

| Equity Attributable to Equity Holders of the Parent Company |                            |                                  |                                                               |                                                                           |                                                                                        |                                |                 |                                              |                 |
|-------------------------------------------------------------|----------------------------|----------------------------------|---------------------------------------------------------------|---------------------------------------------------------------------------|----------------------------------------------------------------------------------------|--------------------------------|-----------------|----------------------------------------------|-----------------|
|                                                             | Capital Stock<br>(Note 20) | Additional<br>Paid-in<br>Capital | Revaluation<br>Increment on<br>Land - net of tax<br>(Note 14) | Remeasurement<br>Loss on<br>Retirement<br>Plans - net of tax<br>(Note 27) | Net Unrealized<br>Loss on<br>Financial Assets<br>at FVOCI -<br>net of tax<br>(Note 11) | Retained Earnings<br>(Note 20) | Total           | Non-<br>controlling<br>Interests<br>(Note 2) | Total Equity    |
| Balances at January 1, 2023                                 | ₱4,864,692,000             | ₱1,686,556,623                   | ₱4,570,402,192                                                | (₱2,223,725,260)                                                          | (₱120,299,381)                                                                         | ₱6,611,146,364                 | ₱15,388,772,538 | ₱77,250,009                                  | ₱15,466,022,547 |
| Net income                                                  | —                          | —                                | —                                                             | —                                                                         | —                                                                                      | 3,170,179,282                  | 3,170,179,282   | (8,329,819)                                  | 3,161,849,463   |
| Other comprehensive income (loss)                           | —                          | —                                | 1,645,039,718                                                 | 14,177,316                                                                | 14,732,056                                                                             | —                              | 1,673,949,090   | 5,037,131                                    | 1,678,986,221   |
| Total comprehensive income (loss) for the year              | —                          | —                                | 1,645,039,718                                                 | 14,177,316                                                                | 14,732,056                                                                             | 3,170,179,282                  | 4,844,128,372   | (3,292,688)                                  | 4,840,835,684   |
| Cash dividends – ₱1.10 a share (Note 20)                    | —                          | —                                | —                                                             | —                                                                         | —                                                                                      | (5,351,161,200)                | (5,351,161,200) | —                                            | (5,351,161,200) |
| Cash dividends to non-controlling interests (Note 2)        | —                          | —                                | —                                                             | —                                                                         | —                                                                                      | —                              | —               | (17,850,000)                                 | (17,850,000)    |
| Balances at December 31, 2023                               | ₱4,864,692,000             | ₱1,686,556,623                   | ₱6,215,441,910                                                | (₱2,209,547,944)                                                          | (₱105,567,325)                                                                         | ₱4,430,164,446                 | ₱14,881,739,710 | ₱56,107,321                                  | ₱14,937,847,031 |

See accompanying Notes to Consolidated Financial Statements.



**GMA NETWORK, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

|                                                                      | Years Ended December 31 |                 |                 |
|----------------------------------------------------------------------|-------------------------|-----------------|-----------------|
|                                                                      | 2025                    | 2024            | 2023            |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                          |                         |                 |                 |
| Income before income tax                                             | <b>₱2,946,118,790</b>   | ₱2,788,801,784  | ₱4,176,595,867  |
| Adjustments to reconcile income before income tax to net cash flows: |                         |                 |                 |
| Program and other rights usage (Notes 8 and 23)                      | <b>1,355,729,310</b>    | 1,372,827,196   | 1,191,479,396   |
| Depreciation (Notes 13, 15, 23, 24 and 28)                           | <b>859,367,409</b>      | 873,846,575     | 820,980,731     |
| Pension expense (Note 27)                                            | <b>714,605,885</b>      | 657,754,654     | 700,899,014     |
| Interest expense (Notes 18 and 28)                                   | <b>143,409,389</b>      | 185,528,697     | 131,129,984     |
| Net gain on sale of property and equipment (Notes 13 and 26)         | <b>(43,246,575)</b>     | (19,902,917)    | (40,463,669)    |
| Net unrealized foreign currency exchange loss (gain) - net           | <b>(35,881,983)</b>     | 97,452          | (10,204,127)    |
| Interest income (Note 6)                                             | <b>(31,543,843)</b>     | (16,989,407)    | (34,239,643)    |
| Derecognition of dismantling cost (Notes 26 and 28)                  | <b>(25,928,480)</b>     | —               | —               |
| Amortization of software costs (Notes 16 and 24)                     | <b>17,357,635</b>       | 27,207,646      | 40,500,154      |
| Equity in net losses of a joint venture (Note 12)                    | <b>3,959,122</b>        | 1,559,719       | 10,343,259      |
| Gain on cancellation of lease (Note 26)                              | —                       | (5,289,045)     | —               |
| Operating income before working capital changes                      | <b>5,903,946,659</b>    | 5,865,442,354   | 6,987,020,966   |
| Decreases (increases) in:                                            |                         |                 |                 |
| Trade and other receivables                                          | <b>427,423,550</b>      | (510,077,678)   | (403,988,367)   |
| Program and other rights (Notes 8 and 33)                            | <b>(1,070,792,652)</b>  | (1,251,189,319) | (1,798,982,336) |
| Inventories                                                          | <b>121,576,027</b>      | 228,345,077     | 304,924,444     |
| Prepaid expenses and other current assets                            | <b>578,556,620</b>      | 69,844,047      | 274,788,952     |
| Increases (decreases) in:                                            |                         |                 |                 |
| Trade payables and other current liabilities                         | <b>26,656,805</b>       | (360,587,350)   | 109,958,284     |
| Other long-term employee benefits                                    | <b>45,519,695</b>       | 41,535,141      | (130,863,546)   |
| Contributions to retirement plan assets (Notes 27 and 33)            | <b>(735,616,635)</b>    | (620,965,823)   | (282,026,879)   |
| Benefits paid out of Group's own funds (Note 27)                     | <b>(59,488,154)</b>     | (160,002,198)   | (397,227)       |
| Cash flows provided by operations                                    | <b>5,237,781,915</b>    | 3,302,344,251   | 5,060,434,291   |
| Income taxes paid                                                    | <b>(813,306,500)</b>    | (760,498,033)   | (1,395,577,530) |
| Interest received                                                    | <b>31,698,129</b>       | 16,507,503      | 34,611,836      |
| Net cash flows from operating activities                             | <b>4,456,173,544</b>    | 2,558,353,721   | 3,699,468,597   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                          |                         |                 |                 |
| Acquisitions of:                                                     |                         |                 |                 |
| Property and equipment (Note 13)                                     | <b>(310,594,158)</b>    | (678,535,325)   | (1,105,135,419) |
| Financial assets at FVOCI (Note 11)                                  | <b>(28,743,027)</b>     | (23,846,713)    | (49,781,014)    |
| Software costs (Note 16)                                             | <b>(5,358,682)</b>      | (3,724,516)     | (12,172,728)    |
| Investment properties (Note 15)                                      | —                       | (1,501,279)     | —               |
| Proceeds from sale of property and equipment                         | <b>56,021,942</b>       | 21,664,111      | 46,770,440      |
| Increases in other noncurrent assets                                 | <b>(16,248,948)</b>     | (179,361,444)   | (49,131,375)    |
| Advances to an associate and joint ventures (Notes 12 and 21)        | <b>(1,184,203)</b>      | (5,857,467)     | (821,084)       |
| Proceeds from disposal of financial assets at FVOCI (Note 11)        | <b>535,775</b>          | —               | —               |
| Collection from an associate                                         | —                       | —               | 54,064          |
| Net cash flows used in investing activities                          | <b>(305,571,301)</b>    | (871,162,633)   | (1,170,217,116) |

(Forward)



|                                                                     | Years Ended December 31 |                 |                 |
|---------------------------------------------------------------------|-------------------------|-----------------|-----------------|
|                                                                     | 2025                    | 2024            | 2023            |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                         |                         |                 |                 |
| Proceeds from availments of short-term loans (Notes 18 and 33)      | <b>₱1,800,000,000</b>   | ₱4,020,545,000  | ₱3,527,307,000  |
| Payments of:                                                        |                         |                 |                 |
| Short-term loans (Notes 18 and 33)                                  | <b>(4,043,861,250)</b>  | (1,827,307,000) | (2,027,125,200) |
| Cash dividends (Notes 2, 20 and 33)                                 | <b>(2,429,325,514)</b>  | (2,922,012,684) | (5,359,850,295) |
| Interest expense (Note 33)                                          | <b>(144,337,617)</b>    | (163,447,263)   | (118,284,047)   |
| Principal portion of lease liabilities (Notes 28 and 33)            | <b>(35,274,206)</b>     | (22,719,557)    | (29,827,243)    |
| Net cash flows used in financing activities                         | <b>(4,852,798,587)</b>  | (914,941,504)   | (4,007,779,785) |
| <b>EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS</b> | <b>17,271,252</b>       | (922,184)       | (1,955,503)     |
| <b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>         | <b>(684,925,092)</b>    | 771,327,400     | (1,480,483,807) |
| <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>               | <b>2,146,310,807</b>    | 1,374,983,407   | 2,855,467,214   |
| <b>CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 6)</b>            | <b>₱1,461,385,715</b>   | ₱2,146,310,807  | ₱1,374,983,407  |

See accompanying Notes to Consolidated Financial Statements.



# **GMA NETWORK, INC. AND SUBSIDIARIES**

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## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

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### **1. Corporate Information**

GMA Network, Inc. (GNI or the Parent Company) and its subsidiaries (collectively referred to as “the Group”) are incorporated in the Philippines. The Group is primarily involved in the business of radio and television broadcasting. The Group is also involved in film production and other information and entertainment-related businesses. The Parent Company was registered with the Philippine Securities and Exchange Commission (SEC) on June 14, 1950. On July 20, 1995, the Board of Directors (BOD) approved the extension of the corporate term of the Parent Company for another 50 years from June 14, 2000. In 1997, the SEC approved the said extension.

The Parent Company’s shares of stock are publicly listed and traded in the Philippine Stock Exchange.

The registered office address of the Parent Company is GMA Network Center, Timog Avenue corner EDSA, Quezon City.

The Parent Company is a holder of a legislative franchise to construct, install, operate and maintain, for commercial purposes and in the public interest, radio and television broadcasting stations in the Philippines. The Parent Company is required to make closed captioning available for its programs to assist in the functions of public information and education.

On December 7, 2016, House Bill No. 4631, which seeks to renew the Parent Company’s franchise, was filed. The key provisions of the franchise renewal under House Bill No. 4631 are as follows:

1. Allows continued broadcast operations of the Parent Company, maintenance of its radio and TV stations in the Philippines and its expansion, including digital television system;
2. Provides another franchise term of twenty-five (25) years;
3. Requires the grantee to provide government adequate public service time to enable it to reach the population on important public issues and assist in the functions of public information and education;
4. Prohibits the grantee from leasing, transferring, selling nor assigning the franchise or controlling interest thereof without the prior approval of the Congress of the Philippines; and
5. Requires the grantee to submit an annual report to the Congress of the Philippines on its compliance with the terms and conditions of the franchise and its operation on or before April 30 of every year during the term of the franchise.

On March 23, 2017, House Bill 4631 became an Enrolled Bill (the “Enrolled Bill”) and was endorsed to the Office of the President for his approval. On April 21, 2017, President Rodrigo Duterte signed Republic Act No. 10925 which grants the renewal of the legislative franchise of GMA for another 25 years.

The accompanying consolidated financial statements of the Group were approved and authorized for issuance by the BOD on March 25, 2026.



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## 2. **Basis of Preparation and Consolidation, Statement of Compliance and Changes in Accounting Policies and Disclosures**

### Basis of Preparation

The consolidated financial statements of the Group have been prepared on a historical cost basis, except for financial assets at fair value through other comprehensive income (FVOCI) and land at revalued amounts, which are measured at fair value. The consolidated financial statements are presented in Philippine peso, which is the Parent Company's functional and presentation currency. All values are rounded to the nearest peso, except when otherwise indicated.

### Statement of Compliance

The Group's consolidated financial statements have been prepared in compliance with Philippine Financial Reporting Standards (PFRS) Accounting Standards as issued by the Philippine Financial and Sustainability Reporting Standards Council.

### Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Parent Company and its subsidiaries as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Right arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

NCI represents the equity interest in RGMA Network, Inc. (RGMA Network), a subsidiary incorporated in the Philippines with principal place of business at GMA Network Center, Timog Avenue corner EDSA Quezon City. NCI represent the portion of profit or loss and net assets not held by the Group and are presented separately in the consolidated statements of comprehensive income and within equity section in the consolidated statements of financial position, separately from equity attributable to equity holders of the parent.

In 2023, RGMA declared and paid dividends to NCI amounting to ₱17.85 million.

As of December 31, 2025 and 2024, there are no material NCI.



The consolidated financial statements include the accounts of the Parent Company and the following subsidiaries as at December 31, 2025 and 2024:

|                                                                       |                                                                                                                                         | Percentage of Ownership |          |
|-----------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|-------------------------|----------|
| Principal Activities                                                  |                                                                                                                                         | Direct                  | Indirect |
| Entertainment Business:                                               |                                                                                                                                         |                         |          |
| Alta Productions Group, Inc. (Alta)                                   | Pre and post-production services                                                                                                        | 100                     | —        |
| Citynet Network Marketing and Productions, Inc. (Citynet)             | Television entertainment production                                                                                                     | 100                     | —        |
| GMA Network Films, Inc.                                               | Film production                                                                                                                         | 100                     | —        |
| GMA New Media, Inc. (GNMI)                                            | Converging technology                                                                                                                   | 100                     | —        |
| GMA Worldwide (Philippines), Inc. <sup>a</sup>                        | International marketing, handling foreign program acquisitions and international syndication of the Parent Company's programs           | 100                     | —        |
| Scenarios, Inc. <sup>a</sup>                                          | Design, construction and maintenance of sets for TV, stage plays and concerts; transportation services                                  | 100                     | —        |
| GMA Productions, Inc. (formerly RGMA Marketing and Productions, Inc.) | Music recording, publishing and video distribution                                                                                      | 100                     | —        |
| RGMA Network, Inc. <sup>c</sup>                                       | Radio broadcasting and management                                                                                                       | 49                      | —        |
| Script2010, Inc. <sup>b</sup>                                         | Design, construction and maintenance of sets for TV, stage plays and concerts; transportation and manpower services                     | —                       | 100      |
| Holding Company:                                                      |                                                                                                                                         |                         |          |
| GMA Ventures, Inc. (GVI)                                              | Identifying, investing in, and/or building strong and sustainable businesses                                                            | 100                     | —        |
| Advertising Business:                                                 |                                                                                                                                         |                         |          |
| GMA Marketing & Productions, Inc. (GMPI) <sup>a</sup>                 | Exclusive marketing and sales arm of Parent Company's airtime, events management, sales implementation, traffic services and monitoring | 100                     | —        |
| Digify, Inc. <sup>d</sup>                                             | Crafting, planning and handling advertising and other forms of promotion including multi-media productions                              | —                       | 100      |
| Others:                                                               |                                                                                                                                         |                         |          |
| Media Merge Corporation <sup>e</sup>                                  | Business development and operations for the Parent Company's online publishing and advertising initiatives                              | —                       | 100      |
| Ninja Graphics, Inc. <sup>f</sup>                                     | Engaged in magazine printing and distribution                                                                                           | —                       | 51       |

<sup>a</sup>Under liquidation

<sup>b</sup>Indirectly owned through Citynet

<sup>c</sup>Ceased operations in 2023

<sup>d</sup>Indirectly owned through GNMI, ceased commercial operations in 2022

<sup>e</sup>Indirectly owned through GNMI; ceased commercial operations in 2020

<sup>f</sup>Indirectly owned through Alta; ceased commercial operations in 2004

### Changes in Accounting Policies and Disclosures

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of new standards effective in 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Unless otherwise indicated, adoption of these new standards did not have an impact on the financial statements of the Group.

### *Effective beginning on or after January 1, 2025*

#### ■ Amendments to PAS 21, *Lack of exchangeability*

The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

The amendments are effective for annual reporting periods beginning on or after January 1, 2025. Earlier adoption is permitted and that fact must be disclosed. When applying the amendments, an entity cannot restate comparative information.



#### Standards Issued but not yet Effective

Pronouncements issued but not yet effective are listed below. The Group intends to adopt the following pronouncements when they become effective. Unless otherwise indicated, the Group does not expect that the future adoption of the said pronouncements will have a significant impact on its financial statements.

#### *Effective beginning on or after January 1, 2026*

- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*

The amendments clarify that a financial liability is derecognized on the ‘settlement date’, i.e., when the related obligation is discharged, cancelled, expires or the liability otherwise qualifies for derecognition. They also introduce an accounting policy option to derecognize financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met.

The amendments also clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features. Furthermore, the amendments clarify the treatment of non-recourse assets and contractually linked instruments.

- Amendments to Illustrative Examples on PFRS 7, PFRS 18, PAS 1, PAS 8, PAS 26 and PAS 37, *Disclosures about Uncertainties in the Financial Statements*

- Amendments to PFRS 9 and PFRS 7, *Contracts Referencing Nature-dependent Electricity*

- Annual Improvements to PFRS Accounting Standards—Volume 11

- Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
- Amendments to PFRS 7, *Gain or Loss on Derecognition*
- Amendments to PFRS 9, *Lessee Derecognition of Lease Liabilities and Transaction Price*
- Amendments to PFRS 10, *Determination of a ‘De Facto Agent’*
- Amendments to PAS 7, *Cost Method*

#### *Effective beginning on or after January 1, 2027*

- PFRS 18, *Presentation and Disclosure in Financial Statements*

The standard replaces PAS 1, *Presentation of Financial Statements*, and responds to investors’ demand for better information about companies’ financial performance. The new requirements include:

- Required totals, subtotals and new categories in the statement of profit or loss
- Disclosure of management-defined performance measures
- Guidance on aggregation and disaggregation

The new standard will have an impact on the presentation of accounts in the consolidated statements of income but will not have an impact on the recognition and measurement of financial statement accounts.



- PFRS 17, *Insurance Contracts*
- PFRS 19, *Subsidiaries without Public Accountability*
- Amendments to PAS 21, *Translation to a Hyperinflationary Presentation Currency*

*Deferred effectivity*

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The amendments address the conflict between PFRS 10 and PAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that a full gain or loss is recognized when a transfer to an associate or joint venture involves a business as defined in PFRS 3. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognized only to the extent of unrelated investors' interests in the associate or joint venture.

On January 13, 2016, the FSRSC deferred the original effective date of January 1, 2016 of the said amendments until the IASB completes its broader review of the research project on equity accounting that may result in the simplification of accounting for such transactions and of other aspects of accounting for associates and joint ventures.

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### 3. Material Accounting Policy Information

#### Fair Value Measurement

The Group measures financial instruments at fair value at each reporting date. Fair value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed, are summarized in the following notes:

- Disclosures for significant estimates and assumptions, see Note 4
- Quantitative disclosures of fair value measurement hierarchy, see Note 32
- Land, see Note 14
- Investment properties, see Note 15
- Financial instruments (including those carried at amortized cost), see Note 32

Fair value is the estimated price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.



The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

#### Financial Instruments

A financial instrument is any contract that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### Financial Assets

*Initial Recognition and Measurement.* Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, FVOCI, and fair value through profit or loss (FVPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under PFRS 15, *Revenue from Contracts with Customers*.

In order for a financial asset to be classified and measured at amortized cost or FVOCI, it needs to give rise to cash flows that are 'solely payments of principal and interest' (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.



*Subsequent Measurement.* For purposes of subsequent measurement, financial assets are classified in four categories:

- financial assets at amortized cost (debt instruments)
- financial assets at FVOCI with recycling of cumulative gains and losses (debt instruments)
- financial assets designated at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- financial assets at FVPL

The Group does not have debt instruments at FVOCI and financial assets at FVPL as at December 31, 2025 and 2024.

*Financial Assets at Amortized Cost (Debt Instruments).* The Group measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognized in the consolidated statement of comprehensive income when the asset is derecognized, modified or impaired.

The Group's financial assets at amortized cost includes cash and cash equivalents, trade and other receivables and refundable deposits (included under "Other noncurrent assets" account in the consolidated statement of financial position) as at December 31, 2025 and 2024 (see Notes 6, 7, 16 and 31).

*Financial Assets Designated at FVOCI (Equity Instruments).* Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at FVOCI when they meet the definition of equity under PAS 32, *Financial Instruments: Presentation*, and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as "Dividend income" included under "Others - Net" account in the consolidated statement of comprehensive income when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in Other Comprehensive Income (OCI). Equity instruments designated at FVOCI are not subject to impairment assessment.

The Group elected to classify irrevocably under this category its listed and non-listed equity instruments and investment in quoted club shares as at December 31, 2025 and 2024 (see Notes 11 and 31).

#### Derecognition of Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or



- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

#### Impairment of Financial Assets

The Group recognizes an allowance for ECLs for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original EIR. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For other financial assets such as due from related parties and certain advances to joint venture, the Group applies a general approach which measures ECL on either a 12-month or lifetime basis depending on whether a significant increase in credit risks has occurred since initial recognition or whether an asset is considered to be credit-impaired, adjusted for the effects of collateral, forward-looking factors and time value of money.

For cash and cash equivalents, the Group applies the low credit risk simplification. At every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the external credit rating of the debt instrument or comparable instruments.



The Group, in general, considers a financial asset in default when contractual payments are 360 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off, in whole or in part, when the asset is considered uncollectible, the Group has exhausted all practical recovery efforts and has concluded that it has no reasonable expectations of recovering the financial asset in its entirety or a portion thereof.

#### Financial Liabilities

*Initial Recognition and Measurement.* Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group has not designated any financial liability as at FVPL as at December 31, 2025 and 2024.

*Subsequent Measurement.* The measurement of financial liabilities depends on their classification, as described below:

*Loans and Borrowings.* After initial recognition, interest-bearing loans and borrowings and other payables are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as “Interest expense” in the consolidated statement of comprehensive income.

This category generally applies to trade payables and other current liabilities (excluding payable to government agencies, customers’ deposits and contract liabilities), short-term loans, obligations for program and other rights, dividends payable and lease liabilities (see Notes 17, 18, 19, 20, 28 and 31).

#### Derecognition of Financial Liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the consolidated statement of comprehensive income.

#### Program and Other Rights

Program and other rights are stated at cost less amortization and impairment in value. The estimated useful lives and the amortization method used depend on the manner and pattern of usage of the acquired rights. The cost of program and other rights with multiple number of runs within a specified term is amortized using straight line method up to the date of expiry or upon full airing of the acquired rights, whichever is earlier. The cost of program and other rights with indefinite lives are amortized using straight line method over 10 years.

For series of rights acquired, the cost is charged to profit or loss as each series is aired on a per episode basis.



For rights intended for airing over the international channels, the cost is amortized on a straight-line basis over the number of years indicated in the contract.

Amortization expense is shown as “Program and other rights usage” included under “Production costs” account in the consolidated statement of comprehensive income.

#### Prepaid Production Costs

Prepaid production costs, included under “Prepaid expenses and other current assets” account in the consolidated statement of financial position, represent costs paid in advance prior to the airing of the programs or episodes. These costs include talent fees of artists and production staff and other costs directly attributable to production of programs. These are charged to expense under “Production costs” account in the consolidated statement of comprehensive income upon airing of the related program or episodes. Costs related to previously taped episodes determined not to be aired are charged to expense.

#### Inventories

Merchandise inventory and materials and supplies inventory is stated at the lower of cost and net realizable value. Cost is determined using the weighted average method. Net realizable value of inventories that are for sale is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale. Net realizable value of inventories not held for sale is the current replacement cost.

#### Tax Credits

Tax credits, measured at cost less any impairment in value, represent claims from the government arising from airing of government commercials and advertisements availed under Presidential Decree (PD) No. 1362. Pursuant to PD No. 1362, these will be collected in the form of tax credits which the Group can use in paying for import duties and taxes on imported broadcasting related equipment. The tax credits cannot be used to pay for any other tax obligation to the government.

As at December 31, 2025 and 2024, the Group’s tax credits are classified as current under “Prepaid expenses and other current assets” account in the consolidated statement of financial position.

#### Advances to Suppliers

Advances to suppliers, included under “Prepaid expenses and other current assets” account in the consolidated statement of financial position, are measured at cost and are noninterest-bearing and are generally applied to acquisition of inventories, programs and other rights, availments of services and others.

#### Property and Equipment

Property and equipment, except for land, are stated at cost, net of accumulated depreciation and amortization and impairment losses, if any. Such cost includes the cost of replacing part of the property and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property and equipment are required to be replaced at intervals, the Group recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. All other repair and maintenance costs are recognized in profit or loss as incurred.

Land is initially measured at cost. After initial recognition, land is carried at revalued amounts, being its fair value at the date of the revaluation, less any subsequent impairment losses. Valuations are generally performed every three to five years or more frequently as deemed necessary to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.



Any revaluation surplus is recorded in other comprehensive income and hence, credited to the “Revaluation increment on land - net of tax” account under equity, except to the extent that it reverses a revaluation decrease of the same asset previously recognized in profit or loss, in which case, the increase is recognized in profit or loss. A revaluation deficit is recognized in profit or loss, except to the extent that it offsets an existing surplus on the same asset recognized in the “Revaluation increment on land - net of tax” account.

Depreciation and amortization are computed on a straight-line basis over the following estimated useful lives of the assets:

|                                                         |             |
|---------------------------------------------------------|-------------|
| Buildings, towers and improvements                      | 11-20 years |
| Antenna and transmitter systems and broadcast equipment | 5-10 years  |
| Communication and mechanical equipment                  | 3-5 years   |
| Transportation equipment                                | 4-5 years   |
| Furniture, fixtures and equipment                       | 5 years     |

An item of property and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss when the asset is derecognized.

The assets’ residual values, useful lives and methods of depreciation and amortization are reviewed at each financial year-end and adjusted prospectively, if appropriate.

Fully depreciated assets are retained in the accounts until they are no longer in use and no further depreciation and amortization is credited or charged to current operations.

Construction in progress is stated at cost. This includes cost of construction, equipment under installation and other direct costs. Construction in progress is not depreciated until such time as the relevant assets are completed and put into operational use.

#### Investment Properties

Investment properties consist of real estate held for capital appreciation and rental.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties, except land, are measured at cost less accumulated depreciation and amortization and impairment in value. Land is stated at cost less any impairment in value.

Depreciation and amortization are computed using the straight-line method over 11-20 years.

The remaining useful lives and depreciation and amortization method are reviewed and adjusted, if appropriate, at each financial year-end.

Investment properties are derecognized when either they have been disposed of or when the investment properties are permanently withdrawn from use and no future economic benefits are expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognized in profit or loss in the period of derecognition.

#### Investment in Artworks

Investment in artworks, included under “Other noncurrent assets” account in the consolidated statement of financial position, is stated at cost less any impairment in value.



#### Software Costs

Costs incurred in the acquisition and customization of new software, included under “Other noncurrent assets” account in the consolidated statement of financial position, are capitalized and amortized on a straight-line basis over three to ten years.

#### Impairment of Nonfinancial Assets

The carrying values of land at revalued amounts, program and other rights, prepaid production costs, deferred production costs, tax credits, investments and advances, property and equipment, right-of-use assets, investment properties, software costs and investment in artworks are reviewed for impairment when events or changes in circumstances indicate that the carrying values may not be recoverable. If any such indication exists, and if the carrying value exceeds the estimated recoverable amount, the assets are considered impaired and are written down to their recoverable amount. The recoverable amount of these nonfinancial assets is the greater of an asset’s or cash-generating unit’s fair value less cost to sell or value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. The fair value less cost to sell is the amount obtainable from the sale of an asset in an arm’s length transaction less cost to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. Impairment losses, if any, are recognized in profit or loss in the consolidated statement of comprehensive income in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting period as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If any such indication exists, the recoverable amount is estimated. A previously recognized impairment loss, except for land at revalued amount where the revaluation is taken to OCI, is reversed only if there has been a change in the estimates used to determine the asset’s recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation and amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in profit or loss. After such a reversal, the depreciation and amortization charges are adjusted in future periods to allocate the asset’s revised carrying amount, less any residual value, on a systematic basis over its remaining useful life. For land at revalued amounts, the reversal of impairment is also recognized in OCI up to the amount of any previous revaluation.

In the case of investments in associate and interests in joint ventures, after application of the equity method, the Group determines whether it is necessary to recognize any additional impairment loss with respect to the Group’s investments in associate and interests in joint ventures. The Group determines at each reporting period whether there is any objective evidence that the investments in associate and interests in joint ventures are impaired. If this is the case, the Group calculates the amount of impairment as being the difference between the recoverable amount of investments in associate and interests in joint ventures, and the acquisition cost and recognizes the amount in the consolidated statement of comprehensive income.

#### Investments in an Associate and Joint Ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.



A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries.

The Group's investments in its associate and joint ventures are accounted for using the equity method.

### Equity

Capital stock is measured at par value for all shares issued. Incremental costs incurred directly attributable to the issuance of new shares are shown in equity as a deduction from proceeds, net of tax. Proceeds and/or fair value of considerations received in excess of par value are recognized as additional paid-in capital.

Retained earnings include all current and prior period results of operations as reported in the consolidated statement of comprehensive income, net of any dividend declaration, adjusted for the effects of changes in accounting policies as may be required by PFRS Accounting Standards' transitional provisions.

### Revenue Recognition

#### a. PFRS 15, *Revenue from Contracts with Customers*

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Revenue is recognized when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognized is the amount allocated to the satisfied performance obligation.

The following specific recognition criteria must also be met before revenue is recognized:

*Advertising Revenue.* Revenue is recognized in the period the advertisements are aired.

Payments received for advertisements before broadcast (pay before broadcast) are recognized as income on the dates the advertisements are aired. Prior to liquidation, these are classified as unearned revenue under "Contract liabilities" under "Trade payables and other current liabilities" account, in the consolidated statement of financial position.

Goods received in exchange for airtime usage pursuant to exchange deal contracts executed between the Group and its customers are recorded at fair market values of assets received. Fair market value is the current market price.



Tax credits on aggregate airtime credits from government sales availed of under PD No. 1362 are recognized as revenue when there is reasonable certainty that these can be used to pay duties and taxes on imported broadcasting related equipment.

*Subscription Revenue.* Subscription fees are recognized over the subscription period in accordance with the terms of the subscription agreements.

*Sale of Goods.* Sale of goods pertain to sale of set-top boxes, digital TV mobile receivers and other merchandise. Revenue is recognized at a point in time when delivery has taken place and transfer of control has been completed. These are stated net of sales discounts.

*Revenue from Distribution and Content Provisioning.* Revenue is recognized upon the license start date or delivery of the licensed content, whichever comes later.

*Production Revenue.* Production revenue is recognized at a point in time when project-related services are rendered.

*Commission from Artists.* Revenue is recognized as revenue at a point in time on an accrual basis in accordance with the terms of the related marketing agreements.

b. Revenue Recognition Outside the Scope of PFRS 15

*Rental Income.* Revenue from lease of property and equipment and investment properties is accounted for on a straight-line basis over the lease term.

*Interest Income.* Revenue is recognized as the interest accrues, taking into account the effective yield on the asset.

*Equity in Net Earnings (Losses) of Joint Ventures.* The Group recognizes its share in the net income or loss of joint ventures proportionate to the equity in the economic shares of such joint ventures, in accordance with the equity method.

*Other Income.* Other income is recognized when there is an incidental economic benefit, other than the usual business operations, that will flow to the Group through an increase in asset or reduction in liability that can be measured reliably.

Contract Balances

*Trade Receivables.* A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to the accounting policies of Financial Instruments section.

*Contract Assets.* A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

*Contract Liabilities.* A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due, whichever is earlier. Contract liabilities are recognized as revenue when the Group performs under the contract.



*Incremental Costs to Obtain a Contract*

The Group pays sales commissions to its account executives for each contract that they obtain for advertising agreements with customers. The Group has elected to apply the optional practical expedient for costs to obtain a contract which allows the Group to immediately expense sales commissions (presented as part of “Marketing expense” under “General and administrative expenses” account in the consolidated statement of comprehensive income) because the amortization period of the asset that the Group otherwise would have used is less than one year.

Pension and Other Long-Term Employee Benefits

The Parent Company has a funded, noncontributory defined benefit retirement plan covering permanent employees. Other entities are covered by Republic Act (R.A.) 7641, otherwise known as “The Philippine Retirement Law”, which provides for qualified employees to receive an amount equivalent to a certain percentage of monthly salary at normal retirement age. In addition, the Group has agreed to pay the cash equivalent of the accumulated unused vacation leave of the employees upon separation from the Group.

The cost of providing benefits under the defined benefit plans is determined using the projected unit credit method.

*Defined Benefit Plans.* The net defined benefit liability or asset is the aggregate of the present value of the defined benefit obligation at the end of the reporting period reduced by the fair value of plan assets (if any), adjusted for any effect of limiting a net defined benefit asset to the asset ceiling.

The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The cost of providing benefits under defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the statement of financial position with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognizes related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognizes the following changes in the net defined benefit obligation under “Production costs” and “General and administrative expenses” accounts in consolidated statements of comprehensive income (by function):

- Service costs comprising current service costs, past service costs, gains and losses on curtailments and non-routine settlements.
- Net interest expense or income



Plan assets are assets that are held by a long-term employee benefit fund. Fair value of plan assets is based on market price information. When no market price is available, the fair value of plan assets is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of those assets (or, if they have no maturity, the expected period until the settlement of the related obligations). If the fair value of the plan assets is higher than the present value of the defined benefit obligation, the measurement of the resulting defined benefit asset is limited to the present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The Group's right to be reimbursed of some or all of the expenditure required to settle a defined benefit obligation is recognized as a separate asset at fair value when and only when reimbursement is virtually certain.

### Leases

*Leases.* The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

*Group as Lessee.* The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

- *Right-of-use Assets.* The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received and estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term as follow:

|                                     |               |
|-------------------------------------|---------------|
| Land                                | 2 to 25 years |
| Buildings, studio and office spaces | 2 to 15 years |

Right-of-use assets are subject to impairment.

- *Lease Liabilities.* At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers the payment occurs.



In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

- *Short-term Leases.* The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date or initial application of PFRS 16 and do not contain a purchase option). Lease payments on short-term leases are recognized as expense on a straight-line basis over the lease term.

*Group as Lessor.* Leases where the Group does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Rental income from operating leases are recognized as income in the consolidated statement of comprehensive income on a straight-line basis over the lease term. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

#### Foreign Currency-denominated Transactions

Transactions in foreign currencies are initially recorded in the functional currency exchange rate at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency closing exchange rate at financial reporting period. All differences are taken to profit or loss in the consolidated statements of comprehensive income. Nonmonetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Nonmonetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. For income tax purposes, foreign exchange gains and losses are treated as taxable income or deductible expenses when realized.

#### Taxes

*Current Income Tax.* Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted at reporting period.

Current income tax relating to items recognized directly in equity is recognized in equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation, and establishes provisions where appropriate.

*Deferred Tax.* Deferred tax is provided using the liability method on temporary differences at reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting period.



Deferred tax assets are recognized for all deductible temporary differences, carryforward benefits of excess minimum corporate income tax (MCIT) over regular corporate income tax (RCIT) and unused net operating loss carryover (NOLCO), to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carryforward benefits of excess MCIT over RCIT and unused NOLCO can be utilized, except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. Unrecognized deferred tax assets are reassessed at each reporting period and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates and tax laws to be enacted or substantially enacted at the reporting period.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

*Creditable Withholding Taxes.* Creditable withholding taxes represent amounts withheld by the Group's customers and is deducted from the Group's income tax payable.

*Value-added Tax (VAT).* Revenue, expenses and assets are recognized net of the amount of VAT, if applicable.



When VAT from sales of goods and/or services (output VAT) exceeds VAT passed on from purchases of goods or services (input VAT), the excess is recognized as payable in the consolidated statement of financial position. When VAT passed on from purchases of goods or services (input VAT) exceeds VAT from sales of goods and/or services (output VAT), the excess is recognized as an asset in the consolidated statement of financial position to the extent of the recoverable amount.

The net amount of VAT recoverable from, or payable to, the taxation authority is included as part of “Prepaid expenses and other current assets” or “Trade payables and other current liabilities” accounts in the consolidated statement of financial position.

#### Earnings Per Share (EPS)

Basic EPS is computed by dividing the net income for the year attributable to the equity holders of the Parent Company, net of income attributable to preferred shares, by the weighted average number of common shares outstanding during the year, after considering the retroactive adjustments for any stock dividends declared, if any.

Diluted EPS is calculated by dividing the net income for the year attributable to the equity holders of the Parent Company (inclusive of income attributable to preferred shares) by the weighted average number of common shares outstanding during the year, plus the weighted average number of common shares that would be issued upon conversion of all dilutive potential common shares.

#### Segment Reporting

For management purposes, the Group’s operating businesses are organized and managed separately into television and radio airtime, international subscriptions and other business activities. Such business segments are the basis upon which the Group reports its primary segment information. The Group considers television and radio operations as the major business segment. The Group operates in two geographical areas where it derives its revenue. Financial information on business segments is presented in Note 5 to the consolidated financial statements.

#### Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the consolidated statement of comprehensive income net of any reimbursement.

#### Contingencies

Contingent liabilities are not recognized in the consolidated financial statements. These are disclosed in the notes to consolidated financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the consolidated financial statements but are disclosed in the notes to consolidated financial statements when an inflow of economic benefits is probable.

#### Events after Reporting Period

Post year-end events that provide additional information about the Group’s position at the reporting period (adjusting events) are reflected in the consolidated financial statements. Post year-end events that are not adjusting events are disclosed in the notes to consolidated financial statements when material.



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#### 4. Significant Accounting Judgments, Estimates and Assumptions

The preparation of the consolidated financial statements requires management to make judgments, estimates and assumptions that affect amounts reported in the consolidated financial statements and related notes at the end of the reporting period. However, uncertainty about these judgments, estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

##### Judgments

In the process of applying the Group's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the consolidated financial statements.

*Consolidation of Entities in which the Group holds less than Majority of Voting Rights.* The Group considers that it controls RGMA Network even though it owns less than 50% of the voting rights. This is because the Group is the single largest shareholder of RGMA Network with a 49% equity interest. The remaining 51% of the equity shares in RGMA Network are owned by several parties. Since September 27, 1995, which is the date of incorporation of RGMA Network, there is no history of the other shareholders collaborating to exercise their votes collectively or to outvote the Group. The carrying amount of NCI as at December 31, 2025 and 2024 are ₱46.03 million and ₱50.80 million, respectively.

*Operating Leases - Group as Lessor.* The Group has entered into various lease agreements as lessor. The Group had determined that the risks and rewards of ownership of the underlying property were retained by the Group. Accordingly, the leases are classified as an operating lease.

Total rental income amounted to ₱7.79 million, ₱7.15 million, and ₱7.73 million in 2025, 2024 and 2023, respectively (see Note 26).

*Allowance for ECL.* The following information explains the inputs, assumptions and techniques used by the Group in estimating ECL for trade receivables:

- Definition of default for trade receivables

The Group defines a trade receivable as in default, when it meets one or more of the following criteria:

- The counterparty is experiencing financial difficulty or is insolvent
- The receivable is more than 360 days past due. The determination of the period is based on the Group's practice and agreement with their customers within the industry.

- Grouping of instruments for losses measured on collective basis

For expected credit loss provisions modelled on a collective basis, a grouping of exposures is performed on the basis of shared risk characteristics, such that risk exposures within a segmentation are homogeneous. The Group segmented its receivables based on the type of customer (e.g., corporate and individuals).



- Incorporation of forward-looking information

The Group considers a range of relevant forward-looking macro-economic assumptions for the determination of unbiased general industry adjustments that support the calculation of ECLs. A broad range of forward-looking information are considered as economic inputs such as the gross domestic product, inflation rate, unemployment rates and other economic indicators.

The macroeconomic factors are aligned with information used by the Group for other purposes such as strategic planning and budgeting.

The Group identifies and documents key drivers of credit risk and credit losses of each portfolio of financial instruments and, using an analysis of historical data, has estimated relationships between macro-economic variables and credit risk and credit losses.

Predicted relationship between the key macro-economic indicators and default and loss rates on various portfolios of financial assets have been developed based on analyzing historical data over the past 5 years. The methodologies and assumptions including any forecasts of future economic conditions are reviewed regularly.

*Contingencies.* The Group is currently involved in various claims and legal proceedings. The estimate of the probable costs for the resolution of these claims has been developed in consultation with legal counsel handling the defense in these matters and is based upon an analysis of potential results. The Group currently does not believe that these proceedings will have a material adverse effect on the Group's financial position.

#### Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

*Estimating the Incremental Borrowing Rate.* The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the counterparty's stand-alone credit rating).

The Group's lease liabilities amounted to ₱130.25 million and ₱115.62 million as at December 31, 2025 and 2024, respectively (see Note 28).

*Estimating Allowance for ECL.* The Group uses a simplified approach for calculating ECL on trade receivables through the use of provision matrix to calculate ECLs. The provision rates are based on days past due for groupings of customer segments that have similar loss patterns (i.e., by customer type).



The provision matrix is initially based on the Group's historical observed default rates. The Group then calibrates the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (e.g., gross domestic product, inflation rate, unemployment rate) are expected to deteriorate over the next year which can lead to an increased number of defaults in the Group's operating segments, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking factors specific to the debtors and the economic environment are updated to consider the impact of the coronavirus pandemic.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Provision for ECL amounted to ₱128.32 million, ₱6.28 million and ₱4.74 million in 2025, 2024 and 2023, respectively (see Notes 7 and 24). The allowance for ECL amounted to ₱1,048.00 million and ₱919.68 million as at December 31, 2025 and 2024, respectively. The carrying amounts of trade and other receivables amounted to ₱6,392.19 million and ₱6,796.66 million as at December 31, 2025 and 2024, respectively (see Note 7).

*Classification and Amortization of Program and Other Rights.* Portions of program and other rights are classified as current and noncurrent assets. Current portion represents those expected to be aired any time within its normal operating cycle, whereas the noncurrent portion represents those without definite expiration.

The Group estimates the amortization of program and other rights with finite lives using straight line method up to the date of expiry and those with no definite expiration date of up to ten years, which is the manner and pattern of usage of the acquired rights. In addition, estimation of the amortization of program and other rights is based on the Group's experience with such rights. It is possible, however, that future results of operations could be materially affected by changes in estimates brought about by changes in the factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances.

Program and other rights usage amounted to ₱1,355.73 million, ₱1,372.83 million and ₱1,191.48 million in 2025, 2024 and 2023, respectively (see Note 23). Program and other rights, net of accumulated impairment in value of ₱2.70 million, amounted to ₱2,152.44 million and ₱2,336.37 million as at December 31, 2025 and 2024, respectively (see Note 8).

*Estimating Allowance for Inventory Losses.* The Group provides allowance for inventory losses whenever the net realizable value becomes lower than cost due to damage, physical deterioration, obsolescence, changes in price levels or other causes. The allowance account is reviewed periodically to reflect the accurate valuation of the inventories.

The carrying value of merchandise inventory and materials and supplies inventory in the consolidated statement of financial position amounted to ₱814.35 million and ₱935.92 million as at December 31, 2025 and 2024, respectively (see Note 9). There were no provisions for inventory losses in 2025, 2024 and 2023.

*Estimating Useful Lives of Property and Equipment, Software Costs and Investment Properties.* The Group estimates the useful lives of property and equipment, software costs and investment properties based on the period over which the assets are expected to be available for use. The estimated useful lives of property and equipment, software costs and investment properties are reviewed periodically



and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets. In addition, estimation of the useful lives of property and equipment, software costs and investment properties are based on collective assessment of industry practice, internal technical evaluation and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in estimates brought about by changes in the factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of property and equipment, software costs and investment properties would increase the recorded general and administrative expenses and decrease noncurrent assets.

There has been no change in the Group's estimate of useful lives of its property and equipment, software costs and investment properties in 2025 and 2024.

Total depreciation and amortization expense for the years ended December 31, 2025, 2024 and 2023, amounted to ₱876.73 million, ₱901.05 million and ₱861.48 million, respectively (see Notes 13, 15, 16, 23, 24, and 28).

*Revaluation of Land.* The Group engages an accredited appraiser to determine the fair value of the land used in operations. Fair value is determined by reference to market-based evidence adjusted based on certain elements of comparison. The fair value amount would differ if the Group made different judgments and estimates or utilized a different basis for determining fair value.

Valuations from an accredited appraiser are generally performed every three to five years or more frequently as deemed necessary to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.

Total additional revaluation increment, net of tax, recognized in 2025, 2024 and 2023 amounted ₱434.29 million, nil and ₱1,645.04 million, respectively. The revalued amount of land, which is classified under "Property and equipment" account in the statements of financial position, amounted to ₱9,392.33 million and ₱8,813.28 million as at December 31, 2025 and 2024, respectively (see Notes 14 and 32). In 2025 and 2023, the Group assessed those certain parcels of land at revalued amounts have significant movements in its current carrying values and obtained updated appraisals as at December 31, 2025 and 2023. For the land that were not appraised as of December 31, 2025, 2024 and 2023, the Group assessed that carrying values approximates fair values as of reporting dates.

*Impairment of Nonfinancial Assets.* For prepaid production costs, tax credits, investments and advances, property and equipment, right-of-use assets, investment properties, program and other rights, investment in artworks, deferred production costs and software costs, impairment testing is performed whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

The factors that the Group considers important which could trigger an impairment review include the following:

- significant underperformance relative to expected historical or projected future operating results;
- significant changes in the manner of use of the acquired assets or the strategy for overall business;
- significant negative industry or economic trends; and
- obsolescence or physical damage of an asset.



The Group recognizes an impairment loss whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of fair value less costs to sell or asset's value in use. Recoverable amounts are estimated for individual assets or, if it is not possible, for the CGU to which the asset belongs.

As at December 31, 2025 and 2024, the Group did not identify any indicator of impairment on its nonfinancial assets, hence, no impairment tests were carried out.

The carrying values of nonfinancial assets as at December 31 follow:

|                                                | 2025                  | 2024           |
|------------------------------------------------|-----------------------|----------------|
| Land at revalued amounts (Note 14)             | <b>₱9,392,333,955</b> | ₱8,813,281,439 |
| Property and equipment - at cost (see Note 13) | <b>2,969,765,662</b>  | 3,502,202,674  |
| Program and other rights (see Note 8)          | <b>2,152,441,529</b>  | 2,336,373,202  |
| Prepaid production costs (see Note 10)         | <b>344,356,644</b>    | 643,256,742    |
| Investments and advances (see Note 12)         | <b>167,651,596</b>    | 170,426,515    |
| Tax credits (see Note 10)                      | <b>125,645,165</b>    | 131,853,616    |
| Right-of-use assets (see Note 28)              | <b>105,738,829</b>    | 91,284,052     |
| Investment properties (see Note 15)            | <b>29,384,113</b>     | 30,841,564     |
| Investment in artworks (see Note 16)           | <b>10,186,136</b>     | 10,186,136     |
| Software costs (see Note 16)                   | <b>9,982,360</b>      | 21,981,313     |
| Deferred production costs (see Note 16)        | <b>1,706,914</b>      | 1,586,384      |

*Estimating Realizability of Deferred Tax Assets.* The Group reviews its deferred tax assets at each reporting date and reduces the carrying amount to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. The Group's assessment on the recognition of deferred tax assets on deductible temporary difference and carryforward benefits of NOLCO and excess MCIT over RCIT is based on the projected taxable income in the following periods.

Recognized deferred tax assets amounted to ₱1,947.82 million and ₱1,598.60 million as at December 31, 2025 and 2024, respectively, while unrecognized deferred tax assets amounted to ₱15.43 million and ₱11.90 million as at December 31, 2025 and 2024, respectively (see Note 29).

*Pension Benefits.* The determination of the Group's obligation and cost of pension benefits is dependent on the selection of certain assumptions used by actuaries in calculating such amounts. Those assumptions are described in Note 27 and include, among others, discount rate and salary increase rate. Due to the complexity of the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions.

Pension liability amounted to ₱6,034.06 million and ₱4,680.28 million as at December 31, 2025 and 2024, respectively (see Note 27).

*Determination of Fair Value of Financial Assets at FVOCI.* Financial assets at FVOCI are carried and disclosed at fair value. When the fair values cannot be derived from active markets, they are determined using a variety of valuation techniques, which include net asset value method for equity instruments whose net assets substantially consists of financial instruments measured at fair value or approximates their fair values. The inputs to these models is taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The fair value of financial assets at FVOCI are enumerated in Note 32.



*Determination of Fair Value of Investment Properties.* PFRS Accounting Standards requires disclosure of fair value of investment properties when measured at cost. The Group used the services of an independent professional appraiser in estimating the fair value of properties. The appraisers conducted an actual inspection of the property and considered the following in the study and analyses in arriving at the estimate of fair value: (a) extent, character and utility of the property; (b) sales and holding prices of similar properties; and (c) highest and best use of the property. The description of valuation techniques used and key inputs to fair valuation of investment properties are enumerated in Note 15 of the consolidated financial statements.

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## 5. Segment Information

### Business Segments

For management purposes, the Group is organized into business units based on its products and services and has three reportable segments, as follows:

- The television and radio segment, which engages in television and radio broadcasting activities and which generates revenue from sale of national and regional advertising time.
- The international subscription segment which engages in subscription arrangements with international cable companies.
- Other businesses which include movie production, consumer products and other services.

The Executive Committee, the chief operating decision maker, and Management monitor the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on net income or loss and is measured consistently with the net income or loss in the consolidated financial statements. On a consolidated basis, the Group's performance is evaluated based on consolidated net income for the year.

### Geographical Segments

The Group operates in two major geographical segments - local and international. Local refers to revenues earned in the Philippines, the home country. Significant portion of the revenues earned locally pertain to television and radio airtime. International refers to revenues earned in United States and in other locations (which include Middle East, Europe, Australia, Canada, Guam, Singapore, Hongkong and Japan). The Group ties up with cable providers to bring local television programming outside the Philippines.

The Group's revenues are mostly generated in the Philippines, which is the Group's country of domicile.

Noncurrent assets consist of property and equipment, land at revalued amounts, investment properties and intangible assets which are all located in the Philippines.

The Group does not have a single external customer whose revenue accounts for 10% or more of the Group's revenues.

### Inter-segment Transactions

Segment revenues, segment expenses and segment results include transfers among business segments and among geographical segments. The transfers are accounted for at competitive market prices charged to unrelated customers for similar services. Such transfers are eliminated upon consolidation.



Measurement Basis

The amount of segment assets and liabilities and segment profit or loss are based on measurement principles that are similar to those used in measuring the assets and liabilities and profit or loss in the consolidated financial statements, which is in accordance with PFRS Accounting Standards.



| Geographical<br>Business Segment           | Local                        |                 |                 |                  |                |                | International              |               |               |                |                |                |                 |                 |                 |
|--------------------------------------------|------------------------------|-----------------|-----------------|------------------|----------------|----------------|----------------------------|---------------|---------------|----------------|----------------|----------------|-----------------|-----------------|-----------------|
|                                            | Television and radio airtime |                 |                 | Other businesses |                |                | International subscription |               |               | Eliminations   |                |                | Consolidated    |                 |                 |
|                                            | 2025                         | 2024            | 2023            | 2025             | 2024           | 2023           | 2025                       | 2024          | 2023          | 2025           | 2024           | 2023           | 2025            | 2024            | 2023            |
| <b>REVENUES</b>                            |                              |                 |                 |                  |                |                |                            |               |               |                |                |                |                 |                 |                 |
| External sales                             | ₱14,687,609,739              | ₱14,642,205,009 | ₱15,803,495,602 | ₱2,760,927,489   | ₱2,193,015,535 | ₱2,022,925,862 | ₱666,508,127               | ₱729,423,220  | ₱810,792,383  | ₱–             | ₱–             | ₱–             | ₱18,115,045,355 | ₱17,564,643,764 | ₱18,637,213,847 |
| Inter-segment sales                        | –                            | –               | –               | 734,835,223      | 444,000,357    | 427,121,728    | –                          | –             | –             | (734,835,223)  | (444,000,357)  | (427,121,728)  | –               | –               | –               |
|                                            | ₱14,687,609,739              | ₱14,642,205,009 | ₱15,803,495,602 | ₱3,495,762,712   | ₱2,637,015,892 | ₱2,450,047,590 | ₱666,508,127               | ₱729,423,220  | ₱810,792,383  | (734,835,223)  | (₱444,000,357) | (₱427,121,728) | ₱18,115,045,355 | ₱17,564,643,764 | ₱18,637,213,847 |
| <b>NET INCOME</b>                          |                              |                 |                 |                  |                |                |                            |               |               |                |                |                |                 |                 |                 |
| Segment results                            | ₱1,948,473,210               | ₱2,007,280,491  | ₱3,147,396,688  | ₱198,391,563     | ₱191,769,790   | ₱176,473,591   | ₱445,066,595               | ₱501,974,587  | ₱571,772,890  | (₱18,373,722)  | ₱27,746,092    | ₱149,924,765   | ₱2,573,557,646  | ₱2,728,770,960  | ₱4,045,567,934  |
| Interest expense                           | (142,632,060)                | (184,859,212)   | (130,386,910)   | (777,329)        | (669,485)      | (743,074)      | –                          | –             | –             | –              | –              | –              | (143,409,389)   | (185,528,697)   | (131,129,984)   |
| Foreign exchange gain (loss)               | 41,311,931                   | 1,066,153       | (11,999,511)    | 14,645,908       | 2,128,269      | 3,719,088      | 23,140,567                 | 148,049       | 7,077,123     | –              | –              | –              | 79,098,406      | 3,342,471       | (1,203,300)     |
| Interest income                            | 28,623,539                   | 14,439,449      | 32,143,283      | 2,920,304        | 2,549,958      | 2,096,360      | –                          | –             | –             | –              | –              | –              | 31,543,843      | 16,989,407      | 34,239,643      |
| Equity in net losses of a joint venture    | –                            | –               | –               | (3,959,122)      | (1,559,719)    | (10,343,259)   | –                          | –             | –             | –              | –              | –              | (3,959,122)     | (1,559,719)     | (10,343,259)    |
| Other income (expenses)                    | 513,257,694                  | 365,845,932     | 378,869,230     | 16,676,877       | 5,587,522      | 5,847,043      | –                          | –             | –             | (120,647,165)  | (144,646,092)  | (145,251,440)  | 409,287,406     | 226,787,362     | 239,464,833     |
| Income tax                                 | (571,021,886)                | (537,550,257)   | (814,155,011)   | (62,703,108)     | (59,417,387)   | (51,378,890)   | (115,382,654)              | (122,367,327) | (144,712,503) | –              | (4,500,000)    | (4,500,000)    | (749,107,648)   | (723,834,971)   | (1,014,746,404) |
|                                            | ₱1,818,012,428               | ₱1,666,222,556  | ₱2,601,867,769  | ₱165,195,093     | ₱140,388,948   | ₱125,670,859   | ₱352,824,508               | ₱379,755,309  | ₱434,137,510  | (₱139,020,887) | (₱121,400,000) | ₱173,325       | ₱2,197,011,142  | ₱2,064,966,813  | ₱3,161,849,463  |
| <b>ASSETS AND LIABILITIES</b>              |                              |                 |                 |                  |                |                |                            |               |               |                |                |                |                 |                 |                 |
| <b>Assets</b>                              |                              |                 |                 |                  |                |                |                            |               |               |                |                |                |                 |                 |                 |
| Segment assets                             | ₱24,265,143,885              | ₱25,847,063,390 | ₱24,574,713,358 | 1,576,854,156    | ₱2,068,265,477 | ₱2,058,264,598 | 291,989,267                | ₱259,018,020  | ₱302,571,804  | (740,923,869)  | (₱906,484,554) | (₱744,599,244) | ₱25,393,063,439 | ₱27,267,862,333 | ₱26,190,950,516 |
| Investment in associates - at equity       | 38,350,619                   | 38,350,619      | 38,350,619      | 19,692,065       | 23,651,187     | 25,210,906     | –                          | –             | –             | –              | –              | –              | 58,042,684      | 62,001,806      | 63,561,525      |
|                                            | ₱24,303,494,504              | ₱25,885,414,009 | ₱24,613,063,977 | 1,596,546,221    | ₱2,091,916,664 | ₱2,083,475,504 | 291,989,267                | ₱259,018,020  | ₱302,571,804  | (740,923,869)  | (₱906,484,554) | (₱744,599,244) | ₱25,451,106,123 | ₱27,329,864,139 | ₱26,254,512,041 |
| <b>Liabilities</b>                         |                              |                 |                 |                  |                |                |                            |               |               |                |                |                |                 |                 |                 |
| Segment liabilities                        | ₱11,336,689,757              | ₱12,089,951,984 | ₱10,692,855,402 | 476,595,400      | ₱728,016,401   | ₱498,342,047   | 282,420,326                | ₱147,396,247  | ₱244,308,227  | (413,070,219)  | (₱488,825,949) | (₱471,068,430) | ₱11,682,635,264 | ₱12,476,538,683 | ₱10,964,437,246 |
| Deferred tax liabilities                   | 299,164,611                  | 511,813,753     | 352,227,764     | –                | –              | –              | –                          | –             | –             | –              | –              | –              | 299,164,611     | 511,813,753     | 352,227,764     |
|                                            | ₱11,635,854,368              | ₱12,601,765,737 | ₱11,045,083,166 | 476,595,400      | ₱728,016,401   | ₱498,342,047   | 282,420,326                | ₱147,396,247  | ₱244,308,227  | (413,070,219)  | (₱488,825,949) | (₱471,068,430) | ₱11,981,799,875 | ₱12,988,352,436 | ₱11,316,665,010 |
| <b>Other Segment Information</b>           |                              |                 |                 |                  |                |                |                            |               |               |                |                |                |                 |                 |                 |
| <b>Capital expenditures:</b>               |                              |                 |                 |                  |                |                |                            |               |               |                |                |                |                 |                 |                 |
| Program and other rights and software cost | ₱1,176,867,345               | ₱1,493,202,074  | ₱1,943,494,842  | ₱288,974         | ₱438,344       | ₱423,355       | ₱–                         | ₱–            | ₱–            | ₱–             | ₱–             | ₱–             | ₱1,177,156,319  | ₱1,493,640,418  | ₱1,943,918,197  |
| Property and equipment                     | 276,104,122                  | 643,681,068     | 1,071,570,155   | 25,976,143       | 31,491,485     | 31,491,485     | 8,513,893                  | 3,362,772     | 2,073,779     | –              | –              | –              | 310,594,158     | 678,535,325     | 1,105,135,419   |
| Depreciation and amortization              | 2,203,530,102                | 2,259,300,727   | 2,043,156,774   | 26,412,215       | 29,297,488     | 24,030,969     | 2,512,037                  | 283,202       | 772,538       | –              | (15,000,000)   | (15,000,000)   | 2,232,454,354   | 2,273,881,417   | 2,052,960,281   |



## 6. Cash and Cash Equivalents

|                           | 2025                  | 2024           |
|---------------------------|-----------------------|----------------|
| Cash on hand and in banks | <b>₱1,111,193,731</b> | ₱1,870,840,835 |
| Short-term deposits       | <b>350,191,984</b>    | 275,469,972    |
|                           | <b>₱1,461,385,715</b> | ₱2,146,310,807 |

Cash in banks earn interest at the respective bank deposit rates. Short-term deposits are made for varying periods of up to three months depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates. Interest rates of peso placements ranged from 1.00% to 6.25% in 2025, 0.90% to 6.25% in 2024, and 0.20% to 6.25% in 2023, while interest rates of foreign placements, ranged from 3.00% to 3.85% in 2025, 3.10% to 4.70% in 2024, 2.90% to 4.70% in 2023.

Interest income earned from bank deposits and short-term deposits amounted to ₱31.54 million, ₱16.99 million and ₱34.24 million in 2025, 2024 and 2023, respectively.

## 7. Trade and Other Receivables

|                                    | 2025                  | 2024           |
|------------------------------------|-----------------------|----------------|
| Trade:                             |                       |                |
| Television and radio airtime       | <b>₱7,037,135,333</b> | ₱7,109,468,587 |
| Subscriptions                      | <b>185,583,575</b>    | 207,359,180    |
| Others                             | <b>175,378,616</b>    | 346,605,767    |
| Nontrade:                          |                       |                |
| Advances to officers and employees | <b>6,280,963</b>      | 15,280,198     |
| Others (see Note 21)               | <b>35,808,443</b>     | 37,620,429     |
|                                    | <b>7,440,186,930</b>  | 7,716,334,161  |
| Less allowance for ECL             | <b>1,047,995,683</b>  | 919,677,815    |
|                                    | <b>₱6,392,191,247</b> | ₱6,796,656,346 |

### Trade Receivables

*Television and Radio Airtime.* Television and radio airtime receivables are unsecured, noninterest-bearing and are generally on 60-90 day terms upon receipt of invoice by the customers. The receivables are normally collected within the next reporting period.

Television and radio airtime receivables include unbilled airtime receivables, arising when advertisements have been aired but billing or acceptance by the customer has been delayed due to time lag in completing all required documents. As of December 31, 2025 and 2024, the total unbilled airtime receivables, assessed as contract assets, amounted to ₱50.27 million and ₱45.30 million, respectively.

*Subscriptions Receivable.* Subscriptions receivable pertain to receivables from international channel subscriptions and advertisements. These are unsecured, noninterest-bearing and normally collected within the next reporting period.



*Other Trade Receivables.* Other trade receivables mainly consist of receivables from customers relating to advertising placements on other platforms other than TV and radio, sale of merchandise and content provisioning services. These are unsecured, noninterest-bearing and are generally on 60-90 day terms upon receipt of invoice by the customers.

### Nontrade Receivables

*Advances to Officers and Employees and Other Nontrade Receivables.* Other nontrade receivables pertain to loans of regular and project employees and advances given to talents and project employees. These are noninterest-bearing and are normally collected within the next financial year.

### Allowance for ECL on Trade Receivables

The movements in the allowance for ECLs are as follows:

|                                      | 2025           |             |                |
|--------------------------------------|----------------|-------------|----------------|
|                                      | Corporate      | Individual  | Total          |
| Balance at beginning of year         | ₱909,368,277   | ₱10,309,538 | ₱919,677,815   |
| Provision for the year (see Note 24) | 128,317,868    | –           | 128,317,868    |
| Balance at end of year               | ₱1,037,686,145 | ₱10,309,538 | ₱1,047,995,683 |

|                                      | 2024         |             |              |
|--------------------------------------|--------------|-------------|--------------|
|                                      | Corporate    | Individual  | Total        |
| Balance at beginning of year         | ₱903,093,040 | ₱10,309,538 | ₱913,402,578 |
| Provision for the year (see Note 24) | 6,275,237    | –           | 6,275,237    |
| Balance at end of year               | ₱909,368,277 | ₱10,309,538 | ₱919,677,815 |

## 8. Program and Other Rights

Details and movement in this account are as follows:

|                                              | 2025            |                     |                            |                 |
|----------------------------------------------|-----------------|---------------------|----------------------------|-----------------|
|                                              | Program Rights  | Story/Format Rights | Program Rights-Incidentals | Total           |
| Cost:                                        |                 |                     |                            |                 |
| Balance at beginning of year                 | ₱2,196,008,470  | ₱90,090,350         | ₱52,976,642                | ₱2,339,075,462  |
| Additions                                    | 1,055,727,439   | 43,049,650          | 73,020,548                 | 1,171,797,637   |
| Program and other rights usage (see Note 23) | (1,211,618,651) | (74,042,602)        | (70,068,057)               | (1,355,729,310) |
| Balance at end of year                       | 2,040,117,258   | 59,097,398          | 55,929,133                 | 2,155,143,789   |
| Accumulated impairment in value              | (2,702,260)     | –                   | –                          | (2,702,260)     |
|                                              | 2,037,414,998   | 59,097,398          | 55,929,133                 | 2,152,441,529   |
| Less noncurrent portion                      | 440,990,796     | –                   | 22,587,299                 | 463,578,095     |
| Current portion                              | ₱1,596,424,202  | ₱59,097,398         | ₱33,341,834                | ₱1,688,863,434  |

|                                              | 2024            |                     |                              |                 |
|----------------------------------------------|-----------------|---------------------|------------------------------|-----------------|
|                                              | Program Rights  | Story/Format Rights | Program Rights - Incidentals | Total           |
| Cost:                                        |                 |                     |                              |                 |
| Balance at beginning of year                 | ₱1,941,867,036  | ₱238,918,717        | ₱41,201,003                  | ₱2,221,986,756  |
| Additions                                    | 1,361,871,065   | 30,605,244          | 97,439,593                   | 1,489,915,902   |
| Program and other rights usage (see Note 23) | (1,107,729,631) | (179,433,611)       | (85,663,954)                 | (1,372,827,196) |
| Balance at end of year                       | 2,196,008,470   | 90,090,350          | 52,976,642                   | 2,339,075,462   |
| Accumulated impairment in value              | (2,702,260)     | –                   | –                            | (2,702,260)     |
|                                              | 2,193,306,210   | 90,090,350          | 52,976,642                   | 2,336,373,202   |
| Less noncurrent portion                      | 454,116,395     | –                   | 8,843,238                    | 462,959,633     |
| Current portion                              | ₱1,739,189,815  | ₱90,090,350         | ₱44,133,404                  | ₱1,873,413,569  |



## 9. Inventories

This account consists of the following:

|                                  | 2025                | 2024         |
|----------------------------------|---------------------|--------------|
| Merchandise inventory            | <b>₱642,203,371</b> | ₱919,134,424 |
| Materials and supplies inventory | <b>172,144,965</b>  | 16,789,939   |
|                                  | <b>₱814,348,336</b> | ₱935,924,363 |

The following are the details of merchandise inventory account:

|                    | 2025                | 2024         |
|--------------------|---------------------|--------------|
| Set-top box        | <b>₱640,460,812</b> | ₱742,183,598 |
| ITE chipset dongle | <b>1,742,559</b>    | 176,950,826  |
|                    | <b>₱642,203,371</b> | ₱919,134,424 |

Merchandise inventory consists mainly of set-top boxes, digital TV mobile receiver and other merchandise for sale by the Group. In 2020, the Group launched the GMA Affordabox, a digital box which allows users to receive clear pictures and sounds in their television sets through digital transmission. Cost of sales related to digital boxes amounted to ₱128.21 million, ₱218.28 million and ₱297.86 million in 2025, 2024 and 2023, respectively.

Materials and supplies inventory includes the Group's promotional items, office supplies, spare parts and production materials. In 2025, the Group reclassified chipset dongle that are intended to be used for promotions amounting to ₱155.54 million from merchandise inventory to materials and supplies inventory.

## 10. Prepaid Expenses and Other Current Assets

|                              | 2025                  | 2024           |
|------------------------------|-----------------------|----------------|
| Input VAT                    | <b>₱393,784,795</b>   | ₱402,051,920   |
| Prepaid production costs     | <b>344,356,644</b>    | 643,256,742    |
| Prepaid expenses             | <b>155,536,900</b>    | 168,520,539    |
| Tax credits                  | <b>125,645,165</b>    | 131,853,616    |
| Advances to suppliers        | <b>116,497,191</b>    | 352,867,642    |
| Creditable withholding taxes | <b>46,187,797</b>     | 62,074,356     |
| Others                       | <b>1,180,753</b>      | 1,121,050      |
|                              | <b>₱1,183,189,245</b> | ₱1,761,745,865 |

Input VAT pertains to VAT on purchase or importation of goods and services which are to be claimed and credited in the succeeding period's filing of VAT return.

Prepaid production costs represent costs paid in advance prior to the airing of the programs or episodes. The Group expects to air the related programs or episodes within the next financial year.

Prepaid expenses include prepayments for rentals, insurance and other expenses.

Tax credits represent claims of the Parent Company from the government arising from airing of government commercials and advertisements. The Parent Company expects to utilize these tax credits within the next financial year.



Advances to suppliers are noninterest-bearing and are generally applied to acquisition of program and other rights, inventories, availment of services and others within the next financial year.

Creditable withholding taxes represent amounts withheld by the Group's customers and is deducted from the Group's income tax payable.

## 11. Financial Assets at Fair Value Through Other Comprehensive Income

This account consists of the following:

|                               | 2025                | 2024         |
|-------------------------------|---------------------|--------------|
| Non-listed equity instruments | <b>₱403,139,728</b> | ₱369,694,754 |
| Listed equity instruments     | <b>1,325,851</b>    | 1,162,236    |
|                               | <b>₱404,465,579</b> | ₱370,856,990 |

Investment in equity instruments pertains to shares of stock and club shares which are not held for trading. The Group assessed the equity instruments to be strategic in nature.

The movement of financial assets at FVOCI are as follows:

|                                                                  | 2025                | 2024         |
|------------------------------------------------------------------|---------------------|--------------|
| Balance at beginning of year                                     | <b>₱370,856,990</b> | ₱349,899,892 |
| Additions during the year                                        | <b>28,743,027</b>   | 23,846,713   |
| Disposals during the year                                        | <b>(535,775)</b>    | –            |
| Net unrealized gain (loss) on fair value changes during the year | <b>5,401,337</b>    | (2,889,615)  |
| Balance at end of year                                           | <b>₱404,465,579</b> | ₱370,856,990 |

In 2025, the Group purchased additional investments in Wavemaker Three-Sixty Health II-A,LP. totaling ₱28.74 million.

In 2024, the Group purchased additional investments in TNB Aura Fund 2 Ltd, Wavemaker Three-Sixty Health II-A,LP., and Hofer Development Corporation totaling ₱23.85 million.

The movements in “Unrealized loss on financial assets at FVOCI - net of tax” account are as follows:

|                                                                   | 2025                  | 2024           |
|-------------------------------------------------------------------|-----------------------|----------------|
| Balance at beginning of year - net of tax                         | <b>(₱107,208,473)</b> | (₱105,567,325) |
| Net unrealized gain (loss) on fair value changes during the year  | <b>5,401,337</b>      | (2,889,615)    |
| Tax effect of the changes in fair market values                   | <b>(851,931)</b>      | 1,248,467      |
| Realized gain from sale of FVOCI transferred to retained earnings | <b>(312,971)</b>      | –              |
| Balance at end of year                                            | <b>(₱102,972,038)</b> | (₱107,208,473) |



IP E-Games Ventures, Inc.

In 2015, IP E-Games Ventures, Inc. (IPE) issued 13,000.00 million of its own common shares to the Group in exchange of the Group's investment in X-Play Online Games Incorporated (X-Play) and in settlement of ₱30.00 million advances and ₱50.00 million airtime credits granted by the Group to X-Play. At initial recognition, the Group recognized at fair value the IPE shares amounting to ₱130.00 million. The carrying values of investment in IPE amounted to ₱1.23 million and ₱0.72 million as at December 31, 2025 and 2024, respectively.

Of the ₱50.00 million airtime credits, ₱30.00 million has not been implemented at the date of exchange and therefore was recognized by the Group as unearned revenue presented as "Contract liabilities", included as part of "Trade payables and other current liabilities" in 2025 and 2024 (see Note 17).

## 12. Investments and Advances

The following are the details of this account:

|                                                            | 2025                | 2024         |
|------------------------------------------------------------|---------------------|--------------|
| Investment in an associate and interests in joint ventures | <b>₱58,042,684</b>  | ₱62,001,806  |
| Advances to an associate and joint ventures (see Note 21)  | <b>109,608,912</b>  | 108,424,709  |
|                                                            | <b>₱167,651,596</b> | ₱170,426,515 |

The movements in investment in an associate and interests in joint ventures follow:

|                                      | 2025                | 2024         |
|--------------------------------------|---------------------|--------------|
| Acquisition cost -                   |                     |              |
| Balance at beginning and end of year | <b>₱131,722,056</b> | ₱131,722,056 |
| Accumulated equity in net losses:    |                     |              |
| Balance at beginning of year         | <b>(69,720,250)</b> | (68,160,531) |
| Equity in net losses during the year | <b>(3,959,122)</b>  | (1,559,719)  |
| Balance at end of year               | <b>(73,679,372)</b> | (69,720,250) |
|                                      | <b>₱58,042,684</b>  | ₱62,001,806  |

The movements in advances to an associate and joint ventures follow:

|                                        | 2025                | 2024         |
|----------------------------------------|---------------------|--------------|
| Advances to an associate:              |                     |              |
| Balance at beginning of year           | <b>₱106,166,972</b> | ₱100,439,293 |
| Advances during the year (see Note 21) | <b>1,060,118</b>    | 5,727,679    |
| Balance at end of year                 | <b>107,227,090</b>  | 106,166,972  |
| Advances to joint ventures:            |                     |              |
| Balance at beginning of year           | <b>2,257,737</b>    | 2,127,949    |
| Advances during the year               | <b>124,085</b>      | 129,788      |
| Balance at end of year                 | <b>2,381,822</b>    | 2,257,737    |
|                                        | <b>₱109,608,912</b> | ₱108,424,709 |



The ownership interests in joint ventures and an associate, which were all incorporated in the Philippines, and are accounted for under the equity method, as at December 31, 2025 and 2024 follows:

|                                                          | Principal Activities | Percentage of Ownership |          |
|----------------------------------------------------------|----------------------|-------------------------|----------|
|                                                          |                      | Direct                  | Indirect |
| Associate -                                              |                      |                         |          |
| Mont-Aire Realty and Development Corporation (Mont-Aire) | Real Estate          | 49                      | —        |
| Joint Ventures:                                          |                      |                         |          |
| INQ7 Interactive, Inc. (INQ7)*                           | Internet Publishing  | 50                      | —        |
| Philippine Entertainment Portal (PEP)**                  | Internet Publishing  | —                       | 50       |
| Gamespan, Inc. (Gamespan)**                              | Betting Games        | —                       | 50       |

\*Not operational.

\*\*Indirect investment through GNMI.

The carrying values of investments and the related advances are as follows:

|                 | 2025        |                       |              |
|-----------------|-------------|-----------------------|--------------|
|                 | Investments | Advances<br>(Note 21) | Total        |
| Associate -     |             |                       |              |
| Mont-Aire       | ₱38,350,619 | ₱107,227,090          | ₱145,577,709 |
| Joint ventures: |             |                       |              |
| Gamespan        | 8,947,966   | 1,959,670             | 10,907,636   |
| PEP             | 10,744,099  | 422,152               | 11,166,251   |
|                 | 19,692,065  | 2,381,822             | 22,073,887   |
|                 | ₱58,042,684 | ₱109,608,912          | ₱167,651,596 |

|                 | 2024        |                       |              |
|-----------------|-------------|-----------------------|--------------|
|                 | Investments | Advances<br>(Note 21) | Total        |
| Associate -     |             |                       |              |
| Mont-Aire       | ₱38,350,619 | ₱106,166,972          | ₱144,517,591 |
| Joint ventures: |             |                       |              |
| Gamespan        | 8,947,966   | 1,959,670             | 10,907,636   |
| PEP             | 14,703,221  | 298,067               | 15,001,288   |
|                 | 23,651,187  | 2,257,737             | 25,908,924   |
|                 | ₱62,001,806 | ₱108,424,709          | ₱170,426,515 |

The associate and joint ventures are not listed in any public stock exchanges.

#### Mont-Aire

Mont-Aire ceased its commercial operations in 2009 and began its rental operations in 2024. Assets include real estate and parcels of land located at Tagaytay City, Cavite with an aggregate cost of ₱105.08 million and fair market value of ₱150.75 million, as determined by an accredited appraiser as at December 31, 2023 and June 3, 2019. Management believes that there are no events or changes in circumstances indicating a significant unfavorable change in the fair value of the abovementioned properties from the last appraisal made.



PEP

On April 16, 2007, the Group and Summit Publishing, Co. entered into a shareholder's agreement for the establishment of PEP. The joint venture was organized to design, conceptualize, operate and maintain websites that make available all kinds of show business, entertainment and celebrity information, video or pictures in the internet worldwide web or other forms of seamless communication.

The Group recognized its share in net losses of PEP amounting to ₱3.96 million, ₱1.56 million and ₱10.34 million in 2025, 2024 and 2023, respectively.

Gamespan

On March 22, 2012, the Group, through GNMI, executed a Shareholder's Agreement with Manila Jockey Club (MJC) for the establishment of Gamespan, a joint venture corporation. The joint venture was organized to operate and manage the hardware and software owned by MJC, set-up new media infrastructure for offering and taking bets in horse racing and other sports.

Gamespan has not started its commercial operations since its establishment. In 2014, the Group and MJC agreed to terminate its shareholder's agreement and to close Gamespan. As at December 31, 2025 and 2024, the joint venture is not yet operating since they have a pending registration with the Bureau of Internal Revenue (BIR). However, Gamespan is taking actions to amend their GIS and reactivate their dormant bank accounts. Since Gamespan has yet to start its operations, the Group did not recognize any share in net earnings in 2025, 2024 and 2023.

INQ7

Losses of INQ7 recognized under the equity method in excess of the Group's carrying value of investment were applied against its advances to the Parent Company thereby reducing both advances and investments to zero as at December 31, 2025 and 2024. INQ7 ceased operations in 2007. In 2013, INQ7 submitted a request to liquidate its assets to SEC. The liquidation is still ongoing as at December 31, 2025.

The Group believes that its investments in an associate and interests in joint ventures are not individually material.



### 13. Property and Equipment

This account consists of the following:

|                                    | 2025                                     |                                                                  |                                              |                             |                                         |                                                                  |                       |
|------------------------------------|------------------------------------------|------------------------------------------------------------------|----------------------------------------------|-----------------------------|-----------------------------------------|------------------------------------------------------------------|-----------------------|
|                                    | Buildings,<br>towers and<br>improvements | Antenna<br>and transmitter<br>systems and<br>broadcast equipment | Communication<br>and mechanical<br>equipment | Transportation<br>equipment | Furniture,<br>fixtures and<br>equipment | Construction in<br>progress and<br>equipment for<br>installation | Total                 |
| <b>Cost</b>                        |                                          |                                                                  |                                              |                             |                                         |                                                                  |                       |
| At January 1, 2025                 | ₱3,601,323,852                           | ₱9,339,555,849                                                   | ₱2,131,747,608                               | ₱737,306,727                | ₱180,072,373                            | ₱395,956,748                                                     | ₱16,385,963,157       |
| Additions                          | 5,767,523                                | 53,126,415                                                       | 95,567,872                                   | 93,780,221                  | 13,045,036                              | 49,307,091                                                       | 310,594,158           |
| Disposals                          | —                                        | —                                                                | (23,469,526)                                 | (93,198,756)                | (13,134,762)                            | —                                                                | (129,803,044)         |
| Reclassifications                  | 158,842,737                              | 165,364,257                                                      | 29,489,832                                   | —                           | 3,147,673                               | (356,844,499)                                                    | —                     |
| At December 31, 2025               | 3,765,934,112                            | 9,558,046,521                                                    | 2,233,335,786                                | 737,888,192                 | 183,130,320                             | 88,419,340                                                       | 16,566,754,271        |
| <b>Accumulated Depreciation</b>    |                                          |                                                                  |                                              |                             |                                         |                                                                  |                       |
| At January 1, 2025                 | 2,806,611,094                            | 7,595,204,585                                                    | 1,780,946,652                                | 529,414,909                 | 171,583,243                             | —                                                                | 12,883,760,483        |
| Depreciation (see Notes 23 and 24) | 116,084,302                              | 446,844,018                                                      | 171,371,302                                  | 83,559,293                  | 15,088,297                              | —                                                                | 832,947,212           |
| Disposals                          | —                                        | —                                                                | (22,757,571)                                 | (83,826,753)                | (13,134,762)                            | —                                                                | (119,719,086)         |
| At December 31, 2025               | 2,922,695,396                            | 8,042,048,603                                                    | 1,929,560,383                                | 529,147,449                 | 173,536,778                             | —                                                                | 13,596,988,609        |
| <b>Net Book Value</b>              | <b>₱843,238,716</b>                      | <b>₱1,515,997,918</b>                                            | <b>₱303,775,403</b>                          | <b>₱208,740,743</b>         | <b>₱9,593,542</b>                       | <b>₱88,419,340</b>                                               | <b>₱2,969,765,662</b> |

|                                    | 2024                                     |                                                                  |                                              |                             |                                         |                                                                  |                       |
|------------------------------------|------------------------------------------|------------------------------------------------------------------|----------------------------------------------|-----------------------------|-----------------------------------------|------------------------------------------------------------------|-----------------------|
|                                    | Buildings,<br>towers and<br>improvements | Antenna<br>and transmitter<br>systems and<br>broadcast equipment | Communication<br>and mechanical<br>equipment | Transportation<br>equipment | Furniture,<br>fixtures and<br>equipment | Construction in<br>progress and<br>equipment for<br>installation | Total                 |
| <b>Cost</b>                        |                                          |                                                                  |                                              |                             |                                         |                                                                  |                       |
| At January 1, 2024                 | ₱3,502,230,888                           | ₱9,063,916,339                                                   | ₱1,954,797,514                               | ₱710,654,395                | ₱177,488,125                            | ₱382,167,010                                                     | ₱15,791,254,271       |
| Additions                          | 21,629,860                               | 148,265,572                                                      | 166,350,094                                  | 94,958,499                  | 1,576,725                               | 245,754,575                                                      | 678,535,325           |
| Disposals                          | —                                        | (8,535,937)                                                      | (4,134,687)                                  | (68,306,167)                | (2,849,648)                             | —                                                                | (83,826,439)          |
| Reclassifications                  | 77,463,104                               | 135,909,875                                                      | 14,734,687                                   | —                           | 3,857,171                               | (231,964,837)                                                    | —                     |
| At December 31, 2024               | 3,601,323,852                            | 9,339,555,849                                                    | 2,131,747,608                                | 737,306,727                 | 180,072,373                             | 395,956,748                                                      | 16,385,963,157        |
| <b>Accumulated Depreciation</b>    |                                          |                                                                  |                                              |                             |                                         |                                                                  |                       |
| At January 1, 2024                 | 2,689,685,330                            | 7,130,498,711                                                    | 1,629,416,015                                | 503,895,661                 | 167,760,336                             | —                                                                | 12,121,256,053        |
| Depreciation (see Notes 23 and 24) | 116,925,764                              | 473,241,811                                                      | 155,661,324                                  | 92,070,681                  | 6,670,095                               | —                                                                | 844,569,675           |
| Disposals                          | —                                        | (8,535,937)                                                      | (4,130,687)                                  | (66,551,433)                | (2,847,188)                             | —                                                                | (82,065,245)          |
| At December 31, 2024               | 2,806,611,094                            | 7,595,204,585                                                    | 1,780,946,652                                | 529,414,909                 | 171,583,243                             | —                                                                | 12,883,760,483        |
| <b>Net Book Value</b>              | <b>₱794,712,758</b>                      | <b>₱1,744,351,264</b>                                            | <b>₱350,800,956</b>                          | <b>₱207,891,818</b>         | <b>₱8,489,130</b>                       | <b>₱395,956,748</b>                                              | <b>₱3,502,202,674</b> |



Construction in progress pertains to costs incurred for installation of equipment, signal strengthening of transmitters nationwide and construction/improvement of studios and stations in the regions.

The Group leases out a portion of its property and equipment at cost. Total rental income recognized for the leased portion amounted to ₱2.40 million, ₱1.95 million and ₱2.86 million in 2025, 2024 and 2023, respectively (see Note 26).

The Group disposed various property and equipment in 2025, 2024 and 2023 resulting to the recognition of gain on sale amounting to ₱43.25 million, ₱19.90 million and ₱40.46 million, respectively (see Note 26).

As at December 31, 2025 and 2024, no property and equipment have been pledged as collateral or security for any of the Group's liabilities.

#### 14. Land at Revalued Amounts

The movement of the land at revalued amount is shown below:

|                           | 2025         |                       |                | 2024         |                       |                |
|---------------------------|--------------|-----------------------|----------------|--------------|-----------------------|----------------|
|                           | Cost         | Revaluation Increment | Total          | Cost         | Revaluation Increment | Total          |
| At beginning of year      | ₱526,025,559 | ₱8,287,255,880        | ₱8,813,281,439 | ₱526,025,559 | ₱8,287,255,880        | ₱8,813,281,439 |
| Additions during the year | —            | 579,052,516           | 579,052,516    | —            | —                     | —              |
| At end of year            | ₱526,025,559 | ₱8,866,308,396        | ₱9,392,333,955 | ₱526,025,559 | ₱8,287,255,880        | ₱8,813,281,439 |

Revaluation increment recognized in 2025 and 2024 based on appraisal reports and management estimates amounted to ₱579.05 million and nil, respectively.

The fair value from the 2025 and 2023 appraisals were determined using the “Market Data Approach” as determined by independent professionally qualified appraisers and based on its highest and best use. The fair value represents the amount that would be received to sell the property in an orderly transaction between market participants at the date of valuation in accordance with International Valuation Standards. The fair value is categorized under Level 3 of the fair value hierarchy.

As of December 31, 2025 and 2024, the fair value of land is directly proportional to the asking price of the comparable land and adjusted according to the following considerations:

| Significant unobservable input |                    |
|--------------------------------|--------------------|
| Asking price per square meter  | ₱1,500 to ₱361,690 |
| Sales price adjustment         | 10%                |
| Lot size adjustment            | 5% to 20%          |

Significant increase (decrease) in asking price per square meter would result to significantly higher (lower) fair value of the properties. Significant increase (decrease) in the sales price adjustment and lot size adjustment would result in a significantly lower (higher) fair value.

Management believes that the carrying value of land as of December 31, 2025 and 2024 approximates the fair values as at December 31, 2025 and 2024.

As at December 31, 2025 and 2024, no land has been pledged as collateral or security for any of the Group's liabilities and the Group has no restrictions on the realizability of its land and no contractual obligation to purchase, construct or develop land or for repairs, maintenance and enhancements.



## 15. Investment Properties

|                                            | 2025                  |                            |             |
|--------------------------------------------|-----------------------|----------------------------|-------------|
|                                            | Land and Improvements | Buildings and Improvements | Total       |
| Cost:                                      |                       |                            |             |
| Balance at beginning and end of year       | ₱23,761,823           | ₱73,777,963                | ₱97,539,786 |
| Accumulated depreciation:                  |                       |                            |             |
| Balance at beginning of year               | –                     | 62,845,581                 | 62,845,581  |
| Depreciation during the year (see Note 24) | –                     | 1,457,451                  | 1,457,451   |
| Balance at end of year                     | –                     | 64,303,032                 | 64,303,032  |
| Accumulated impairment:                    |                       |                            |             |
| Balance at beginning and end of year       | –                     | 3,852,641                  | 3,852,641   |
|                                            | ₱23,761,823           | ₱5,622,290                 | ₱29,384,113 |

|                                            | 2024                  |                            |             |
|--------------------------------------------|-----------------------|----------------------------|-------------|
|                                            | Land and Improvements | Buildings and Improvements | Total       |
| Cost:                                      |                       |                            |             |
| Balance at beginning of year               | ₱23,761,823           | ₱72,276,684                | ₱96,038,507 |
| Additions during the year                  | –                     | 1,501,279                  | 1,501,279   |
| Balance at end of year                     | 23,761,823            | 73,777,963                 | 97,539,786  |
| Accumulated depreciation:                  |                       |                            |             |
| Balance at beginning of year               | –                     | 61,463,193                 | 61,463,193  |
| Depreciation during the year (see Note 24) | –                     | 1,382,388                  | 1,382,388   |
| Balance at end of year                     | –                     | 62,845,581                 | 62,845,581  |
| Accumulated impairment:                    |                       |                            |             |
| Balance at beginning and end of year       | –                     | 3,852,641                  | 3,852,641   |
|                                            | ₱23,761,823           | ₱7,079,741                 | ₱30,841,564 |

The fair value of investment properties amounted to ₱305.18 million at December 31, 2025 and 2024. The land used in operations was last appraised on December 31, 2023 by an accredited firm of appraisers and is valued in terms of its highest and best use.

The fair value was determined using the “Market Data Approach”. The fair value represents the amount that would be received to sell the property in an orderly transaction between market participants at the date of valuation and is categorized under Level 3 of the fair value hierarchy.

The description of the valuation techniques used and key inputs to fair valuation as of December 31, 2025 is as follows:

|                     | Significant Unobservable Inputs | Range            |
|---------------------|---------------------------------|------------------|
| Land                | Price per square metre          | ₱1,400-₱11,700   |
| Buildings for lease | Price per square metre          | ₱22,000-₱117,000 |



Rental income and the directly related expense arising from these investment properties follow:

|                                    | 2025               | 2024        | 2023        |
|------------------------------------|--------------------|-------------|-------------|
| Rental income (see Note 26)        | <b>₱5,387,432</b>  | ₱5,205,367  | ₱4,870,327  |
| Depreciation expense (see Note 24) | <b>(1,457,451)</b> | (1,382,388) | (1,382,387) |
|                                    | <b>₱3,929,981</b>  | ₱3,822,979  | ₱3,487,940  |

As at December 31, 2025 and 2024, no investment properties have been pledged as collateral or security for any of the Group's liabilities and the Group has no restriction on the realizability of its investment properties and no contractual obligation to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

## 16. Other Noncurrent Assets

|                           | 2025                | 2024         |
|---------------------------|---------------------|--------------|
| Restricted cash           | <b>₱302,604,243</b> | ₱284,450,077 |
| Refundable deposits       | <b>44,238,770</b>   | 43,650,400   |
| Investment in artworks    | <b>10,186,136</b>   | 10,186,136   |
| Software costs            | <b>9,982,360</b>    | 21,981,313   |
| Facilities                | <b>6,605,462</b>    | 6,605,461    |
| Guarantee deposits        | <b>2,162,420</b>    | 2,162,420    |
| Deferred input VAT        | <b>1,706,914</b>    | 3,338,131    |
| Deferred production costs | <b>724,012</b>      | 1,586,384    |
|                           | <b>₱378,210,317</b> | ₱373,960,322 |

Restricted cash pertains to time deposits under the custody of the courts and other regulators such as national labor relations commission as a bond or surety for the Group's Court appearance or commitment on pending labor cases and litigation.

Refundable deposits pertain to the deposits made to various electric companies across the country.

Investment in artworks are paintings and other works of art usually displayed in the Parent Company's hallways.

Software costs relate to software applications and website development costs which provide an edge on the Group's online presence and other software issues. The movements in software costs follows:

|                                            | 2025                | 2024         |
|--------------------------------------------|---------------------|--------------|
| Cost:                                      |                     |              |
| Balance at beginning of year               | <b>₱569,296,236</b> | ₱565,571,720 |
| Additions during the year                  | <b>5,358,682</b>    | 3,724,516    |
| Balance at end of year                     | <b>574,654,918</b>  | 569,296,236  |
| Accumulated amortization:                  |                     |              |
| Balance at beginning of year               | <b>547,314,923</b>  | 520,107,277  |
| Amortization during the year (see Note 24) | <b>17,357,635</b>   | 27,207,646   |
| Balance at end of year                     | <b>564,672,558</b>  | 547,314,923  |
|                                            | <b>₱9,982,360</b>   | ₱21,981,313  |

Facilities relate to the deposit for facilities paid in advance and used for productions by the Group.



Guarantee deposits pertain to deposits to telephone companies as well as building/office rental deposits to be used for the Group's programs. Also included are deposits to the satellite providers.

Deferred input VAT pertains to the VAT on the Group's acquisitions of capital goods exceeding ₱1.00 million in any given month which are to be amortized over the 60 months or the life of the asset, whichever is shorter.

Deferred production costs pertain to the costs incurred in relation to the production of music compact discs and are measured at cost upon recognition. Deferred production costs are being amortized as the related compact discs are sold.

## 17. Trade Payables and Other Current Liabilities

|                                | 2025                  | 2024           |
|--------------------------------|-----------------------|----------------|
| Accrued expenses:              |                       |                |
| Utilities and other expenses   | <b>₱495,478,114</b>   | ₱431,157,635   |
| Production costs               | <b>293,261,177</b>    | 199,615,881    |
| Payroll and talent fees        | <b>127,544,191</b>    | 197,722,670    |
| Commission                     | <b>80,832,325</b>     | 74,107,428     |
| Payable to government agencies | <b>896,640,948</b>    | 1,146,854,562  |
| Trade payables                 | <b>732,772,643</b>    | 405,044,808    |
| Customers' deposits            | <b>96,375,378</b>     | 79,309,129     |
| Contract liabilities           | <b>54,243,746</b>     | 215,570,992    |
| Others                         | <b>89,240,922</b>     | 108,763,992    |
|                                | <b>₱2,866,389,444</b> | ₱2,858,147,097 |

Accrued expenses and other payables are noninterest-bearing and are generally settled within the next financial year.

Payable to government agencies is composed of the Group's statutory compensation-related contributions to government agencies and net VAT and withholding taxes payable to the Bureau of Internal Revenue (BIR). These payables are remitted within 30 days after reporting period.

Trade payables to suppliers are noninterest-bearing and are normally settled on terms ranging from seven to 60 days.

Customers' deposits include guaranty deposits from advertising agencies to secure payment of bills by advertisers. These deposits are noninterest-bearing and normally refunded once the related broadcasts are paid by the advertisers. It also includes deposits from the Group's lessees upon inception of the lease agreements.

Contract liabilities pertain to payments received before broadcast and before delivery of goods and services amounting to ₱54.24 million and ₱215.57 million as at December 31, 2025 and 2024, respectively. This account includes contract liabilities of ₱30.00 million from airtime credits that have not been implemented resulting from the exchange of the Group's interests in X-Play in 2015 (see Note 11). Contract liabilities are recognized as revenue when the Group performs the obligation under the contract. Out of the contract liabilities outstanding as of December 31, 2024, ₱185.57 million was recognized as revenue for the year ended December 31, 2025.

Others include unpaid subscriptions and retention payables. These are noninterest-bearing and are normally settled within one year.



## 18. Short-term Loans

The Group obtained unsecured short-term loan from local banks in 2025 and 2024. Details and movements of the short-term loans are as follows:

|                              | 2025                   | 2024            |
|------------------------------|------------------------|-----------------|
| Balance at beginning of year | <b>₱3,720,545,000</b>  | ₱1,527,307,000  |
| Availments                   | <b>1,800,000,000</b>   | 4,020,545,000   |
| Payments                     | <b>(4,043,861,250)</b> | (1,827,307,000) |
| Balance at end of year       | <b>₱1,476,683,750</b>  | ₱3,720,545,000  |

The outstanding peso denominated loans as at December 31, 2025 consist of fixed rate notes with the following details:

| Lender            | Annual interest rate | Terms                                       | December 31, 2025     |
|-------------------|----------------------|---------------------------------------------|-----------------------|
| Metropolitan Bank | 5.15% to 5.50%       | Availed in 2025, payable in 60 to 240 days  | ₱700,000,000          |
| Banco de Oro      | 5.15% to 5.50%       | Availed in 2025, payable in 280 to 310 days | 750,000,000           |
| Security Bank     | 2.77% to 3.90%       | Availed in 2025, payable in 360 days        | 26,683,750            |
|                   |                      |                                             | <b>₱1,476,683,750</b> |

The outstanding peso-denominated loan as at December 31, 2024 consist of fixed rate notes with the following details:

| Lender            | Annual interest rate | Terms                                       | December 31, 2024     |
|-------------------|----------------------|---------------------------------------------|-----------------------|
| Metropolitan Bank | 5.87%                | Availed in 2024, payable in 180 to 355 days | ₱2,000,000,000        |
| Banco de Oro      | 6.05% to 6.15%       | Availed in 2024, payable in 179 to 182 days | 1,700,000,000         |
| Security Bank     | 2.75%                | Availed in 2024, payable in 360 days        | 20,545,000            |
|                   |                      |                                             | <b>₱3,720,545,000</b> |

Interest expense on peso denominated loans amounted to ₱133.16 million, ₱175.36 million and ₱120.30 million in 2025, 2024 and 2023, respectively.

## 19. Obligations for Program and Other Rights

Obligations for program and other rights represent liabilities to foreign and local film suppliers for program and other rights purchased by the Group. Outstanding unpaid balance as at December 31, 2025 and 2024 are as follows:

|                                                                | 2025                | 2024         |
|----------------------------------------------------------------|---------------------|--------------|
| Obligations for program and other rights                       | <b>₱688,561,554</b> | ₱583,054,563 |
| Less: Current portion                                          | <b>631,972,080</b>  | 583,054,563  |
| Noncurrent portion of obligations for program and other rights | <b>₱56,589,474</b>  | ₱—           |



Obligations for program and other rights are generally payable in equal monthly or quarterly installments.

## 20. Equity

### a. Capital Stock

Details of capital stock as at December 31, 2025 and 2024:

|                             | No. of Shares | Amount         |
|-----------------------------|---------------|----------------|
| Common - ₱1.00 par value    |               |                |
| Authorized                  | 5,000,000,000 | ₱5,000,000,000 |
| Subscribed and issued       | 3,364,692,000 | ₱3,364,692,000 |
| Preferred - ₱0.20 par value |               |                |
| Authorized                  | 7,500,000,000 | ₱1,500,000,000 |
| Subscribed and issued       | 7,500,000,000 | ₱1,500,000,000 |

The cumulative preferred shares are of equal rank, preference and priority and are identical in all respect regardless of series. Preferred shares are participating at the rate of one fifth (1/5) of the dividends paid to common shares, the rate of which is adjusted proportionately by the Parent Company's BOD consequent to any stock split or stock dividend declaration affecting the common shares and preferred shares. Preferred shares are convertible at the option of the shareholders at the ratio of five preferred shares to one common share, based on par value.

Preferred shares enjoy priority over common shares in the distribution of assets of the Parent Company in the event of dissolution and liquidation, at such rates, terms and conditions as the BOD may determine. Each preferred share is entitled to one vote and shall have the same voting rights as the common shares.

The Parent Company's BOD may specify other terms and conditions, qualifications, restrictions and privileges of the preferred shares or series/classes thereof, insofar as such terms, conditions, qualifications, restrictions and privileges are not inconsistent with the articles of incorporation and any applicable law or regulation.

The following summarizes the information on the Parent Company's registration of securities with the SEC which was approved on June 20, 2007, as required by Revised Securities Regulation Code (SRC) Rule 68:

| Securities                                        | Authorized and issued shares | Issue/Offer Price |
|---------------------------------------------------|------------------------------|-------------------|
| Initial public offering                           | 91,346,000                   | ₱8.50             |
| Underlying common shares of PDRs                  | 945,432,000                  | 8.50              |
| Over-allotment common shares                      | 13,701,000                   | 8.50              |
| Common shares covering employee stock option plan | 57,000,000                   | 8.50              |



In prior years, the Parent Company has acquired 750,000 PDRs issued by GMA Holdings, Inc. at acquisition cost of ₱5.79 million. In as much as each PDR share grants the holder, upon payment of the exercise price and subject to certain other conditions, the delivery of one (1) Parent Company share or the sale and delivery of the proceeds of such sale of Parent Company share, such PDRs held by the Parent Company was being treated similar to a treasury share.

On October 4, 2021, the Parent Company's BOD approved to contribute its treasury common and preferred shares and PDRs to the Group's retirement plan. The contribution of the 3,645,000 treasury common shares and 492,816 treasury preferred shares was executed on December 31, 2022 at a transaction price of ₱13.90 per share and ₱2.77 per share, respectively. As the preferred shares are unlisted, the transaction price was based on the market price of the Parent Company's listed common shares on the transaction date, with the value of the treasury preferred shares computed based on the ratio of 1:5 preferred shares to common shares. The contribution of the 750,000 PDRs was executed on December 20, 2022 at a transaction price of ₱13.02 per share, which resulted to additional paid-in capital amounted to ₱27.52 million.

The total number of shareholders is 1,619 and 1,622 as at December 31, 2025 and 2024, respectively.

b. Retained Earnings

The Parent Company's BOD approved the declaration of the following cash dividends:

| Year        | Declaration Date      | Record Date           | Cash Dividend<br>Per Share | Total Cash<br>Dividend Declared |
|-------------|-----------------------|-----------------------|----------------------------|---------------------------------|
| <b>2025</b> | <b>March 31, 2025</b> | <b>April 29, 2025</b> | <b>₱0.50</b>               | <b>₱2,432,346,000</b>           |
| 2024        | April 3, 2024         | April 24, 2024        | ₱0.60                      | ₱2,918,815,200                  |
| 2023        | March 31, 2023        | April 21, 2023        | ₱1.10                      | ₱5,351,161,200                  |

The Parent Company's outstanding dividends payable amounted to ₱39.51 million and ₱36.49 million as at December 31, 2025 and 2024, respectively.

The balance of retained earnings includes Parent Company's accumulated equity in net earnings of subsidiaries and associates which are not currently available for dividend declaration until declared by the respective subsidiaries and associates. The retained earnings available for dividend declaration amounted to ₱2,223.17 million and ₱2,501.36 million as at December 31, 2025 and 2024, respectively.

On March 25, 2026, the Parent Company's BOD approved the declaration and distribution of cash dividends amounting to ₱0.40 per share totaling ₱1,945.88 million to all stockholders of record as at April 20, 2026 and will be paid starting May 15, 2026.

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## 21. Related Party Disclosures

Parties are considered to be related if one party has the ability, directly and indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individual or corporate entities.



The Parent Company has an approval requirement such that material related party transactions (RPTs) shall be reviewed by the Audit and Risk Management Committee (the Committee) and submitted to the BOD for approval. Material RPTs are those transactions that meet the threshold value amounting to ten percent (10%) or higher of the Group's total consolidated assets based on its latest audited financial statements either individually, or in aggregate over a twelve (12)-month period with the same related party.

Outstanding balances at year-end are unsecured and settlement occurs in cash throughout the financial year. There have been no guarantees provided or received for any related party receivables or payables. For years ended December 31, 2025 and 2024, the Group has not recorded any impairment of receivables on amounts owed by the related parties. The assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

In the ordinary course of business, the Group transacts with associate, affiliates, joint venture and other related parties on advances, reimbursement of expenses, and future stock subscriptions.

The transactions and balances of accounts as at and for the years ended December 31, 2025 and 2024 with related parties are as follows:

| Account Name and Category             | Related Party               | Year        | Amount/<br>Volume of<br>Transactions | Receivables<br>(Payables) | Terms                          | Conditions                |
|---------------------------------------|-----------------------------|-------------|--------------------------------------|---------------------------|--------------------------------|---------------------------|
| <b>Advances</b> (see Note 12)         | <b>Associate:</b>           |             |                                      |                           |                                |                           |
|                                       | Mont-Aire                   | <b>2025</b> | <b>₱1,060,118</b>                    | <b>₱107,227,090</b>       | Noninterest-bearing            | Unsecured; not impaired   |
|                                       |                             | 2024        | 5,727,679                            | 106,166,972               |                                |                           |
|                                       | <b>Joint ventures:</b>      |             |                                      |                           |                                |                           |
|                                       | Gamespan                    | <b>2025</b> | —                                    | <b>1,959,670</b>          | Noninterest-bearing            | Unsecured; not impaired   |
|                                       |                             | 2024        | —                                    | 1,959,670                 |                                |                           |
|                                       | PEP                         | <b>2025</b> | <b>124,085</b>                       | <b>422,152</b>            | Noninterest-bearing            | Unsecured; not impaired   |
|                                       |                             | 2024        | 129,788                              | 298,067                   |                                |                           |
|                                       | INQ7                        | <b>2025</b> | —                                    | <b>11,544,000</b>         | Noninterest-bearing            | Unsecured; fully impaired |
|                                       |                             | 2024        | —                                    | 11,544,000                |                                |                           |
|                                       | <b>Total</b>                | <b>2025</b> | <b>₱1,184,203</b>                    | <b>₱121,152,912</b>       |                                |                           |
|                                       |                             | 2024        | 5,857,467                            | 119,968,709               |                                |                           |
| <b>Nontrade Receivables</b>           | <b>Common stockholders:</b> |             |                                      |                           |                                |                           |
| Reimbursable charges (see Note 7)     | GMA Kapuso Foundation Inc.  | <b>2025</b> | <b>₱3,075,170</b>                    | <b>₱1,376,770</b>         | On demand, noninterest-bearing | Unsecured; not impaired   |
|                                       |                             | 2024        | 4,789,545                            | 1,427,856                 |                                |                           |
| <b>Nontrade Payables</b>              |                             |             |                                      |                           |                                |                           |
| Legal, consulting and retainers' fees | Belo, Gozon, Elma Law       | <b>2025</b> | <b>21,208,856</b>                    | —                         | On demand, noninterest-bearing | Unsecured                 |
|                                       |                             | 2024        | 11,774,318                           | —                         |                                |                           |

The advances made by the Parent Company to Mont-Aire and PEP are intended for future capital subscription. On the other hand, the advances to INQ7 was reduced to zero as a result of the application of the Group's share in the losses of INQ7 recognized under the equity method in excess of the Group's carrying value of investment.

#### Compensation of Key Management Personnel

The compensation of key management personnel of the Group, by benefit type, are as follows:

|                                                             | 2025                | 2024         | 2023           |
|-------------------------------------------------------------|---------------------|--------------|----------------|
| Salaries and other long-term benefits (see Notes 24 and 25) | <b>₱717,426,985</b> | ₱769,507,672 | ₱946,135,340   |
| Pension benefits (see Notes 24 and 25)                      | <b>259,509,867</b>  | 205,595,011  | 197,152,902    |
|                                                             | <b>₱976,936,852</b> | ₱975,102,683 | ₱1,143,288,242 |



#### Equity Investments of the Retirement Fund

The Group's retirement fund includes equity investments in GMA Network, Inc. and GMA PDRs amounting to ₱481.31 million and ₱6.23 million in 2025, respectively, and ₱517.67 million and ₱6.23 million in 2024, respectively (see Note 27).

## 22. Revenues

Set out below is the disaggregation of the Group's revenues from contract with customers for the year ended December 31:

|                                                    | 2025                   | 2024            | 2023            |
|----------------------------------------------------|------------------------|-----------------|-----------------|
| <b>Revenue source</b>                              |                        |                 |                 |
| Sale of service                                    |                        |                 |                 |
| Advertising revenue                                | <b>₱16,565,778,504</b> | ₱16,241,341,968 | ₱17,181,696,192 |
| Subscription revenue (see Note 28)                 | <b>640,745,980</b>     | 677,243,995     | 728,396,019     |
| Revenue from distribution and content provisioning | <b>97,541,454</b>      | 115,215,831     | 177,200,082     |
| Production revenue                                 | <b>704,796,257</b>     | 331,572,849     | 238,301,851     |
| Sale of goods                                      | <b>106,183,160</b>     | 199,269,121     | 311,619,703     |
| <b>Total revenue from contracts with customers</b> | <b>₱18,115,045,355</b> | ₱17,564,643,764 | ₱18,637,213,847 |
| <b>Geographical markets</b>                        |                        |                 |                 |
| Local                                              | <b>₱17,427,787,108</b> | ₱16,835,220,544 | ₱17,826,421,464 |
| International                                      | <b>687,258,247</b>     | 729,423,220     | 810,792,383     |
| <b>Total revenue from contracts with customers</b> | <b>₱18,115,045,355</b> | ₱17,564,643,764 | ₱18,637,213,847 |
| <b>Timing of revenue recognition</b>               |                        |                 |                 |
| Goods/services transferred at a point in time      | <b>₱17,474,299,375</b> | ₱16,887,399,769 | ₱17,908,817,828 |
| Services transferred over time                     | <b>640,745,980</b>     | 677,243,995     | 728,396,019     |
| <b>Total revenue from contracts with customers</b> | <b>₱18,115,045,355</b> | ₱17,564,643,764 | ₱18,637,213,847 |

## 23. Production Costs

|                                                          | 2025                  | 2024          | 2023          |
|----------------------------------------------------------|-----------------------|---------------|---------------|
| Talent fees and production personnel costs (see Note 25) | <b>₱4,413,346,855</b> | 4,553,065,575 | 4,196,390,868 |
| Program and other rights usage (see Note 8)              | <b>1,355,729,310</b>  | 1,372,827,196 | 1,191,479,396 |
| Facilities and amortization of production services       | <b>1,166,955,630</b>  | 422,195,849   | 822,671,115   |
| Rental (see Note 28)                                     | <b>634,933,546</b>    | 661,079,341   | 792,873,832   |
| Depreciation (see Notes 13, 24 and 28)                   | <b>606,993,221</b>    | 601,916,381   | 564,756,002   |
| Tapes, sets and production supplies                      | <b>456,998,532</b>    | 398,092,835   | 439,903,608   |
| Transportation and communication                         | <b>118,682,792</b>    | 139,049,727   | 165,359,229   |
|                                                          | <b>₱8,753,639,886</b> | 8,148,226,904 | 8,173,434,050 |



## 24. General and Administrative Expenses

|                                              | 2025                  | 2024           | 2023           |
|----------------------------------------------|-----------------------|----------------|----------------|
| Personnel costs (see Note 25)                | <b>₱4,011,279,182</b> | ₱3,777,544,770 | ₱3,743,148,825 |
| Professional fees                            | <b>444,177,753</b>    | 391,624,399    | 281,659,305    |
| Communication, light and water               | <b>350,696,355</b>    | 379,756,369    | 391,477,195    |
| Depreciation (see Notes 13, 15 and 28)       | <b>252,374,188</b>    | 271,930,194    | 256,224,729    |
| Taxes and licenses                           | <b>238,883,579</b>    | 312,097,154    | 235,743,768    |
| Software maintenance                         | <b>175,482,041</b>    | 170,938,622    | 149,121,985    |
| Repairs and maintenance                      | <b>150,848,788</b>    | 225,980,924    | 193,344,362    |
| Advertising                                  | <b>144,775,160</b>    | 162,939,492    | 187,554,983    |
| Provision for ECL (see Note 7)               | <b>128,317,868</b>    | 6,275,237      | 4,736,293      |
| Research and surveys                         | <b>124,677,511</b>    | 118,603,031    | 113,900,352    |
| Security services                            | <b>87,079,528</b>     | 88,303,002     | 75,869,177     |
| Marketing expense                            | <b>62,505,012</b>     | 49,197,144     | 47,569,163     |
| Facilities related expenses                  | <b>47,293,703</b>     | 57,866,804     | 58,600,492     |
| Dues and subscriptions                       | <b>46,602,354</b>     | 32,677,157     | 36,934,016     |
| Transportation and travel                    | <b>36,668,266</b>     | 43,343,244     | 52,301,342     |
| Insurance                                    | <b>35,301,589</b>     | 38,207,188     | 36,905,577     |
| Janitorial services                          | <b>25,359,377</b>     | 23,671,718     | 23,763,382     |
| Amortization of software costs (see Note 16) | <b>17,357,635</b>     | 27,207,646     | 40,500,154     |
| Rental (see Note 28)                         | <b>14,535,489</b>     | 15,085,565     | 20,324,032     |
| Freight and handling                         | <b>12,279,958</b>     | 11,013,021     | 13,153,749     |
| Materials and supplies                       | <b>10,152,045</b>     | 11,128,516     | 13,887,863     |
| Entertainment, amusement and recreation      | <b>8,421,744</b>      | 10,018,565     | 8,273,134      |
| Others                                       | <b>234,569,342</b>    | 243,957,156    | 135,354,352    |
|                                              | <b>₱6,659,638,467</b> | ₱6,469,366,918 | ₱6,120,348,230 |

Others include expenses incurred for other manpower, messengerial services, donations and other miscellaneous expenses.

### Depreciation

|                                      | 2025                | 2024         | 2023         |
|--------------------------------------|---------------------|--------------|--------------|
| Property and equipment (see Note 13) |                     |              |              |
| Production costs (see Note 23)       | <b>₱582,363,776</b> | ₱583,364,449 | ₱544,466,613 |
| General and administrative expenses  | <b>250,583,436</b>  | 261,205,226  | 245,513,096  |
|                                      | <b>832,947,212</b>  | 844,569,675  | 789,979,709  |
| Right-of-use assets (see Note 28)    |                     |              |              |
| Production costs (see Note 23)       | <b>24,629,445</b>   | 18,551,932   | 20,289,389   |
| General and administrative expenses  | <b>333,301</b>      | 9,342,580    | 9,329,246    |
|                                      | <b>24,962,746</b>   | 27,894,512   | 29,618,635   |
| Investment properties (see Note 15)  |                     |              |              |
| General and administrative expenses  | <b>1,457,451</b>    | 1,382,388    | 1,382,387    |
|                                      | <b>₱859,367,409</b> | ₱873,846,575 | ₱820,980,731 |



## 25. Personnel Costs

|                                  | 2025                  | 2024           | 2023           |
|----------------------------------|-----------------------|----------------|----------------|
| Talent fees                      | <b>₱4,189,330,937</b> | ₱4,279,476,037 | ₱3,966,406,028 |
| Salaries and wages               | <b>2,136,369,682</b>  | 2,142,258,243  | 2,187,495,014  |
| Employee benefits and allowances | <b>1,157,796,095</b>  | 1,045,233,118  | 1,037,530,959  |
| Pension expense (see Note 27)    | <b>714,605,885</b>    | 657,754,654    | 700,899,014    |
| Sick and vacation leaves expense | <b>226,523,438</b>    | 205,888,293    | 47,208,678     |
|                                  | <b>₱8,424,626,037</b> | ₱8,330,610,345 | ₱7,939,539,693 |

The above amounts were distributed as follows:

|                                                      | 2025                  | 2024           | 2023           |
|------------------------------------------------------|-----------------------|----------------|----------------|
| Production costs (see Note 23)                       | <b>₱4,413,346,855</b> | ₱4,553,065,575 | ₱4,196,390,868 |
| General and administrative expenses<br>(see Note 24) | <b>4,011,279,182</b>  | 3,777,544,770  | 3,743,148,825  |
|                                                      | <b>₱8,424,626,037</b> | ₱8,330,610,345 | ₱7,939,539,693 |

## 26. Others - Net

|                                                             | 2025                | 2024         | 2023         |
|-------------------------------------------------------------|---------------------|--------------|--------------|
| Commission from Artists                                     | <b>₱305,037,764</b> | ₱187,052,396 | ₱176,350,038 |
| Net gain on sale of property and equipment<br>(see Note 13) | <b>43,246,575</b>   | 19,902,917   | 40,463,669   |
| Derecognition of dismantling costs (see Note 28)            | <b>25,928,480</b>   | —            | —            |
| Rental income (see Notes 13, 15 and 28)                     | <b>7,791,876</b>    | 7,153,302    | 7,734,695    |
| Royalty income                                              | <b>6,164,254</b>    | 5,973,476    | 7,948,128    |
| Merchandising license fees and others                       | <b>2,413,716</b>    | 3,089,075    | 3,981,319    |
| Bank charges                                                | <b>(998,663)</b>    | (1,611,468)  | (1,751,862)  |
| Gain on cancellation of lease (see Note 28)                 | —                   | 5,289,045    | —            |
| Others – net                                                | <b>19,703,404</b>   | (61,381)     | 4,738,846    |
|                                                             | <b>₱409,287,406</b> | ₱226,787,362 | ₱239,464,833 |

Others include income from mall shows, sale of DVDs, reversal of long-outstanding accruals, costume and props rentals and integrated receiver decoders.

## 27. Pension and Other Employee Benefits

As at December 31, pension and other employee benefits consist of:

|                                                             | 2025                  | 2024           |
|-------------------------------------------------------------|-----------------------|----------------|
| Pension liability                                           | <b>₱6,034,061,464</b> | ₱4,680,281,181 |
| Vacation and sick leave accrual                             | <b>332,972,738</b>    | 298,500,672    |
|                                                             | <b>6,367,034,202</b>  | 4,978,781,853  |
| Less current portion of vacation and sick leave<br>accrual* | <b>4,774,975</b>      | 15,822,604     |
| Pension and other long-term employee benefits               | <b>₱6,362,259,227</b> | ₱4,962,959,249 |

\*Included in "Accrued expenses" under Trade payables and other current liabilities (see Note 17).



### Pension Benefits

The Group operates non-contributory defined benefit retirement plans.

Under the existing regulatory framework, R.A. 7641 requires a provision for retirement pay to qualified private sector employees in the absence of any retirement plan in the entity, provided however that the employee's retirement benefits under any collective bargaining and other agreements shall not be less than those provided under the law. The law does not require minimum funding of the plan.

Pension benefits recognized in the statements of comprehensive income are as follows (see Note 25):

|                      | 2025                | 2024         | 2023         |
|----------------------|---------------------|--------------|--------------|
| Current service cost | <b>₱515,074,796</b> | ₱378,786,232 | ₱357,469,890 |
| Net interest cost    | <b>199,531,089</b>  | 278,968,422  | 343,429,124  |
|                      | <b>₱714,605,885</b> | ₱657,754,654 | ₱700,899,014 |

Net pension liability recognized in the consolidated statements of financial position is as follows:

|                                             | 2025                  | 2024           | 2023           |
|---------------------------------------------|-----------------------|----------------|----------------|
| Present value of defined benefit obligation | <b>₱7,744,095,873</b> | ₱5,899,133,964 | ₱6,422,704,401 |
| Fair value of plan assets                   | <b>1,710,034,409</b>  | 1,218,852,783  | 1,267,900,455  |
| Pension liability                           | <b>₱6,034,061,464</b> | ₱4,680,281,181 | ₱5,154,803,946 |

The changes in the present value of the defined benefit obligation are as follows:

|                                    | 2025                  | 2024            | 2023            |
|------------------------------------|-----------------------|-----------------|-----------------|
| Balance at beginning of year       | <b>₱5,899,133,964</b> | ₱6,422,704,401  | ₱6,653,224,090  |
| Current service cost               | <b>443,994,078</b>    | 378,786,232     | 357,469,890     |
| Interest cost                      | <b>359,860,047</b>    | 386,026,848     | 477,657,949     |
| Benefits paid:                     |                       |                 |                 |
| From plan assets                   | <b>(393,484,563)</b>  | (1,128,381,319) | (315,409,730)   |
| From Group's own funds             | <b>(59,488,154)</b>   | (160,002,198)   | (397,227)       |
| Remeasurement losses (gains):      |                       |                 |                 |
| Changes in financial assumptions   | <b>(106,148,501)</b>  | —               | 481,284,738     |
| Changes in demographic assumptions | <b>227,468,592</b>    | —               | (182,570,873)   |
| Experience adjustment              | <b>1,372,760,410</b>  | —               | (1,048,554,436) |
| Balance at end of year             | <b>₱7,744,095,873</b> | ₱5,899,133,964  | ₱6,422,704,401  |

The changes in the fair value of plan assets are as follows:

|                                                   | 2025                  | 2024            | 2023           |
|---------------------------------------------------|-----------------------|-----------------|----------------|
| Balance at beginning of year                      | <b>₱1,218,852,783</b> | ₱1,267,900,455  | ₱1,885,974,881 |
| Contribution during the year                      | <b>735,616,635</b>    | 620,965,823     | 282,026,879    |
| Interest income                                   | <b>89,248,240</b>     | 107,058,426     | 134,228,825    |
| Benefits paid                                     | <b>(393,484,563)</b>  | (1,128,381,319) | (315,409,730)  |
| Remeasurement gain (loss) - return on plan assets | <b>59,801,314</b>     | 351,309,398     | (718,920,400)  |
| Balance at end of year                            | <b>₱1,710,034,409</b> | ₱1,218,852,783  | ₱1,267,900,455 |

Remeasurement gain (loss) on retirement plans amounting to (₱1,075.71 million), ₱259.15 million, and ₱19.21 million in 2025, 2024 and 2023, respectively, is reported under the consolidated statements of comprehensive income, net of deferred tax.

At each reporting period, the Group determines its contribution based on the performance of its retirement fund.



The Group expects to contribute ₱1,000.00 million to the fund in 2026.

The funds are managed and supervised by trustee banks for the benefits of the members. However, the general administration of the funds is vested in a Retirement Committee.

The following table presents the carrying amounts and estimated fair values of the plan assets:

|                                     | 2025                         | 2024                         |
|-------------------------------------|------------------------------|------------------------------|
|                                     | Carrying<br>Value/Fair Value | Carrying<br>Value/Fair Value |
| Cash and cash equivalents           | <b>₱13,108,520</b>           | ₱50,373,320                  |
| Equity instruments (see Note 21):   |                              |                              |
| GMA Network, Inc.                   | <b>481,306,490</b>           | 517,671,188                  |
| GMA PDRs                            | <b>6,225,000</b>             | 6,225,000                    |
| Debt instruments -                  |                              |                              |
| Government securities               | <b>406,311,586</b>           | 98,009,721                   |
| Unit Investment Trust Funds (UITFs) | <b>309,190,277</b>           | 251,862,681                  |
| Corporate bonds and others          | <b>493,892,536</b>           | 294,710,873                  |
|                                     | <b>₱1,710,034,409</b>        | ₱1,218,852,783               |

The plan assets as of December 31, 2025 and 2024 consist of the following:

- Cash and cash equivalents consist of regular savings and time deposits.
- Investments in equity instruments consist of listed shares of GMA Network, Inc. and GMA PDRs (see Note 21).
- Investments in debt instruments bear interest ranging from 3.02% to 6.80% and have maturities from May 2025 to April 2032. Equity and debt instruments held have quoted prices in active market.
- Investment in UITFs are measured at their net asset value per unit.
- Others consist of loans and receivables which are collectible within the next twelve months.

The person who exercises voting rights over shares is within the powers of the Trustee, who do not have any relationship with the directors or officers of the Group.

The plan assets are primarily exposed to financial risks such as liquidity risk and price risk.

Liquidity risk pertains to the plan's ability to meet its obligation to the employees upon retirement. To effectively manage liquidity risk, the Board of Trustees invests at least the equivalent amount of actuarially computed expected compulsory retirement benefit payments for the year to liquid/semi-liquid assets such as treasury notes, treasury bills, and savings and time deposits with commercial banks.

The Group performs an Asset-Liability Matching Study (ALM) annually. The principal technique of the Group's ALM in order to minimize the portfolio liquidation risk is to ensure that the expected return on assets will be sufficient to support the desired level of funding arising from the defined benefit plans.

Price risk pertains mainly to fluctuations in market prices of equity securities listed in the Philippine Stock Exchange. In order to effectively manage price risk, the Board of Trustees continuously assesses these risks by closely monitoring the market value of the securities and implementing prudent investment strategies.



However, in the event a benefit claim arises under the retirement plan and the retirement fund is not sufficient to pay the benefit, the unfunded portion of the claim shall immediately be due and payable to the retirement fund from the Group.

The principal assumptions used in determining pension liability for the Group's plans are shown below:

|                                  | 2025        | 2024       | 2023       |
|----------------------------------|-------------|------------|------------|
| Discount rate                    | 6.26%-6.27% | 6.07-6.08% | 6.05-6.12% |
| Expected rate of salary increase | 4.00%       | 4.00%      | 4.00%      |

The sensitivity analysis below has been determined by remeasuring the defined benefit obligation at the reporting period after first adjusting one of the current assumptions that were reasonably possible at the valuation date while all other assumptions remained unchanged. It should be noted that the changes assumed to be reasonably possible at the valuation date are open to subjectivity, and do not consider more complex scenarios in which changes other than those assumed may be deemed to be more reasonable.

|                         | Increase<br>(Decrease) in<br>Basis Points | Increase (Decrease) in Defined Benefit Obligation |                |                |
|-------------------------|-------------------------------------------|---------------------------------------------------|----------------|----------------|
|                         |                                           | 2025                                              | 2024           | 2023           |
| Discount rate           | 50                                        | (P247,838,048)                                    | (P216,876,350) | (P241,706,870) |
|                         | (50)                                      | 263,245,266                                       | 243,768,727    | 225,871,746    |
| Future salary increases | 50                                        | 267,843,865                                       | 227,887,783    | 245,461,957    |
|                         | (50)                                      | (254,270,241)                                     | (273,336,455)  | (231,767,894)  |

Shown below is the maturity analysis of the undiscounted benefit payments as at December 31, 2025 and 2024:

|                                          | 2025           | 2024          |
|------------------------------------------|----------------|---------------|
| Less than one year                       | P1,946,931,863 | P517,456,383  |
| More than 1 but less than 5 years        | 2,453,388,711  | 2,145,525,122 |
| More than 5 years but less than 10 years | 4,586,683,490  | 3,248,915,237 |

#### Other Long-Term Employee Benefits

Other long-term employee benefits consist of accumulated and unexpired employee sick and vacation leave entitlements. Noncurrent portion of other employee benefits amounted to P328.20 million and P282.68 million as at December 31, 2025 and 2024, respectively, while current portion of other employee benefits recorded in "Accrued payroll and talent fees" included under "Trade and other current liabilities" account amounted to P4.77 million and P15.82 million as at December 31, 2025 and 2024, respectively (see Note 17).

## 28. Agreements

### Lease Agreements

#### *Group as a Lessee*

The Group entered into various lease agreements for land, building, studio and office spaces that it presently occupies and uses for periods ranging from two to 25 years. The lease agreements can be renewed subject to mutual agreement. Most of the lease agreements can be terminated at the option of the Group.



The Group also has certain leases with lease terms of 12 months or less. The Group applies the “short-term lease” recognition exemptions for these leases.

The rollforward analysis of right-of-use assets follows:

|                                       | 2025                  |                                                         |                        |
|---------------------------------------|-----------------------|---------------------------------------------------------|------------------------|
|                                       | Right-of-use:<br>Land | Right-of-use:<br>Buildings, studio<br>and office spaces | Right-of-use:<br>Total |
| <b>Cost</b>                           |                       |                                                         |                        |
| Balance at beginning of year          | ₱146,081,506          | ₱95,704,409                                             | ₱241,785,915           |
| Additions                             | 24,741,424            | 17,367,508                                              | 42,108,932             |
| Retirement                            | (55,323,451)          | (36,994,270)                                            | (92,317,721)           |
| Balance at the end of year            | 115,499,479           | 76,077,647                                              | 191,577,126            |
| <b>Accumulated Depreciation</b>       |                       |                                                         |                        |
| Balance at beginning of year          | 69,785,515            | 80,716,348                                              | 150,501,863            |
| Depreciation<br>(see Notes 23 and 24) | 11,983,246            | 12,979,500                                              | 24,962,746             |
| Retirement                            | (41,528,221)          | (48,098,091)                                            | (89,626,312)           |
| Balance at the end of year            | 40,240,540            | 45,597,757                                              | 85,838,297             |
| <b>Net Book Value</b>                 | <b>₱75,258,939</b>    | <b>₱30,479,890</b>                                      | <b>₱105,738,829</b>    |

|                                       | 2024                  |                                                         |                        |
|---------------------------------------|-----------------------|---------------------------------------------------------|------------------------|
|                                       | Right-of-use:<br>Land | Right-of-use:<br>Buildings, studio<br>and office spaces | Right-of-use:<br>Total |
| <b>Cost</b>                           |                       |                                                         |                        |
| Balance at beginning of year          | ₱193,021,244          | ₱87,457,441                                             | ₱280,478,685           |
| Additions                             | —                     | 8,246,968                                               | 8,246,968              |
| Cancellation                          | (46,939,738)          | —                                                       | (46,939,738)           |
| Balance at the end of year            | 146,081,506           | 95,704,409                                              | 241,785,915            |
| <b>Accumulated Depreciation</b>       |                       |                                                         |                        |
| Balance at beginning of year          | 74,471,581            | 65,340,281                                              | 139,811,862            |
| Depreciation<br>(see Notes 23 and 24) | 12,518,445            | 15,376,067                                              | 27,894,512             |
| Cancellation                          | (17,204,511)          | —                                                       | (17,204,511)           |
| Balance at the end of year            | 69,785,515            | 80,716,348                                              | 150,501,863            |
| <b>Net Book Value</b>                 | <b>₱76,295,991</b>    | <b>₱14,988,061</b>                                      | <b>₱91,284,052</b>     |

The rollforward analysis of lease liabilities follows:

|                              | 2025                | 2024                |
|------------------------------|---------------------|---------------------|
| Balance at beginning of year | ₱115,621,677        | ₱156,638,801        |
| Additions                    | 42,169,179          | 8,246,968           |
| Accretion of interest        | 7,732,485           | 8,479,737           |
| Payments                     | (35,274,206)        | (22,719,557)        |
| Cancellation                 | —                   | (35,024,272)        |
| Balance at end of year       | <b>₱130,249,135</b> | <b>₱115,621,677</b> |



|                        | 2025                | 2024         |
|------------------------|---------------------|--------------|
| Current portion        | <b>₱16,590,142</b>  | ₱21,199,972  |
| Noncurrent portion     | <b>113,658,993</b>  | 94,421,705   |
| Balance at end of year | <b>₱130,249,135</b> | ₱115,621,677 |

The rollforward analysis of dismantling provision follows:

|                              | 2025                | 2024        |
|------------------------------|---------------------|-------------|
| Balance at beginning of year | <b>₱52,557,654</b>  | ₱50,872,484 |
| Derecognition                | <b>(25,928,480)</b> | —           |
| Accretion of interest        | <b>2,512,482</b>    | 1,685,170   |
| Balance at end of year       | <b>₱29,141,656</b>  | ₱52,557,654 |

In 2025, the Group reversed ₱25.03 million accrual of estimated dismantling costs related to terminated leases.

The following are the amounts recognized in the consolidated statements of comprehensive income:

|                                                                                                         | 2025                | 2024         |
|---------------------------------------------------------------------------------------------------------|---------------------|--------------|
| Expense relating to short-term leases (included in “Production costs”) (see Note 23)                    | <b>₱634,933,546</b> | ₱661,079,341 |
| Derecognition of dismantling cost (see Note 26)                                                         | <b>25,928,480</b>   | —            |
| Depreciation expense of right-of-use assets (see Note 24)                                               | <b>24,962,746</b>   | 27,894,512   |
| Expense relating to short-term leases (included in “General and Administrative expenses”) (see Note 24) | <b>14,535,489</b>   | 15,085,565   |
| Interest expense on lease liabilities                                                                   | <b>7,732,485</b>    | 8,479,737    |
| Gain on cancellation (see Note 26)                                                                      | —                   | (5,289,045)  |
| Interest expense on dismantling cost                                                                    | <b>2,512,482</b>    | 1,685,170    |

Shown below is the maturity analysis of the undiscounted lease payments:

|                              | 2025               | 2024        |
|------------------------------|--------------------|-------------|
| 1 year                       | <b>₱16,969,332</b> | ₱31,349,157 |
| More than 1 year to 2 years  | <b>17,885,797</b>  | 59,392,807  |
| More than 2 years to 3 years | <b>16,811,442</b>  | 21,214,438  |
| More than 3 years to 4 years | <b>13,224,459</b>  | 19,897,082  |
| More than 5 years            | <b>79,135,531</b>  | 96,836,889  |

Total rental expense on short-term leases amounted to ₱649.47 million, ₱676.16 million and ₱813.19 million in 2025, 2024 and 2023, respectively (see Notes 23 and 24).

*Group as Lessor.* The Group leases out certain properties for a period of one year, renewable annually. The leased-out properties include investment properties, and broadcasting equipment. Total rental income amounted to ₱7.79 million, ₱7.15 million and ₱7.73 million in 2025, 2024 and 2023, respectively (see Note 26).



### Subscription Agreements

The Parent Company entered into various subscription agreements with international cable providers for the airing of its programs and shows abroad. The agreements generally have terms of three to five years and are based on certain agreed service package rates.

Total subscription revenue amounted to ₱640.75 million, ₱677.24 million and ₱728.40 million in 2025, 2024 and 2023, respectively (see Note 22).

## 29. Income Taxes

### Current Income Tax

The current income tax consists of the following:

|      | 2025                | 2024         | 2023           |
|------|---------------------|--------------|----------------|
| RCIT | <b>₱755,980,916</b> | ₱649,839,983 | ₱1,096,163,757 |
| MCIT | <b>2,153</b>        | 787,043      | —              |
|      | <b>₱755,983,069</b> | ₱650,627,026 | ₱1,096,163,757 |

The reconciliation between the statutory income tax rates and effective income tax rates are shown below:

|                                                      | 2025          | 2024   | 2023   |
|------------------------------------------------------|---------------|--------|--------|
| Statutory income tax                                 | <b>25.00%</b> | 25.00% | 25.00% |
| Additions (deductions) in income tax resulting from: |               |        |        |
| Interest income already subjected to final tax       | <b>(0.23)</b> | (0.27) | (0.18) |
| Nondeductible interest expense                       | <b>0.07</b>   | 0.03   | 0.03   |
| Nondeductible expenses                               | <b>1.39</b>   | 1.92   | 0.06   |
| Others                                               | <b>(0.80)</b> | (0.72) | (0.61) |
| Effective income tax                                 | <b>25.43%</b> | 25.96% | 24.30% |

### Deferred Taxes

The components of the Group's net deferred tax assets and liabilities are as follows:

|                                              | 2025                  | 2024           |
|----------------------------------------------|-----------------------|----------------|
| Deferred tax assets:                         |                       |                |
| Pension liability                            | <b>₱1,524,672,765</b> | ₱1,192,817,099 |
| Allowance for ECL                            | <b>251,244,212</b>    | 219,238,504    |
| Other long-term employee benefits            | <b>76,385,980</b>     | 68,137,775     |
| Allowance for probable losses in advances    | <b>37,518,980</b>     | 44,599,202     |
| Lease liabilities                            | <b>32,562,284</b>     | 28,809,381     |
| Unrealized loss on financial assets at FVOCI | <b>11,513,000</b>     | 12,343,041     |
| Dismantling provision                        | <b>7,208,560</b>      | 13,139,414     |
| Unamortized past service cost                | <b>4,660,237</b>      | 7,373,240      |
| Unrealized foreign exchange loss             | <b>772,110</b>        | 10,459,366     |
| Excess MCIT over RCIT                        | <b>299,885</b>        | 787,043        |
| NOLCO                                        | <b>31,752</b>         | 895,150        |
| Others                                       | <b>953,660</b>        | —              |
|                                              | <b>1,947,823,425</b>  | 1,598,599,215  |

*Forward*



|                                              | 2025             | 2024             |
|----------------------------------------------|------------------|------------------|
| Deferred tax liabilities:                    |                  |                  |
| Revaluation increment on land                | (P2,216,577,099) | (P2,071,813,970) |
| Right-of-use assets                          | (26,434,709)     | (22,751,940)     |
| Unrealized gain on financial assets at FVOCI | (2,595,654)      | (2,951,764)      |
| Unrealized foreign exchange gain             | (23,124)         | (11,472,749)     |
| Others                                       | (1,357,450)      | (1,422,545)      |
|                                              | (2,246,988,036)  | (2,110,412,968)  |
|                                              | (P299,164,611)   | (P511,813,753)   |

Net movement in deferred tax assets (liabilities) – net charged to the consolidated statement of income and comprehensive income are as follows:

|                                         | 2025           | 2024         |
|-----------------------------------------|----------------|--------------|
| Net provisions (benefit) recognized in: |                |              |
| Profit or loss                          | (P6,875,421)   | P73,207,945  |
| Other comprehensive income              | (205,773,721)  | 86,378,044   |
|                                         | (P212,649,142) | P159,585,989 |

The components of the subsidiaries' deductible temporary differences and carryforward benefits of NOLCO and MCIT, for which no deferred tax assets have been recognized in the Group's consolidated statements of financial position, are as follows:

|                                              | 2025        | 2024        |
|----------------------------------------------|-------------|-------------|
| NOLCO                                        | P22,271,665 | P14,648,527 |
| Allowance for ECL                            | 19,551,633  | 19,729,593  |
| Unamortized past service cost                | 12,612,639  | 384,304     |
| Excess MCIT over RCIT                        | 1,394,390   | 2,973,325   |
| Accrued vacation and sick leaves             | 816,646     | 201,683     |
| Pension liability                            | 351,678     | 498,421     |
| Allowance for probable losses in advances    | 300,000     | –           |
| Allowance for inventory stock                | 237,806     | 237,806     |
| Unrealized loss on financial assets at FVOCI | 13,026      | –           |
| Lease liability                              | –           | 14,486      |
|                                              | P57,549,483 | P38,688,145 |

The unrecognized deferred tax assets from the above deductible temporary differences amounted to P15.43 million and P11.90 million as at December 31, 2025 and 2024, respectively.

The deferred tax assets were not recognized as management believes that future taxable income against which the deferred tax assets can be used for these entities may not be available.

As at December 31, 2025, the Group's MCIT is as follows:

| Years Paid/Incurred | Carryforward Benefit Up To | MCIT       |
|---------------------|----------------------------|------------|
| 2025                | 2028                       | P766,427   |
| 2024                | 2027                       | 927,848    |
|                     |                            | P1,694,275 |



The movements of MCIT is as follows:

|                              | 2025               | 2024              |
|------------------------------|--------------------|-------------------|
| Balance at beginning of year | <b>₱3,760,368</b>  | ₱12,760           |
| Applications                 | <b>(2,819,760)</b> | —                 |
| Additions                    | <b>766,427</b>     | 3,747,608         |
| Expirations                  | <b>(12,760)</b>    | —                 |
|                              | <b>₱1,694,275</b>  | <b>₱3,760,368</b> |

On September 30, 2020, the BIR issued Revenue Regulations No. 25-2020 implementing Section 4(b) of “Bayanihan to Recover As One Act” which states that the NOLCO incurred for taxable years 2020 and 2021 can be carried over and claimed as a deduction from gross income for the next five (5) consecutive taxable years immediately following the year of such loss.

As at December 31, 2025, the Group has incurred NOLCO after taxable year 2021 and 2020, which can be claimed as deduction from the regular taxable income for the next three (3) consecutive taxable years, as follows:

| Year Incurred | Availment Period | Beginning Balance  | Additions          | Expirations         | Applications in the Current Year | Unapplied NOLCO at end of year |
|---------------|------------------|--------------------|--------------------|---------------------|----------------------------------|--------------------------------|
| 2022          | 2023 to 2025     | ₱3,296,834         | ₱—                 | (₱3,296,834)        | ₱—                               | ₱—                             |
| 2023          | 2024 to 2026     | 12,403,706         | —                  | —                   | (3,792,025)                      | 8,611,681                      |
| 2024          | 2025 to 2027     | 2,177,413          | —                  | —                   | —                                | 2,177,413                      |
| 2025          | 2026 to 2028     | —                  | 11,258,405         | —                   | —                                | 11,258,405                     |
|               |                  | <b>₱17,877,953</b> | <b>₱11,258,405</b> | <b>(₱3,296,834)</b> | <b>(3,792,025)</b>               | <b>₱22,047,499</b>             |

As at December 31, 2025, the Group has incurred NOLCO in 2021 and 2020, which can be claimed as deduction from the regular taxable income for the next five (5) consecutive taxable years pursuant to the Bayanihan to Recover as One Act, as follows:

| Year Incurred | Availment Period | Beginning Balance | Additions | Expirations | Applications in the Current Year | Unapplied NOLCO at end of year |
|---------------|------------------|-------------------|-----------|-------------|----------------------------------|--------------------------------|
| 2021          | 2022 to 2026     | ₱351,174          | ₱—        | ₱—          | ₱—                               | 351,174                        |

#### Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act

On June 20, 2023, the Bureau of Internal Revenue issued Revenue Memorandum Circular (RMC) No. 69-2023 reverting the MCIT rate to 2% of gross income effective July 1, 2023 pursuant to Republic Act (RA) No. 11534, otherwise known as the CREATE Act. MCIT rate was previously reduced from 2% to 1% effective July 1, 2020 to June 30, 2023 upon the effectivity of CREATE Act in 2021.



### 30. EPS Computation

The computation of basic and diluted EPS follows:

|                                                                                  | 2025                  | 2024           | 2023           |
|----------------------------------------------------------------------------------|-----------------------|----------------|----------------|
| Net income attributable to equity holders of the Parent Company (a)              | <b>₱2,201,782,465</b> | ₱2,069,420,969 | ₱3,170,179,282 |
| Less attributable to preferred shareholders                                      | <b>678,907,051</b>    | 638,094,139    | 977,506,679    |
| Net income attributable to common equity holders of the Parent Company (b)       | <b>₱1,522,875,414</b> | ₱1,431,326,830 | ₱2,192,672,603 |
| Weighted average number of common shares for basic EPS (c)                       | <b>3,364,692,000</b>  | 3,364,692,000  | 3,364,692,000  |
| Weighted average number of common shares                                         | <b>3,364,692,000</b>  | 3,364,692,000  | 3,364,692,000  |
| Effect of dilution - assumed conversion of preferred shares                      | <b>1,500,000,000</b>  | 1,500,000,000  | 1,500,000,000  |
| Weighted average number of common shares adjusted for the effect of dilution (d) | <b>4,864,692,000</b>  | 4,864,692,000  | 4,864,692,000  |
| Basic EPS (b/c)                                                                  | <b>₱0.453</b>         | ₱0.425         | ₱0.652         |
| Diluted EPS (a/d)                                                                | <b>₱0.453</b>         | ₱0.425         | ₱0.652         |

### 31. Financial Risk Management Objectives and Policies

The Group's principal financial instruments include cash and cash equivalents. The main purpose of these financial instruments includes raising financing for the Group's operations and managing identified financial risks. The Group has other financial assets and liabilities such as trade and other receivables, refundable deposits, trade payables and other current liabilities (excluding payable to government agencies, customers' deposits and contract liabilities), short-term loans, obligations for program and other rights, dividends payable, other long-term employee benefits and lease liabilities, which arise directly from its operations, and financial assets at FVOCI. The main risks arising from the use of financial instruments are liquidity risk, foreign currency exchange risk and credit risk. The Group is not exposed to interest rate risk as most of its financial assets and financial liabilities have fixed rates.

The BOD reviews and approves the Group's objectives and policies.

*Liquidity Risk.* The Group is exposed to the possibility that adverse changes in the business environment and/or its operations would result in substantially higher working capital requirements and subsequently pose difficulty in financing the additional working capital.

The Group manages liquidity risk by using its cash and cash equivalents from operations to meet its short-term liquidity needs. The Group likewise regularly evaluates other financing instruments and arrangements to broaden the Group's range of financing sources.



The tables below summarize the maturity profile of the Group's financial assets and financial liabilities based on contractual undiscounted payments as at December 31:

|                                                   | 2025           |                       |                |                     | Total          |
|---------------------------------------------------|----------------|-----------------------|----------------|---------------------|----------------|
|                                                   | On Demand      | Less than<br>3 Months | 3 to 12 Months | More than<br>1 year |                |
| Financial assets at amortized cost:               |                |                       |                |                     |                |
| Cash and cash equivalents                         | ₱1,111,193,731 | ₱350,191,984          | ₱—             | ₱—                  | ₱1,461,385,715 |
| Trade receivables:                                |                |                       |                |                     |                |
| Television and radio<br>airtime                   | 2,043,285,887  | 4,993,849,446         | —              | —                   | 7,037,135,333  |
| Subscriptions                                     | 147,281,287    | 38,302,288            | —              | —                   | 185,583,575    |
| Others                                            | 153,834,506    | 21,544,110            | —              | —                   | 175,378,616    |
| Nontrade receivables:                             |                |                       |                |                     |                |
| Advances to officers and<br>employees             | 6,195,417      | 85,546                | —              | —                   | 6,280,963      |
| Others                                            | 34,406,703     | 1,401,740             | —              | —                   | 35,808,443     |
| Refundable deposits*                              | —              | —                     | —              | 44,238,770          | 44,238,770     |
| Financial assets at FVOCI                         | —              | —                     | —              | 404,465,579         | 404,465,579    |
|                                                   | 3,496,197,531  | 5,405,375,114         | —              | 448,704,349         | 9,350,276,994  |
| Loans and borrowings:                             |                |                       |                |                     |                |
| Trade payables and other current<br>liabilities** | 753,390,071    | 937,487,122           | 128,252,179    | —                   | 1,819,129,372  |
| Short-term loans***                               | —              | 1,257,535,000         | 203,200,000    | 15,948,750          | 1,476,683,750  |
| Obligations for program and<br>other rights       | —              | 342,676,588           | 289,295,492    | 56,589,474          | 688,561,554    |
| Lease liabilities***                              | —              | 5,983,903             | 10,606,239     | 113,658,993         | 130,249,135    |
| Dividends payable                                 | 39,510,213     | —                     | —              | —                   | 39,510,213     |
|                                                   | 792,900,284    | 2,543,682,613         | 631,353,910    | 186,197,217         | 4,154,134,024  |
| Liquidity Portion (Gap)                           | ₱2,703,297,247 | ₱2,861,692,501        | (₱631,353,910) | ₱262,507,132        | ₱5,196,142,970 |

\*Included under "Other noncurrent assets" account in the consolidated statement of financial position (see Note 16).

\*\*Excluding payable to government agencies, contract liabilities and customer deposits amounting to ₱896.64 million, ₱34.24 million and ₱96.38 million, respectively (see Note 17).

\*\*\*Gross contractual payments.

|                                                   | 2024           |                       |                  |                     | Total          |
|---------------------------------------------------|----------------|-----------------------|------------------|---------------------|----------------|
|                                                   | On Demand      | Less than<br>3 Months | 3 to 12 Months   | More than<br>1 year |                |
| Financial assets at amortized cost:               |                |                       |                  |                     |                |
| Cash and cash equivalents                         | ₱1,870,840,835 | ₱275,469,972          | ₱—               | ₱—                  | ₱2,146,310,807 |
| Trade receivables:                                |                |                       |                  |                     |                |
| Television and radio<br>airtime                   | 1,634,596,837  | 5,474,871,750         | —                | —                   | 7,109,468,587  |
| Subscriptions                                     | 154,066,831    | 53,292,349            | —                | —                   | 207,359,180    |
| Others                                            | 285,707,888    | 60,897,879            | —                | —                   | 346,605,767    |
| Nontrade receivables:                             |                |                       |                  |                     |                |
| Advances to officers and<br>employees             | 5,950,299      | 9,329,899             | —                | —                   | 15,280,198     |
| Others                                            | 39,576,911     | 13,043,517            | —                | —                   | 52,620,428     |
| Refundable deposits*                              | —              | —                     | —                | 43,650,400          | 43,650,400     |
| Financial assets at FVOCI                         | —              | —                     | —                | 370,856,990         | 370,856,990    |
|                                                   | 3,990,739,601  | 5,886,905,366         | —                | 414,507,390         | 10,292,152,357 |
| Loans and borrowings:                             |                |                       |                  |                     |                |
| Trade payables and other current<br>liabilities** | 433,079,887    | 734,371,308           | 248,961,219      | —                   | 1,416,412,414  |
| Short-term loans***                               | —              | 1,503,400,000         | 2,217,145,000    | —                   | 3,720,545,000  |
| Obligations for program and<br>other rights       | —              | 541,234,325           | 41,820,238       | —                   | 583,054,563    |
| Lease liabilities***                              | —              | 5,299,993             | 15,899,979       | 94,421,705          | 115,621,677    |
| Dividends payable                                 | 51,489,727     | —                     | —                | —                   | 51,489,727     |
|                                                   | 484,569,614    | 2,784,305,626         | 2,523,826,436    | 94,421,705          | 5,887,123,381  |
| Liquidity Portion (Gap)                           | ₱3,506,169,987 | ₱3,102,599,740        | (₱2,523,826,436) | ₱320,085,685        | ₱4,405,028,976 |

\*Included under "Other noncurrent assets" account in the consolidated statement of financial position (see Note 16).

\*\*Excluding payable to government agencies, contract liabilities and customer deposits amounting to ₱1,146.85 million, ₱215.57 million and ₱79.31 million, respectively (see Note 17).

\*\*\*Gross contractual payments.



**Foreign Currency Exchange Risk.** Foreign currency exchange risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign currency exchange rates. The Group's exposure to foreign currency exchange risk results from certain business transactions denominated in foreign currencies. It is the Group's policy to ensure that capabilities exist for active but conservative management of its foreign currency exchange risk.

The Group's foreign currency-denominated monetary assets and liabilities are as follows:

|                                          | 2025          |                       | 2024          |                       |
|------------------------------------------|---------------|-----------------------|---------------|-----------------------|
| <b>Assets</b>                            |               |                       |               |                       |
| Cash and cash equivalents                | \$13,275,268  | ₱780,453,028          | \$9,114,274   | ₱527,260,751          |
|                                          | C\$156,234    | 6,720,297             | C\$1,010,803  | 42,726,643            |
| Trade receivables                        | \$3,009,401   | 176,922,713           | \$3,011,355   | 174,206,887           |
|                                          | C\$629,033    | 27,057,489            | C\$473,529    | 20,016,071            |
|                                          | S\$275,174    | 12,608,372            | S\$241,806    | 10,322,698            |
|                                          | A\$19,972     | 786,533               | A\$21,797     | 786,436               |
|                                          | DH42,607      | 682,162               | DH43,188      | 682,370               |
| Short-term investments                   | \$1,408,380   | 82,798,641            | \$637,399     | 36,873,532            |
|                                          |               | <b>₱1,088,029,235</b> |               | <b>₱812,875,388</b>   |
| <b>Liabilities</b>                       |               |                       |               |                       |
| Trade payables                           | (\$2,317,991) | (₱136,274,691)        | (\$220,546)   | (₱12,758,586)         |
|                                          | (€35,373)     | (2,449,743)           | (€1,475)      | (89,193)              |
| Obligations for program and other rights | (\$7,673,478) | (451,123,779)         | (\$9,057,001) | (523,947,508)         |
|                                          |               | <b>(₱589,848,213)</b> |               | <b>(₱536,795,287)</b> |
|                                          |               | <b>₱498,181,022</b>   |               | <b>₱276,080,101</b>   |

In translating the foreign currency-denominated monetary assets and liabilities into Philippine peso amounts, the exchange rates used were ₱58.79 to US\$1.00 and ₱57.85 to US\$1.00, the Philippine peso to U.S. dollar exchange rate, as at December 31, 2025 and 2024, respectively. The exchange rate for Philippine peso to Canadian dollar were ₱43.01 to CAD\$1.00 and ₱42.27 to CAD\$1.00, as at December 31, 2025 and 2024. The peso equivalents for the Singaporean Dollar, Australian Dollar, Dirham, Euro and Pound were ₱45.82, ₱39.38, ₱16.01, ₱69.25, and ₱79.41 and ₱42.69, ₱36.08, ₱15.80, ₱60.47, and ₱72.68 as at December 31, 2025 and 2024, respectively.

The following table demonstrates the sensitivity to a reasonably possible change in the exchange rates, with all other variables held constant, of the Group's income before income tax from reporting period up to next reporting period (due to changes in the fair value of monetary assets and liabilities). There is no impact on the Group's equity other than those already affecting profit or loss.

|      | Appreciation/<br>(Depreciation)<br>of Peso | USD                       | CAD                   | SGD                   | AUD                 | AED                 | EUR                 | Total                     |
|------|--------------------------------------------|---------------------------|-----------------------|-----------------------|---------------------|---------------------|---------------------|---------------------------|
| 2025 | 0.5<br>(0.5)                               | ₱3,850,790<br>(3,850,790) | ₱392,633<br>(392,633) | ₱137,587<br>(137,587) | ₱9,987<br>(9,987)   | ₱21,304<br>(21,304) | (₱17,687)<br>17,687 | ₱4,394,614<br>(4,394,614) |
| 2024 | 0.50<br>(0.50)                             | ₱1,742,741<br>(1,742,741) | ₱742,166<br>(742,166) | ₱120,903<br>(120,903) | ₱10,899<br>(10,899) | ₱21,594<br>(21,594) | (₱738)<br>738       | ₱2,637,565<br>(2,637,565) |

**Credit Risk.** Credit risk, or the risk of counterparties defaulting, is controlled by the application of credit approvals, limits and monitoring procedures. It is the Group's policy to enter into transactions with a diversity of creditworthy parties to mitigate any significant concentration of credit risk.



The Group ensures that sales of products and services are made to customers with appropriate credit history. The Group has an internal mechanism to monitor the granting of credit and management of credit exposures. The Group has made provisions, where necessary, for potential losses on credits extended. The Group's exposure to credit risk arises from default of the counterparty with a maximum exposure equal to the carrying amount of the instruments. The Group does not require any collateral for its financial assets, thus, maximum exposure to credit risk is equal to the carrying value of the financial instruments.

The table below shows the maximum exposure to credit risk for the components of the consolidated financial position as at December 31:

|                                     | 2025                  | 2024           |
|-------------------------------------|-----------------------|----------------|
| Financial assets at amortized cost: |                       |                |
| Cash and cash equivalents*          | <b>₱1,393,780,579</b> | ₱1,825,111,096 |
| Trade receivables:                  |                       |                |
| Television and radio airtime        | <b>7,037,135,333</b>  | 7,109,468,587  |
| Subscriptions                       | <b>185,583,575</b>    | 207,359,180    |
| Others                              | <b>175,378,616</b>    | 346,605,767    |
| Nontrade receivables:               |                       |                |
| Advances to officers and employees  | <b>6,280,963</b>      | 15,280,198     |
| Others                              | <b>35,808,443</b>     | 37,620,429     |
| Refundable deposits**               | <b>44,238,770</b>     | 43,650,400     |
|                                     | <b>8,878,206,279</b>  | 9,585,095,657  |
| Financial assets at FVOCI           | <b>404,465,579</b>    | 372,368,942    |
|                                     | <b>₱9,282,671,858</b> | ₱9,957,464,599 |

\*Excluding cash on hand amounting to ₱67.61 million and ₱321.20 million as at December 31, 2025 and 2024, respectively.

\*\*Included under "Other noncurrent assets" account in the consolidated statements of financial position (see Note 16).

The maximum exposure for cash and cash equivalents (excluding cash on hand) is the carrying amount less insured amount by the Philippine Deposit Insurance Corporation equivalent to the actual cash balance to a maximum of ₱0.50 million per depositor per bank. Beginning March 15, 2025, the insured amount has increased to ₱1 million per depositor per bank. The maximum exposure of trade and non-trade receivables and refundable deposits is equal to its carrying amount.

#### Credit quality of Financial Assets, Other than Trade Receivables

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

Stage 1 - Those that are considered current and up to 120 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 120 to 360 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:

| 2025                               |                |              |              |                |
|------------------------------------|----------------|--------------|--------------|----------------|
|                                    | ECL Staging    |              |              | Total          |
|                                    | Stage 1        | Stage 2      | Stage 3      |                |
|                                    | 12-month ECL   | Lifetime ECL | Lifetime ECL |                |
| Financial assets at amortized cost |                |              |              |                |
| Cash and cash equivalents*         | ₱1,393,780,579 | ₱—           | ₱—           | ₱1,393,780,579 |
| Nontrade receivables:              |                |              |              |                |
| Advances to officers and employees | 6,280,963      | —            | —            | 6,280,963      |
| Others                             | 35,808,443     | —            | —            | 35,808,443     |
| Refundable deposits**              | 44,238,770     | —            | —            | 44,238,770     |
|                                    | ₱1,480,108,755 | ₱—           | ₱—           | ₱1,480,108,755 |

\*Excluding cash on hand amounting to ₱67.61 million as at December 31, 2025.

\*\* Included under "Other noncurrent assets" account in the consolidated company statement of financial position.

| 2024                               |                |              |              |                |
|------------------------------------|----------------|--------------|--------------|----------------|
|                                    | ECL Staging    |              |              | Total          |
|                                    | Stage 1        | Stage 2      | Stage 3      |                |
|                                    | 12-month ECL   | Lifetime ECL | Lifetime ECL |                |
| Financial assets at amortized cost |                |              |              |                |
| Cash and cash equivalents*         | ₱1,825,111,096 | ₱—           | ₱—           | ₱1,825,111,096 |
| Nontrade receivables:              |                |              |              |                |
| Advances to officers and employees | 15,280,198     | —            | —            | 15,280,198     |
| Others                             | 37,620,429     | —            | —            | 37,620,429     |
| Refundable deposits**              | 43,650,400     | —            | —            | 43,650,400     |
|                                    | ₱1,921,662,123 | ₱—           | ₱—           | ₱1,921,662,123 |

\*Excluding cash on hand amounting to ₱321.40 million as at December 31, 2024.

\*\* Included under "Other noncurrent assets" account in the consolidated company statement of financial position.

### Credit Quality of Trade Receivables

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segment with similar loss patterns (i.e., by customer type). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Set out below is the information about the credit risk exposure of the Group's trade receivables using provision matrix:

| 2025                        |                |              |              |              |              |                |                |
|-----------------------------|----------------|--------------|--------------|--------------|--------------|----------------|----------------|
|                             | Days past due  |              |              |              |              |                | Total          |
|                             | Current        | 0-30 days    | 31-60 days   | 61-90 days   | 91-360 days  | Over 360 days  |                |
| Expected credit loss rate   | 0.54%          | 2.75%        | 8.20%        | 8.34%        | 16.00%       | 43.84%         |                |
| Total gross carrying amount | ₱3,806,638,938 | ₱442,095,753 | ₱263,302,547 | ₱188,215,374 | ₱802,058,009 | ₱1,937,876,309 | ₱7,440,186,930 |
| Expected credit loss        | 20,552,979     | 12,161,707   | 21,584,158   | 15,692,947   | 128,356,534  | 849,647,358    | 1,047,995,683  |

| 2024                        |                |              |              |              |                |                |                |
|-----------------------------|----------------|--------------|--------------|--------------|----------------|----------------|----------------|
|                             | Days past due  |              |              |              |                |                | Total          |
|                             | Current        | 0-30 days    | 31-60 days   | 61-90 days   | 91-360 days    | Over 360 days  |                |
| Expected credit loss rate   | 0.48%          | 1.79%        | 7.44%        | 7.52%        | 10.87%         | 67.19%         |                |
| Total gross carrying amount | ₱4,284,861,015 | ₱678,133,599 | ₱290,135,212 | ₱208,608,093 | ₱1,181,035,528 | ₱1,073,560,714 | ₱7,716,334,161 |
| Expected credit loss        | 20,552,979     | 12,161,707   | 21,584,158   | 15,692,947   | 128,356,534    | 721,329,490    | 919,677,815    |

### Capital Management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value.



The Group manages its capital structure and makes adjustments to it, in the light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, pay off existing debts, return capital to shareholders or issue new shares.

The Parent Company is not subject to externally imposed capital requirements.

No changes were made in the objectives, policies or processes for each of the three years ended December 31, 2025, 2024 and 2023.

The Group monitors its capital gearing by measuring the ratio of interest-bearing loan to total equity. The Group's interest-bearing loans, which are the short-term loans, amounted to ₱1,476.68 million and ₱3,720.5 million as at December 31, 2025 and 2024, respectively. The Group's total equity attributable to equity holders of the Parent Company as at December 31, 2025 and 2024 amounted to ₱13,422.96 million and ₱14,290.71 million, respectively.

## 32. Fair Value Measurement

The table below presents the carrying values and fair values of the Group's assets, by category and by class, as at December 31:

[illegible]

As at December 31, 2025 and 2024, the fair value of equity instruments in a listed entity is classified under Level 3 due to the investee Company's suspension of trading in the market.



The fair values of equity instruments in listed and non-listed companies classified under Level 3 were determined through net-asset value based approach. Net-asset based approach is based on the value of all the tangible and intangible assets and liabilities of the investee Company.

Presented below are the significant unobservable inputs used in the net asset valuations of the Group's financial assets in 2025 and 2024:

| Description                           | Unobservable Inputs                | Range         |         |
|---------------------------------------|------------------------------------|---------------|---------|
|                                       |                                    | 2025          | 2024    |
| <b>Listed equity instrument:</b>      |                                    |               |         |
| Casinos and gaming industry           | Discount for lack of marketability | <b>10-30%</b> | 10%-30% |
|                                       | Discount for lack of control       | <b>10-30%</b> | 10%-30% |
| <b>Non-listed equity instruments:</b> |                                    |               |         |
| Media and entertainment industry      | Discount for lack of marketability | <b>10-30%</b> | 10%-30% |
|                                       | Discount for lack of control       | <b>10-30%</b> | 10%-30% |

An increase (decrease) in the significant unobservable inputs used in the valuation of the equity investments will decrease (increase) the fair value of the equity investments.

#### Fair Value Determination

The following methods and assumptions are used to estimate the fair value of each asset and liability for which it is practicable to estimate such value:

*Cash and Cash Equivalents, Trade and Other Receivables, Refundable Deposits, Trade Payables and Other Current Liabilities (excluding Payable to Government Agencies, Contract Liabilities and Customer Deposits), Short-term Loans, Obligations for Program and Other Rights and Dividends Payable*

The carrying values of cash and cash equivalents and trade and other receivables, trade payables and other current liabilities, short-term loans, current portion of obligations for program and other rights and dividends payable approximate their fair values primarily due to the relatively short-term maturity of these financial instruments.

The carrying value of refundable deposits (included under "Other noncurrent assets" account in the consolidated statements of financial position) approximates fair value due to unavailability of information as to the repayment date that would provide a reasonable basis for the fair value measurement.

#### *Financial assets at FVOCI*

The Group's investments in club shares were based on prices readily available from brokers and other regulatory agencies as at reporting date (Level 2). The fair values of equity investments in listed and non-listed companies have been estimated using the net asset value model. The valuation using adjusted net asset approach requires the management to measure the fair value of the individual assets and liabilities recognized in an investee's statement of financial position as well as the fair value of any unrecognized assets and liabilities at the measurement date.

#### *Investment Properties and Land at Revalued Amount*

The valuation for the disclosure of the fair value of investment properties and for the recognition of land at revalued amount was derived through market data approach based upon prices paid in actual market transactions. This approach relies on the comparison of recent sale transactions or offerings of similar properties which have occurred and/or offered with close proximity to the subject property adjusted based on certain elements of comparison (e.g. market conditions, location, physical condition and amenities). Significant unobservable valuation input in determining the fair value of investment properties includes adjusted price per square meter and lot size adjustments (see Notes 14 and 15).



### 33. Supplemental Cash Flow Information

#### Changes in liabilities arising from financing activities

The table below shows significant changes in arising from financing activities, including changes arising from cash flows and non-cash changes:

|                                             | January 1,<br>2025 | Additions      | Payments         | Others*        | December 31,<br>2025 |
|---------------------------------------------|--------------------|----------------|------------------|----------------|----------------------|
| Short-term loans                            | ₱3,720,545,000     | ₱1,800,000,000 | (₱4,043,861,250) | ₱—             | ₱1,476,683,750       |
| Lease liabilities                           | 115,621,677        | —              | (35,274,206)     | 49,901,664     | 130,249,135          |
| Dividends payable                           | 36,489,727         | —              | (2,429,325,514)  | 2,432,346,000  | 39,510,213           |
| Accrued interest expense**                  | 13,929,028         | —              | (144,337,617)    | 133,164,422    | 2,755,833            |
| Total liabilities from financing activities | ₱3,886,585,432     | ₱1,800,000,000 | (₱6,652,798,587) | ₱2,615,412,086 | ₱1,649,198,931       |

\*Others pertain to dividends declared, accrual of interest on loans and accretion of interest of lease liabilities.

\*\*Included under "Accounts payable and other current liabilities" account in the consolidated statement of financial position (see Note 17).

|                                             | January 1,<br>2024 | Additions      | Payments         | Others*        | December 31,<br>2024 |
|---------------------------------------------|--------------------|----------------|------------------|----------------|----------------------|
| Short-term loans                            | ₱1,527,307,000     | ₱4,020,545,000 | (₱1,827,307,000) | ₱—             | ₱3,720,545,000       |
| Lease liabilities                           | 156,638,801        | —              | (22,719,557)     | (18,297,567)   | 115,621,677          |
| Dividends payable                           | 39,687,211         | —              | (2,922,012,684)  | 2,918,815,200  | 36,489,727           |
| Accrued interest expense**                  | 2,012,500          | —              | (163,447,263)    | 175,363,791    | 13,929,028           |
| Total liabilities from financing activities | ₱1,725,645,512     | ₱4,020,545,000 | (₱4,935,486,504) | ₱3,075,881,424 | ₱3,886,585,432       |

\*Others pertain to dividends declared, accrual of interest on loans and accretion of interest of lease liabilities.

\*\*Included under "Accounts payable and other current liabilities" account in the consolidated statement of financial position (see Note 17).

#### Non-cash activities

Significant non-cash activities in 2025 and 2024 pertain to the following:

- Additional revaluation increment of land at revalued amounts totaling ₱434.29 million and nil, in 2025 and 2024, respectively.
- Additions to program rights on account. The outstanding balance of additions to program rights on account that was considered in the cashflows from operating activities amounted to ₱105.51 million and ₱248.39 million as at December 31, 2025 and 2024, respectively.



## **INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES**

The Board of Directors and Stockholders  
GMA Network, Inc. and Subsidiaries  
GMA Network Center  
Timog Avenue corner EDSA  
Quezon City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of GMA Network, Inc. and Subsidiaries (the Group) as at December 31, 2025 and 2024, and for each of the three years in the period ended December 31, 2025, and have issued our report thereon dated March 25, 2026. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The schedules listed in the Index to the Consolidated Financial Statements and Supplementary Schedules are the responsibility of the Group's management. These schedules are presented for purposes of complying with the Revised Securities Regulation Code Rule 68, and are not part of the basic consolidated financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, fairly state, in all material respects, the information required to be set forth therein in relation to the basic consolidated financial statements taken as a whole.

**SYCIP GORRES VELAYO & CO.**

  
Julie Christine O. Mateo

Partner

CPA Certificate No. 93542

Tax Identification No. 198-819-116

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

SEC Partner Accreditation No. 93542-SEC (Group A)

Valid to cover audit of 2020 to 2024 financial statements,

with extension up to audit of 2025 financial statements

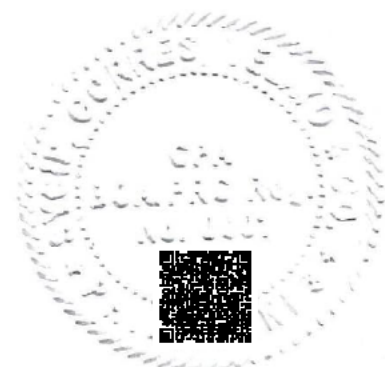
SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

BIR Accreditation No. 08-001998-068-2023, October 23, 2023, valid until October 22, 2026

PTR No. 10765089, January 2, 2026, Makati City

March 25, 2026



**GMA NETWORK, INC. AND SUBSIDIARIES**

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**INDEX TO THE CONSOLIDATED FINANCIAL STATEMENTS AND  
SUPPLEMENTARY SCHEDULES  
DECEMBER 31, 2025****Annex 68 - J**

|                                                                                                                                    |                |
|------------------------------------------------------------------------------------------------------------------------------------|----------------|
| A. Financial Assets                                                                                                                | Attached       |
| B. Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related Parties) | Not applicable |
| C. Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements                   | Attached       |
| D. Long-term Debt                                                                                                                  | Not applicable |
| E. Indebtedness to Related Parties (Long-term Loans from Related Companies)                                                        | Not applicable |
| F. Guarantees of Securities of Other Issuers                                                                                       | Not applicable |
| G. Capital Stock                                                                                                                   | Attached       |

**Additional Components**

|                                                                           |          |
|---------------------------------------------------------------------------|----------|
| i) Reconciliation of Retained Earnings Available for Dividend Declaration | Attached |
| ii) Map of Relationships of the Companies within the Group                | Attached |

**GMA NETWORK, INC. AND SUBSIDIARIES**  
**SUPPLEMENTARY SCHEDULES REQUIRED BY ANNEX 68-J**  
**DECEMBER 31, 2025**

**Schedule A. Financial Assets**

| Name of Issuing Entity and Association of Each Issue                     | Number of Shares or Principal Amounts of Bonds and Notes | Amount Shown in the Statements of Financial Position | Value Based on Market Quotation at end of Reporting Period | Income Received and Accrued |
|--------------------------------------------------------------------------|----------------------------------------------------------|------------------------------------------------------|------------------------------------------------------------|-----------------------------|
| <b>Cash and cash equivalents</b>                                         |                                                          |                                                      |                                                            |                             |
| Cash on hand                                                             | P–                                                       | P67,605,136                                          | P–                                                         | P–                          |
| Cash in banks                                                            | –                                                        | 1,043,588,595                                        | –                                                          | 14,420,069                  |
| Cash Placements:                                                         |                                                          |                                                      |                                                            |                             |
| Abacus Capital & Investment Corporation                                  | –                                                        | 137,831,726                                          | –                                                          | 9,555,890                   |
| Amalgamated Investment Bancorporation                                    | –                                                        | 9,265,377                                            | –                                                          | 397,631                     |
| Banco De Oro                                                             | –                                                        | 35,594,395                                           | –                                                          | 441,054                     |
| Bank of Commerce                                                         | –                                                        | 5,832,067                                            | –                                                          | –                           |
| CTBC Bank                                                                | –                                                        | 6,402,461                                            | –                                                          | 233,585                     |
| Land Bank of the Philippines                                             | –                                                        | 30,741,274                                           | –                                                          | 2,117,494                   |
| Malayan Bank                                                             | –                                                        | 73,332,957                                           | –                                                          | 1,746,155                   |
| Metrobank                                                                | –                                                        | 38,437,687                                           | –                                                          | 2,207,187                   |
| Union Bank of the Philippines                                            | –                                                        | 12,754,040                                           | –                                                          | 424,778                     |
| Total Placements                                                         | –                                                        | 350,191,984                                          | –                                                          | 17,123,774                  |
| Restricted Cash                                                          | –                                                        | 302,604,243                                          | –                                                          | –                           |
|                                                                          | P–                                                       | P1,763,989,958                                       | P–                                                         | P31,543,843                 |
| <b>Financial Assets at Fair Value Through Other Comprehensive Income</b> |                                                          |                                                      |                                                            |                             |
| Px Ventures PTE LTD                                                      | 1,443,468                                                | P132,277,500                                         | P–                                                         | P–                          |
| Wavemaker Three-Sixty Health                                             | –                                                        | 44,915,678                                           | –                                                          | –                           |
| Cloudeats PTE LTD                                                        | 43,579                                                   | 18,371,913                                           | –                                                          | –                           |
| Pcx Singapore PTE LTD                                                    | 14,697,500                                               | 14,697,500                                           | –                                                          | –                           |
| Hofer Development Corporation                                            | 14,697,500                                               | 14,697,500                                           | –                                                          | –                           |
| IP E Games Ventures, Inc.                                                | 13,000,000,000                                           | 1,994,839                                            | –                                                          | –                           |
| Unicapital, Inc.                                                         | 778,504                                                  | 63,891,350                                           | –                                                          | –                           |
| Mabuhay Philippine Satellite                                             | 405,666                                                  | 235,338                                              | –                                                          | –                           |
| Optima Digital Inc.                                                      | –                                                        | 558,606                                              | –                                                          | –                           |
| TNB Aura                                                                 | 900,000                                                  | 83,120,588                                           | –                                                          | –                           |
| Manila Southwoods                                                        | 1                                                        | 5,000,000                                            | 5,000,000                                                  | –                           |
| Royale Tagaytay                                                          | 3                                                        | 600,000                                              | 600,000                                                    | –                           |
| Metropolitan Club (Metroclub) - A                                        | 7                                                        | 2,050,000                                            | 2,050,000                                                  | –                           |
| Baguio Country Club - A                                                  | 1                                                        | 6,500,000                                            | 6,500,000                                                  | –                           |
| Ayala Alabang Country Club – A                                           | 1                                                        | 15,000,000                                           | 15,000,000                                                 | –                           |
| Camp John Hay Golf Club                                                  | 1                                                        | 250,000                                              | 250,000                                                    | –                           |
| Reefpoint Picture                                                        | –                                                        | 216,925                                              | –                                                          | –                           |
| Fortune Island Resort                                                    | 1                                                        | 86,842                                               | 86,842                                                     | –                           |
| To Research Council                                                      | –                                                        | 1,000                                                | –                                                          | –                           |
|                                                                          | 13,032,966,232                                           | P404,465,579                                         | P29,486,842                                                | P–                          |

**Schedule B. Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related Parties)**  
**December 31, 2025**

| Name and Designation<br>of Debtor                                                                                                                                                                                                                                                                                                               | Balance at Beginning of<br>Period | Additions | Deductions          |                       | Current | Noncurrent | Balance at End of<br>Period |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------|---------------------|-----------------------|---------|------------|-----------------------------|
|                                                                                                                                                                                                                                                                                                                                                 |                                   |           | Amount<br>Collected | Amount<br>Written Off |         |            |                             |
| <p><b>Not Applicable:</b> The Group has no amounts receivable from directors, officers, employees, related parties and principal stockholders as at December 31, 2025 other than those for purchases subject to usual terms, for ordinary travel and expense advances, and for other such items arising in the ordinary course of business.</p> |                                   |           |                     |                       |         |            |                             |

**Schedule C. Amounts of Receivable from and Payable to Related Parties which are Eliminated during the Consolidation of Financial Statements  
December 31, 2025**

*Alta Productions Company, Inc. (Alta)*

| Account                 | January 1, 2025      | Additions          | Deductions         |                                     | Current              | Noncurrent | December 31, 2025    |
|-------------------------|----------------------|--------------------|--------------------|-------------------------------------|----------------------|------------|----------------------|
|                         |                      |                    | Amount Collected   | Amount written off/<br>Reclassified |                      |            |                      |
| Receivables – Non-Trade | P–                   | P–                 | P–                 | P–                                  | P–                   | P–         | P–                   |
| Payables – Trade        | (18,983,464)         | (64,228,414)       | 70,168,030         | –                                   | (13,043,848)         | –          | (13,043,848)         |
| Payables – Non-Trade    | –                    | –                  | –                  | –                                   | –                    | –          | –                    |
| <b>Total</b>            | <b>(P18,983,464)</b> | <b>P64,228,414</b> | <b>P70,168,030</b> | <b>P–</b>                           | <b>(P13,043,848)</b> | <b>P–</b>  | <b>(P13,043,848)</b> |

*GMA Network Films, Inc. (GNFI)*

| Account                 | January 1, 2025       | Additions         | Deductions          |                                     | Current              | Noncurrent         | December 31, 2025    |
|-------------------------|-----------------------|-------------------|---------------------|-------------------------------------|----------------------|--------------------|----------------------|
|                         |                       |                   | Amount Collected    | Amount written off/<br>Reclassified |                      |                    |                      |
| Advances to GNFI        | P44,511,314           | P–                | P–                  | (P18,750,000)                       | P–                   | P25,761,314        | P25,761,314          |
| Receivables – Non-Trade | 144,158,381           | –                 | (101,601,882)       | –                                   | –                    | 42,556,499         | 42,556,499           |
| Receivables – Trade     | 746,522               | 3,417,244         | (4,163,765)         | –                                   | –                    | –                  | –                    |
| Payables – Trade        | –                     | (11,828,316)      | –                   | –                                   | 11,828,316           | –                  | (11,828,316)         |
| <b>Total</b>            | <b>(P189,416,217)</b> | <b>P8,411,072</b> | <b>P105,765,647</b> | <b>P18,750,000</b>                  | <b>(P11,828,316)</b> | <b>P68,317,813</b> | <b>(P56,489,497)</b> |

**Schedule C. Amounts of Receivable from and Payable to Related Parties which are Eliminated during the Consolidation of Financial Statements  
December 31, 2025**

*GMA New Media, Inc. (GNMI)*

| Account                | January1, 2025     | Additions           | Deductions         |                                  | Current            | Noncurrent        | December 31, 2025  |
|------------------------|--------------------|---------------------|--------------------|----------------------------------|--------------------|-------------------|--------------------|
|                        |                    |                     | Amount Collected   | Amount written off/ Reclassified |                    |                   |                    |
| Receivables - NonTrade | ₱2,504,834         | (₱4,834)            | ₱—                 | ₱—                               | ₱—                 | ₱2,500,000        | ₱2,500,000         |
| Receivables – Trade    | 140,689,725        | 214,778,777         | (276,076,335)      | (28,717,325)                     | 50,674,842         | —                 | 50,674,842         |
| Payables – Trade       | (89,201,551)       | (339,906,248)       | 332,393,531        | —                                | (96,714,268)       | —                 | (96,714,268)       |
| Payables - Nontrade    | (274,793)          | —                   | —                  | 151,232                          | —                  | (123,561)         | (123,561)          |
| <b>Total</b>           | <b>₱53,718,215</b> | <b>₱125,132,305</b> | <b>₱56,317,196</b> | <b>₱28,868,557</b>               | <b>₱46,039,426</b> | <b>₱2,376,439</b> | <b>₱43,662,987</b> |

**Schedule C. Amounts of Receivable from and Payable to Related Parties which are Eliminated during the Consolidation of Financial Statements (cont.)**  
**December 31, 2025**

*GMA Worldwide (Philippines), Inc. (GWI)*

| Account                 | January 1, 2025     | Additions | Deductions       |                                  | Current   | Noncurrent          | December 31, 2025   |
|-------------------------|---------------------|-----------|------------------|----------------------------------|-----------|---------------------|---------------------|
|                         |                     |           | Amount Collected | Amount written off/ Reclassified |           |                     |                     |
| Receivables - Non-Trade | P–                  | P–        | P–               | P–                               | P–        | P–                  | P–                  |
| Payables – Trade        | (3,925,824)         | –         | –                | –                                | –         | (3,925,824)         | (3,925,824)         |
| <b>Total</b>            | <b>(P3,925,824)</b> | <b>P–</b> | <b>P–</b>        | <b>P–</b>                        | <b>P–</b> | <b>(P3,925,824)</b> | <b>(P3,925,824)</b> |

*RGMA Marketing & Productions, Inc. (GMA Records)*

| Account                | January 1, 2025   | Additions          | Deductions           |                                  | Current           | Noncurrent     | December 31, 2025 |
|------------------------|-------------------|--------------------|----------------------|----------------------------------|-------------------|----------------|-------------------|
|                        |                   |                    | Amount Collected     | Amount written off/ Reclassified |                   |                |                   |
| Receivables - Nontrade | P449,317          | P349,913           | P–                   | (P779,805)                       | P–                | P19,425        | P19,425           |
| Receivables - Trade    | 5,784,514         | 18,453,600         | (18,494,800)         | –                                | 5,743,314         | –              | 5,743,314         |
| Payables - Nontrade    | –                 | –                  | –                    | –                                | –                 | –              | –                 |
| Payables – Trade       | (925,490)         | (1,983,952)        | 606,809              | –                                | (2,302,633)       | –              | (2,302,633)       |
| <b>Total</b>           | <b>P5,308,341</b> | <b>P16,819,561</b> | <b>(P17,887,991)</b> | <b>(P779,805)</b>                | <b>P3,440,681</b> | <b>P19,425</b> | <b>P3,460,106</b> |

**Schedule C. Amounts of Receivable from and Payable to Related Parties which are Eliminated during the Consolidation of Financial Statements (cont.)**  
**December 31, 2025**

*Scenarios, Inc. (Scenarios)*

| Account                | January 1, 2025   | Additions | Deductions       |                                  | Current   | Noncurrent        | December 31, 2025 |
|------------------------|-------------------|-----------|------------------|----------------------------------|-----------|-------------------|-------------------|
|                        |                   |           | Amount Collected | Amount written off/ Reclassified |           |                   |                   |
| Advances to Scenarios  | ₱1,014,090        | ₱—        | ₱—               | ₱—                               | ₱—        | ₱1,014,090        | ₱1,014,090        |
| Receivables - Nontrade | —                 | —         | —                | —                                | —         | —                 | —                 |
| Receivables – Trade    | —                 | —         | —                | —                                | —         | —                 | —                 |
| Payables - Nontrade    | —                 | —         | —                | —                                | —         | —                 | —                 |
| <b>Total</b>           | <b>₱1,014,090</b> | <b>₱—</b> | <b>₱—</b>        | <b>₱—</b>                        | <b>₱—</b> | <b>₱1,014,090</b> | <b>₱1,014,090</b> |

*Script2010, Inc. (Script2010)*

| Account                | January 1, 2025    | Additions             | Deductions          |                                  | Current              | Noncurrent         | December 31, 2025  |
|------------------------|--------------------|-----------------------|---------------------|----------------------------------|----------------------|--------------------|--------------------|
|                        |                    |                       | Amount Collected    | Amount written off/ Reclassified |                      |                    |                    |
| Receivables - Nontrade | ₱31,399,728        | ₱127,959              | ₱—                  | ₱—                               | ₱127,959             | ₱31,399,723        | ₱31,527,687        |
| Payables - Trade       | (16,603,280)       | (135,822,512)         | 132,187,743         | 2,570,085                        | (17,667,964)         | —                  | (17,667,964)       |
| Payables - Nontrade    | (2,480,218)        | —                     | —                   | —                                | —                    | (2,480,218)        | (2,480,218)        |
| <b>Total</b>           | <b>₱12,316,230</b> | <b>(₱135,694,553)</b> | <b>₱132,187,743</b> | <b>₱2,570,085</b>                | <b>(₱17,667,964)</b> | <b>₱29,047,469</b> | <b>₱11,379,504</b> |

**Schedule C. Amounts of Receivable from and Payable to Related Parties which are Eliminated during the Consolidation of Financial Statements (cont.)**  
**December 31, 2025**

*RGMA Network, Inc. (RGMA Network)*

| Account             | January 1, 2025 | Additions | Deductions       |                                  | Current   | Noncurrent | December 31, 2025 |
|---------------------|-----------------|-----------|------------------|----------------------------------|-----------|------------|-------------------|
|                     |                 |           | Amount Collected | Amount written off/ Reclassified |           |            |                   |
| Receivables - Trade | ₱468,088        | ₱–        | ₱–               | (₱468,088)                       | ₱–        | ₱–         | ₱–                |
| Payables – Trade    | –               | –         | –                | –                                | –         | –          | –                 |
| <b>Total</b>        | <b>₱468,088</b> | <b>₱–</b> | <b>₱–</b>        | <b>₱–</b>                        | <b>₱–</b> | <b>₱–</b>  | <b>₱–</b>         |

**Schedule D. Long-Term Debt**  
**December 31, 2025**

| Title of Issue and Type of Obligation | Amount Authorized by Indenture | Amount shown under caption "Current portion of long-term debt" in related balance sheet | Amount shown under caption "Long-term debt" in related balance sheet |
|---------------------------------------|--------------------------------|-----------------------------------------------------------------------------------------|----------------------------------------------------------------------|
|---------------------------------------|--------------------------------|-----------------------------------------------------------------------------------------|----------------------------------------------------------------------|

**Not Applicable:** The Group has no long-term debt as at December 31, 2025.

**Schedule E. Indebtedness to Related Parties (Long-Terms from Related Companies)**  
**December 31, 2025**

| Name | Balance, January 1, 2025 | Balance, December 31, 2025 |
|------|--------------------------|----------------------------|
|------|--------------------------|----------------------------|

**Not Applicable:** The Group has no noncurrent indebtedness to a related party as at December 31, 2025.

**Schedule F. Guarantees of Securities of Other Issuers**  
**December 31, 2025**

| Name of Issuing Entity of Securities Guaranteed by the Company for which this statement is filed | Title of Issue of Each Class of Securities Guaranteed | Total Amount Guaranteed and Outstanding | Amount Owned by Person for which the Statement is Filed | Nature of Guarantee |
|--------------------------------------------------------------------------------------------------|-------------------------------------------------------|-----------------------------------------|---------------------------------------------------------|---------------------|
|--------------------------------------------------------------------------------------------------|-------------------------------------------------------|-----------------------------------------|---------------------------------------------------------|---------------------|

**Not Applicable:** The Group has no guarantees of securities of other issuers as at December 31, 2025.

**Schedule G. Capital Stock**  
**December 31, 2025**

| Title of issue | Number of shares authorized | Number of shares issued and outstanding as shown under related statements of financial position caption | Number of shares reserved for options, warrants, conversion and other rights | Number of shares held by related parties | Directors, officers, and employees | Others     |
|----------------|-----------------------------|---------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------|------------------------------------------|------------------------------------|------------|
| Common         | 5,000,000,000               | 3,364,692,000                                                                                           | N/A                                                                          | 3,344,147,376                            | 5,620,165                          | 14,924,459 |
| Preferred      | 7,500,000,000               | 7,500,000,000                                                                                           | N/A                                                                          | 7,491,664,692                            | 396                                | 8,334,912  |

**GMA NETWORK, INC.****RECONCILIATION OF RETAINED EARNINGS AVAILABLE  
FOR DIVIDEND DECLARATION  
FOR THE YEAR ENDED DECEMBER 31, 2025**

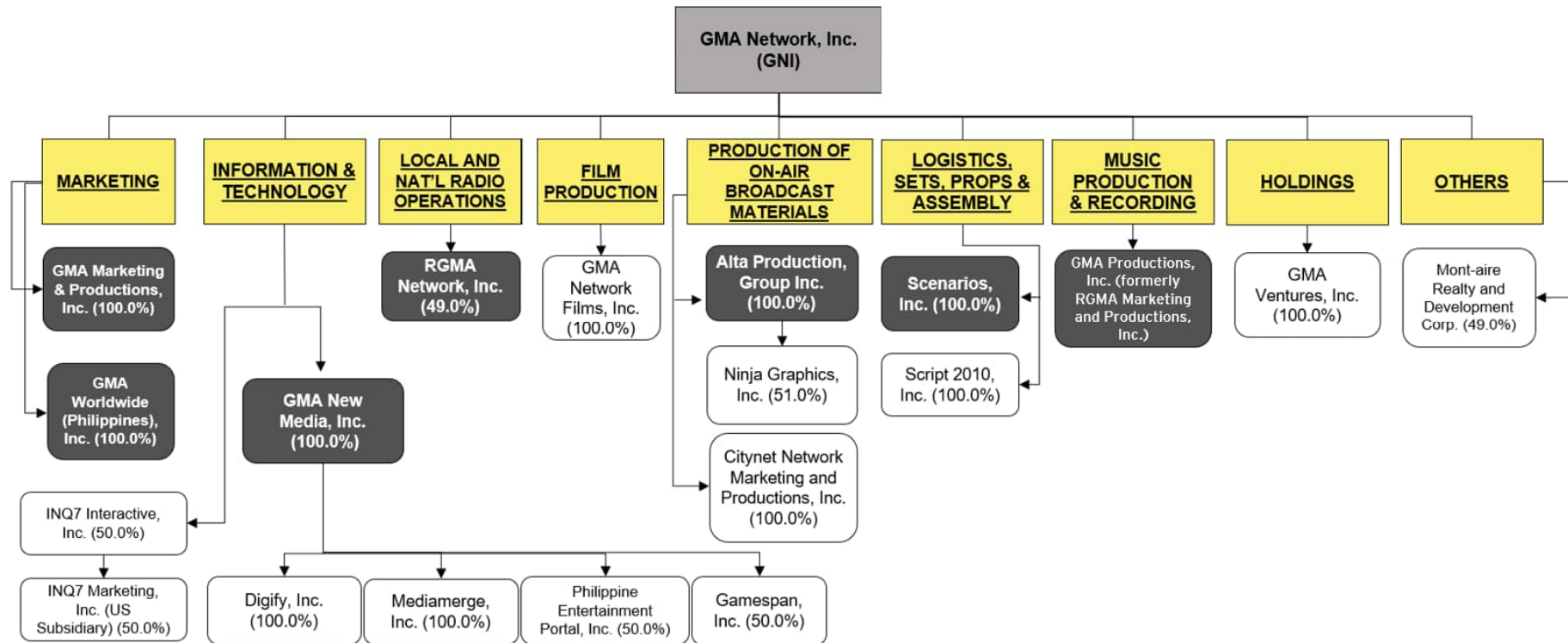
The table below presents the retained earnings available for dividend declaration as at December 31, 2025:

|                                                                                                                                                                |                       |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|
| <b>Unappropriated retained earnings, as at December 31, 2024</b>                                                                                               | <b>₱2,501,364,382</b> |
| <b>Add: Category A: Items that are directly credited to Unappropriated Retained Earnings</b>                                                                   |                       |
| Realized gain from sale of financial assets at FVOCI transferred to retained earnings                                                                          | 312,971               |
| <b>Less: Category B: Items that are directly debited to Unappropriated Retained Earnings</b>                                                                   |                       |
| Dividend declaration during the reporting period                                                                                                               | (2,432,346,000)       |
| <b>Unappropriated retained earnings, as adjusted</b>                                                                                                           | <b>69,331,353</b>     |
| <b>Add: Net income for the current year</b>                                                                                                                    | <b>2,170,836,935</b>  |
| <b>Less: Category C.1: Unrealized income recognized in profit or loss during the reporting year (net of tax)</b>                                               |                       |
| Unrealized foreign exchange gain recognized in profit or loss during the reporting period, except those attributable to cash and cash equivalents (net of tax) | (13,958,048)          |
| <b>Adjusted net income</b>                                                                                                                                     | <b>2,226,210,240</b>  |
| <b>Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution</b>                            |                       |
| Net movement in deferred tax asset not considered in the reconciling items under the previous categories                                                       | (2,991,699)           |
| Net movement in deferred tax asset, including deferred tax liabilities related to same transaction, i.e., set up of right of use of asset and lease liability  | (52,634)              |
| <b>Unappropriated retained earnings as at December 31, 2025 available for dividend declaration</b>                                                             | <b>₱2,223,165,907</b> |

## GMA NETWORK, INC. AND SUBSIDIARIES

### MAP OF THE RELATIONSHIPS OF THE COMPANIES WITHIN THE GROUP

December 31, 2025



## **INDEPENDENT AUDITOR'S REPORT ON COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS**

The Board of Directors and Stockholders  
GMA Network, Inc. and Subsidiaries  
GMA Network Center  
Timog Avenue corner EDSA  
Quezon City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of GMA Network, Inc. and Subsidiaries (the Group) as at December 31, 2025 and 2024, and for each of the three years in the period ended December 31, 2025, and have issued our report thereon dated March 25, 2026. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The Supplementary Schedule on Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Group's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRS) Accounting Standards and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purpose of complying with the Revised Securities Regulation Code Rule 68 issued by the Securities and Exchange Commission, and is not a required part of the basic consolidated financial statements prepared in accordance with PFRS Accounting Standards. The components of these financial soundness indicators have been traced to the Group's consolidated financial statements as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025 and no material exceptions were noted.

SYCIP GORRES VELAYO & CO.



Julie Christine O. Mateo

Partner

CPA Certificate No. 93542

Tax Identification No. 198-819-116

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

SEC Partner Accreditation No. 93542-SEC (Group A)

Valid to cover audit of 2020 to 2024 financial statements,  
with extension up to audit of 2025 financial statements

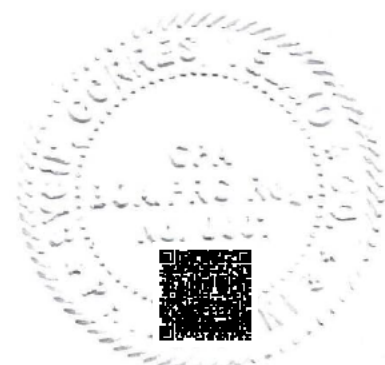
SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

BIR Accreditation No. 08-001998-068-2023, October 23, 2023, valid until October 22, 2026

PTR No. 10765089, January 2, 2026, Makati City

March 25, 2026



**GMA NETWORK, INC. AND SUBSIDIARIES**  
**SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS**  
**FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024**

| <b>Financial Ratios</b>        | <b>Formula</b>                                                  | <b>2025</b>     | <b>2024</b>   |
|--------------------------------|-----------------------------------------------------------------|-----------------|---------------|
| <b>Current/liquidity ratio</b> | <b>Current assets over current liabilities</b>                  | <b>2.25:1</b>   | <b>1.83:1</b> |
|                                | Total current assets                                            | ₱11,539,977,977 |               |
|                                | Divided by:                                                     |                 |               |
|                                | Total current liabilities                                       | 5,120,985,914   |               |
|                                | Current ratio                                                   | 2.25            |               |
| <b>Acid Test Ratio</b>         | <b>Quick assets over current liabilities</b>                    | <b>1.53:1</b>   | <b>1.21:1</b> |
|                                | Total current assets                                            | ₱11,539,977,977 |               |
|                                | Less:                                                           |                 |               |
|                                | Inventory                                                       | 814,348,336     |               |
|                                | Other current assets                                            | 2,872,052,679   |               |
|                                |                                                                 | 7,853,576,962   |               |
|                                | Divided by:                                                     |                 |               |
|                                | Total current liabilities                                       | 5,120,985,914   |               |
|                                | Acid test ratio                                                 | 1.53            |               |
| <b>Solvency ratio</b>          | <b>Net income plus non-cash expenses over total liabilities</b> | <b>0.38:1</b>   | <b>0.33:1</b> |
|                                | Net income                                                      | ₱2,197,011,142  |               |
|                                | Add:                                                            |                 |               |
|                                | Non-cash expenses                                               | 2,360,772,222   |               |
|                                | Total                                                           | 4,557,783,364   |               |
|                                | Divided by:                                                     |                 |               |
|                                | Total liabilities                                               | 11,981,799,875  |               |
|                                | Solvency ratio                                                  | 0.38            |               |
| <b>Asset-to-equity ratio</b>   | <b>Total asset over total equity</b>                            | <b>1.89:1</b>   | <b>1.91:1</b> |
|                                | Total assets                                                    | ₱25,451,106,123 |               |
|                                | Divided by:                                                     |                 |               |
|                                | Total equity                                                    | 13,469,306,248  |               |
|                                | Asset-to-equity ratio                                           | 1.89            |               |
| <b>Debt-to-equity ratio</b>    | <b>Short-term loans over total equity</b>                       | <b>0.11:1</b>   | <b>0.26:1</b> |
|                                | Total short-term loans                                          | ₱1,476,683,750  |               |
|                                | Divided by:                                                     |                 |               |
|                                | Total equity                                                    | 13,469,306,248  |               |
|                                | Asset-to-equity ratio                                           | 0.11            |               |

| Financial Ratios                    | Formula                                                                                       | 2025           | 2024           |
|-------------------------------------|-----------------------------------------------------------------------------------------------|----------------|----------------|
| <b>Net debt to equity ratio</b>     | <b>Interest-bearing loans and borrowings less cash and cash equivalents over total equity</b> | <b>0.001:1</b> | <b>0.11:1</b>  |
|                                     | Total short-term loans                                                                        | ₱1,476,683,750 |                |
|                                     | Less:                                                                                         |                |                |
|                                     | Cash and cash equivalents                                                                     | 1,461,385,715  |                |
|                                     |                                                                                               | 15,298,035     |                |
|                                     | Divided by:                                                                                   |                |                |
|                                     | Total equity                                                                                  | 13,469,306,248 |                |
|                                     | Net debt-to-equity ratio                                                                      | 0.001          |                |
| <b>Interest rate coverage ratio</b> | <b>Earnings before interest, tax over interest expense</b>                                    | <b>21.32:1</b> | <b>15.94:1</b> |
|                                     | Net income                                                                                    | ₱2,197,011,142 |                |
|                                     | Add:                                                                                          |                |                |
|                                     | Interest                                                                                      | 143,409,389    |                |
|                                     | Tax                                                                                           | 749,107,648    |                |
|                                     | Less:                                                                                         |                |                |
|                                     | Interest income                                                                               | 31,543,843     |                |
|                                     |                                                                                               | 3,057,984,336  |                |
|                                     | Divided by:                                                                                   |                |                |
|                                     | Interest                                                                                      | 143,409,389    |                |
|                                     | Interest rate coverage ratio                                                                  | 21.32          |                |
| <b>Gross profit margin</b>          | <b>Gross profit over net revenues</b>                                                         | <b>50.97%</b>  | <b>52.37%</b>  |
|                                     | Gross profit                                                                                  | ₱9,233,196,113 |                |
|                                     | Divided by:                                                                                   |                |                |
|                                     | Net revenue                                                                                   | 18,115,045,355 |                |
|                                     | Gross profit margin                                                                           | 50.97%         |                |
| <b>Net income margin</b>            | <b>Net income over net revenues</b>                                                           | <b>12.13%</b>  | <b>11.76%</b>  |
|                                     | Net income                                                                                    | 2,197,011,142  |                |
|                                     | Divided by:                                                                                   |                |                |
|                                     | Net revenue                                                                                   | 18,115,045,355 |                |
|                                     | Net income margin                                                                             | 12.13%         |                |
| <b>Return on equity</b>             | <b>Net income over average total stockholder's equity</b>                                     | <b>15.80%</b>  | <b>14.11%</b>  |
|                                     | Net income                                                                                    | ₱2,197,011,142 |                |
|                                     | Divided by:                                                                                   |                |                |
|                                     | Average equity                                                                                | 13,905,408,976 |                |
|                                     | Return on equity                                                                              | 15.80%         |                |

| Financial Ratios | Formula                              | 2025           | 2024  |
|------------------|--------------------------------------|----------------|-------|
| Return on assets | Net income over average total assets | 8.33%          | 7.71% |
|                  | Net income                           | ₱2,197,011,142 |       |
|                  | Divided by:                          |                |       |
|                  | Average asset                        | 26,390,485,131 |       |
|                  | Return on asset                      | 8.33%          |       |

**GMA Network, Inc.**  
**GMA Network Center**  
**Timog Avenue corner EDSA**  
**Quezon City**

**Supplementary Schedule of External Auditor Fee-Related Information**  
**December 31, 2025**

|                                       | <b>2025</b>       | <b>2024</b>       |
|---------------------------------------|-------------------|-------------------|
| <b>Total Audit Fees</b>               | <b>₱7,125,000</b> | <b>₱6,850,000</b> |
| <b>Non-audit service fees</b>         |                   |                   |
| Advisory services                     | <b>150,000</b>    | <b>150,000</b>    |
| <b>Total Audit and Non-audit Fees</b> | <b>₱7,275,000</b> | <b>₱7,000,000</b> |



## STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

March 25, 2026

Securities and Exchange Commission  
Secretariat Building, PICC Complex  
Roxas Boulevard, Metro Manila Philippines

The management of **GMA Network, Inc.** is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended December 31, 2025 and 2024, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

The Board of Directors reviews and approves the financial statements including the schedules attached therein and submits the same to the stockholders.

SyCip Gorres Velayo & Co., the independent auditors appointed by the stockholders has audited the financial statements of the company in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.

**FELIPE L. GOZON**  
Chairman of the Board

**GILBERTO R. DUAVIT, JR.**  
President  
Chief Executive Officer

**FELIPE S. YALONG**  
Executive Vice President  
Chief Financial Officer

SUBSCRIBED AND SWORN to before me this 14 day of APR 2026 at QUEZON CITY, affiants  
exhibited to me their (Felipe L. Gozon) TIN \_\_\_\_\_, (Gilberto R. Duavit, Jr.) TIN \_\_\_\_\_ and  
(Felipe S. Yalong) TIN \_\_\_\_\_

Doc. No. 186  
Page No. 39  
Book No. I  
Series of 2026

**ATTY. JANELLE CRISTEL J. JAVIER**  
Notary Public for and in Quezon City  
Until December 31, 2026  
Adm. Matter No. NP-241 (2025-2026)  
PTR No. 7131566-Jan. 10, 2025, QC  
IBP Lifetime No. 016879  
Roll of Attorney's No. 69611  
MCLE Compliance No. VIII-0025278

**GMA NETWORK, INC.**

GMA Network Center, EDSA cor. Timog Ave., Diliman, Quezon City, 1103, Philippines  
Telephone No.: (632) 8982-7777

# COVER SHEET

for

## AUDITED FINANCIAL STATEMENTS

|  |  |  |  |  |  |  |          |          |          |          |
|--|--|--|--|--|--|--|----------|----------|----------|----------|
|  |  |  |  |  |  |  | <b>5</b> | <b>2</b> | <b>1</b> | <b>3</b> |
|--|--|--|--|--|--|--|----------|----------|----------|----------|

[illegible][illegible]

|          |          |          |          |
|----------|----------|----------|----------|
| <b>A</b> | <b>A</b> | <b>F</b> | <b>S</b> |
|----------|----------|----------|----------|

**CMD**

|                |
|----------------|
| Not applicable |
|----------------|

## COMPANY INFORMATION

**Not applicable**

**8982-7777**

**Not Applicable**

|       |
|-------|
| 1,619 |
|-------|

**3<sup>rd</sup> Wednesday of May**

12/31

| CONTACT PERSON INFORMATION |       |
|----------------------------|-------|
| NAME                       | _____ |
| PHONE                      | _____ |
| EMAIL                      | _____ |
| ADDRESS                    | _____ |
| CITY                       | _____ |
| STATE                      | _____ |
| ZIP                        | _____ |

The designated contact person **MUST** be an Officer of the Corporation

**Felipe S. Yalong**

**FSY@gmanetwork.com**

**8928-5133**

|                |
|----------------|
| Not applicable |
|----------------|

| <b>CONTACT PERSON's ADDRESS</b> |  |  |  |  |  |
|---------------------------------|--|--|--|--|--|
|                                 |  |  |  |  |  |

**GMA Network Center, Timog Avenue corner EDSA, Quezon City**

**NOTE 1:** In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

**2: All Boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the corporation from liability for its deficiencies.**



## INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Stockholders  
GMA Network, Inc.  
GMA Network Center  
Timog Avenue corner EDSA  
Quezon City

### Report on the Audit of the Parent Company Financial Statements

#### Opinion

We have audited the parent company financial statements of GMA Network, Inc. (the Company), which comprise the parent company statements of financial position as at December 31, 2025 and 2024, and parent company statements of comprehensive income, parent company statements of changes in equity and parent company statements of cash flows for the years then ended, and notes to the parent company financial statements, including material accounting policy information.

In our opinion, the accompanying parent company financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

#### Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Parent Company Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) as applicable to the audits of the financial statements of public interest entities, together with the ethical requirements that are relevant to our audits of financial statements of public interest entities in the Philippines. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Responsibilities of Management and Those Charged with Governance for the Parent Company Financial Statements

Management is responsible for the preparation and fair presentation of the parent company financial statements in accordance with PFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of parent company financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.



## **Auditor's Responsibilities for the Audit of the Parent Company Financial Statements**

Our objectives are to obtain reasonable assurance about whether the parent company financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company financial statements.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the parent company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the parent company financial statements, including the disclosures, and whether the parent company financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entity or business activities within the Company to express an opinion on the parent company financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Report on the Supplementary Information Required Under Revenue Regulations No. 15-2010**

Our audits were conducted for the purpose of forming an opinion on the parent company financial statements taken as a whole. The supplementary information required under Revenue Regulations No. 15-2010 in Note 34 to the parent company financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such information is the responsibility of the management of GMA Network, Inc. The information has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The engagement partner on the audit resulting in this independent auditor's report is  
Julie Christine O. Mateo.

SYCIP GORRES VELAYO & CO.

//  
Julie Christine O. Mateo

Partner

CPA Certificate No. 93542

Tax Identification No. 198-819-116

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

SEC Partner Accreditation No. 93542-SEC (Group A)

Valid to cover audit of 2020 to 2024 financial statements,  
with extension up to audit of 2025 financial statements

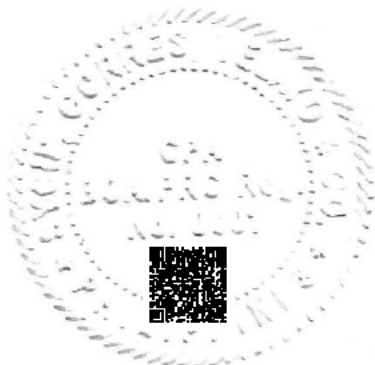
SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

BIR Accreditation No. 08-001998-068-2023, October 23, 2023, valid until October 22, 2026

PTR No. 10765089, January 2, 2026, Makati City

March 25, 2026



**GMA NETWORK, INC.****PARENT COMPANY STATEMENTS OF FINANCIAL POSITION**

|                                                                                                 | <b>December 31</b>     |                 |
|-------------------------------------------------------------------------------------------------|------------------------|-----------------|
|                                                                                                 | <b>2025</b>            | <b>2024</b>     |
| <b>ASSETS</b>                                                                                   |                        |                 |
| <b>Current Assets</b>                                                                           |                        |                 |
| Cash and cash equivalents (Notes 6, 30 and 31)                                                  | <b>₱1,180,842,122</b>  | ₱1,891,820,112  |
| Trade and other receivables (Notes 7, 21, 30 and 31)                                            | <b>6,494,736,593</b>   | 6,893,905,222   |
| Program and other rights (Note 8)                                                               | <b>1,688,863,434</b>   | 1,873,413,569   |
| Inventories (Note 9)                                                                            | <b>804,987,312</b>     | 925,837,914     |
| Prepaid expenses and other current assets (Note 10)                                             | <b>956,351,334</b>     | 1,475,835,602   |
| Total Current Assets                                                                            | <b>11,125,780,795</b>  | 13,060,812,419  |
| <b>Noncurrent Assets</b>                                                                        |                        |                 |
| Property and equipment:                                                                         |                        |                 |
| At cost (Note 13)                                                                               | <b>2,907,507,319</b>   | 3,437,457,814   |
| At revalued amounts (Notes 14 and 31)                                                           | <b>9,392,416,646</b>   | 8,813,321,240   |
| Investments and advances (Notes 12 and 21)                                                      | <b>689,777,549</b>     | 649,953,838     |
| Program and other rights - net of current portion (Note 8)                                      | <b>463,578,095</b>     | 462,959,633     |
| Financial assets at fair value through other comprehensive income (FVOCI) (Notes 11, 30 and 31) | <b>165,551,400</b>     | 163,160,740     |
| Right-of-use assets (Note 28)                                                                   | <b>104,364,665</b>     | 91,007,759      |
| Investment properties (Notes 15 and 31)                                                         | <b>18,231,716</b>      | 19,689,167      |
| Other noncurrent assets (Notes 16, 30 and 31)                                                   | <b>367,684,296</b>     | 362,552,019     |
| Total Noncurrent Assets                                                                         | <b>14,109,111,686</b>  | 14,000,102,210  |
| <b>TOTAL ASSETS</b>                                                                             | <b>₱25,234,892,481</b> | ₱27,060,914,629 |
| <b>LIABILITIES AND EQUITY</b>                                                                   |                        |                 |
| <b>Current Liabilities</b>                                                                      |                        |                 |
| Trade payables and other current liabilities (Notes 17, 21, 30 and 31)                          | <b>₱2,866,648,914</b>  | ₱2,765,032,474  |
| Short-term loans (Notes 18, 30 and 31)                                                          | <b>1,450,000,000</b>   | 3,700,000,000   |
| Income tax payable                                                                              | <b>46,000,322</b>      | 112,470,242     |
| Dividends payable (Notes 20, 30 and 31)                                                         | <b>39,509,859</b>      | 36,489,372      |
| Current portion of lease liabilities (Note 28)                                                  | <b>16,305,557</b>      | 20,863,633      |
| Current portion of obligations for program and other rights (Notes 19, 30 and 31)               | <b>631,972,080</b>     | 583,054,562     |
| Total Current Liabilities                                                                       | <b>5,050,436,732</b>   | 7,217,910,283   |
| <b>Noncurrent Liabilities</b>                                                                   |                        |                 |
| Pension liability (Note 26)                                                                     | <b>5,985,555,163</b>   | 4,654,463,106   |
| Other long-term employee benefits (Note 26)                                                     | <b>319,460,684</b>     | 277,460,684     |
| Lease liabilities - net of current portion (Notes 28, 30 and 31)                                | <b>112,499,412</b>     | 94,373,891      |
| Dismantling provision (Note 28)                                                                 | <b>29,141,656</b>      | 52,557,654      |
| Obligations for program rights - net of current portion (Notes 19, 30 and 31)                   | <b>56,589,474</b>      | —               |
| Deferred tax liabilities - net (Note 29)                                                        | <b>420,832,078</b>     | 621,956,511     |
| Total Noncurrent Liabilities                                                                    | <b>6,924,078,467</b>   | 5,700,811,846   |
| Total Liabilities                                                                               | <b>11,974,515,199</b>  | 12,918,722,129  |

*(Forward)*

|                                                                         | December 31            |                        |
|-------------------------------------------------------------------------|------------------------|------------------------|
|                                                                         | 2025                   | 2024                   |
| <b>Equity</b>                                                           |                        |                        |
| Capital stock (Note 20)                                                 | ₱4,864,692,000         | ₱4,864,692,000         |
| Additional paid-in capital                                              | 1,686,556,623          | 1,686,556,623          |
| Revaluation increment on land - net of tax (Note 14)                    | 6,649,731,297          | 6,215,441,910          |
| Remeasurement loss on retirement plan - net of tax (Note 26)            | (2,936,531,269)        | (1,879,489,989)        |
| Net unrealized loss on financial assets at FVOCI - net of tax (Note 11) | (70,663,075)           | (72,795,844)           |
| Retained earnings (Note 20)                                             | 3,066,591,706          | 3,327,787,800          |
| Total Equity                                                            | 13,260,377,282         | 14,142,192,500         |
| <b>TOTAL LIABILITIES AND EQUITY</b>                                     | <b>₱25,234,892,481</b> | <b>₱27,060,914,629</b> |

*See accompanying Notes to Parent Company Financial Statements.*



**GMA NETWORK, INC.****PARENT COMPANY STATEMENTS OF COMPREHENSIVE INCOME**

|                                                                              | <b>Years Ended December 31</b> |                        |
|------------------------------------------------------------------------------|--------------------------------|------------------------|
|                                                                              | <b>2025</b>                    | <b>2024</b>            |
| <b>REVENUES</b> (Note 22)                                                    | <b>₱17,530,931,980</b>         | <b>₱17,177,463,792</b> |
| <b>PRODUCTION COSTS</b> (Note 23)                                            | <b>8,482,484,540</b>           | <b>8,035,919,181</b>   |
| <b>COST OF SALES</b> (Note 9)                                                | <b>111,661,407</b>             | <b>217,894,056</b>     |
| <b>GROSS PROFIT</b>                                                          | <b>8,936,786,033</b>           | <b>8,923,650,555</b>   |
| <b>GENERAL AND ADMINISTRATIVE EXPENSES</b> (Note 24)                         | <b>6,587,757,541</b>           | <b>6,437,800,974</b>   |
| <b>OTHER INCOME (EXPENSE)</b>                                                |                                |                        |
| Interest expense (Notes 18 and 28)                                           | (142,633,522)                  | (184,884,598)          |
| Dividend income (Note 21)                                                    | 110,700,000                    | 131,900,000            |
| Net foreign currency exchange gain - net                                     | 64,452,498                     | 1,214,202              |
| Interest income (Note 6)                                                     | 28,623,538                     | 14,439,450             |
| Others - net (Note 27)                                                       | 447,070,469                    | 233,971,316            |
|                                                                              | <b>508,212,983</b>             | <b>196,640,370</b>     |
| <b>INCOME BEFORE INCOME TAX</b>                                              | <b>2,857,241,475</b>           | <b>2,682,489,951</b>   |
| <b>PROVISION FOR INCOME TAX</b> (Note 29)                                    |                                |                        |
| Current                                                                      | 680,851,906                    | 585,682,239            |
| Deferred                                                                     | 5,552,634                      | 68,383,969             |
|                                                                              | <b>686,404,540</b>             | <b>654,066,208</b>     |
| <b>NET INCOME</b>                                                            | <b>2,170,836,935</b>           | <b>2,028,423,743</b>   |
| <b>OTHER COMPREHENSIVE INCOME (LOSS)</b> - net of tax                        |                                |                        |
| <i>Items not to be reclassified to profit or loss in subsequent periods:</i> |                                |                        |
| Remeasurement gain (loss) on retirement plan (Note 26)                       | (1,057,041,280)                | 262,153,457            |
| Revaluation increment on land (Note 29)                                      | 434,289,387                    | —                      |
| Net changes in the fair market value of financial assets at FVOCI (Note 11)  | 2,445,740                      | 759,649                |
|                                                                              | <b>(620,306,153)</b>           | <b>262,913,106</b>     |
| <b>TOTAL COMPREHENSIVE INCOME</b>                                            | <b>₱1,550,530,782</b>          | <b>₱2,291,336,849</b>  |
| <b>Basic / Diluted Earnings Per Share</b> (Note 32)                          | <b>₱0.446</b>                  | <b>₱0.417</b>          |

See accompanying Notes to Parent Company Financial Statements.



**PARENT COMPANY STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024**

|                                                                                                    | Capital Stock<br>(Note 20) | Additional<br>Paid-in<br>Capital | Revaluation<br>Increment on Land<br>- net of tax<br>(Note 14) | Remeasurement<br>Loss on<br>Retirement Plan<br>- net of tax<br>(Note 26) | Net Unrealized<br>Loss on<br>Financial Assets<br>at FVOCI<br>- net of tax<br>(Note 11) | Retained Earnings<br>(Note 20) | Total Equity           |
|----------------------------------------------------------------------------------------------------|----------------------------|----------------------------------|---------------------------------------------------------------|--------------------------------------------------------------------------|----------------------------------------------------------------------------------------|--------------------------------|------------------------|
| <b>Balances at January 1, 2025</b>                                                                 | <b>₱4,864,692,000</b>      | <b>₱1,686,556,623</b>            | <b>₱6,215,441,910</b>                                         | <b>(₱1,879,489,989)</b>                                                  | <b>(₱72,795,844)</b>                                                                   | <b>₱3,327,787,800</b>          | <b>₱14,142,192,500</b> |
| Net income                                                                                         | —                          | —                                | —                                                             | —                                                                        | —                                                                                      | 2,170,836,935                  | 2,170,836,935          |
| Other comprehensive income (loss)                                                                  | —                          | —                                | 434,289,387                                                   | (1,057,041,280)                                                          | 2,445,740                                                                              | —                              | (620,306,153)          |
| Total comprehensive income (loss) for the year                                                     | —                          | —                                | 434,289,387                                                   | (1,057,041,280)                                                          | 2,445,740                                                                              | 2,170,836,935                  | 1,550,530,782          |
| Realized gain from sale of financial assets at FVOCI<br>transferred to retained earnings (Note 11) | —                          | —                                | —                                                             | —                                                                        | (312,971)                                                                              | 312,971                        | —                      |
| Cash dividends - ₱0.50 a share (Note 20)                                                           | —                          | —                                | —                                                             | —                                                                        | —                                                                                      | (2,432,346,000)                | (2,432,346,000)        |
| <b>Balances at December 31, 2025</b>                                                               | <b>₱4,864,692,000</b>      | <b>₱1,686,556,623</b>            | <b>₱6,649,731,297</b>                                         | <b>(₱2,936,531,269)</b>                                                  | <b>(₱70,663,075)</b>                                                                   | <b>₱3,066,591,706</b>          | <b>₱13,260,377,282</b> |
| <b>Balances at January 1, 2024</b>                                                                 | <b>₱4,864,692,000</b>      | <b>₱1,686,556,623</b>            | <b>₱6,215,441,910</b>                                         | <b>(₱2,141,643,446)</b>                                                  | <b>(₱73,555,494)</b>                                                                   | <b>₱4,218,179,257</b>          | <b>₱14,769,670,850</b> |
| Net income                                                                                         | —                          | —                                | —                                                             | —                                                                        | —                                                                                      | 2,028,423,743                  | 2,028,423,743          |
| Other comprehensive income                                                                         | —                          | —                                | —                                                             | 262,153,457                                                              | 759,650                                                                                | —                              | 262,913,107            |
| Total comprehensive income for the year                                                            | —                          | —                                | —                                                             | 262,153,457                                                              | 759,650                                                                                | 2,028,423,743                  | 2,291,336,850          |
| Cash dividends - ₱0.60 a share (Note 20)                                                           | —                          | —                                | —                                                             | —                                                                        | —                                                                                      | (2,918,815,200)                | (2,918,815,200)        |
| <b>Balances at December 31, 2024</b>                                                               | <b>₱4,864,692,000</b>      | <b>₱1,686,556,623</b>            | <b>₱6,215,441,910</b>                                         | <b>(₱1,879,489,989)</b>                                                  | <b>(₱72,795,844)</b>                                                                   | <b>₱3,327,787,800</b>          | <b>₱14,142,192,500</b> |

*See accompanying Notes to Parent Company Financial Statements.*



**GMA NETWORK, INC.****PARENT COMPANY STATEMENTS OF CASH FLOWS**

|                                                                     | <b>Years Ended December 31</b> |                        |
|---------------------------------------------------------------------|--------------------------------|------------------------|
|                                                                     | <b>2025</b>                    | <b>2024</b>            |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                         |                                |                        |
| Income before income tax                                            | <b>₱2,857,241,475</b>          | <b>₱2,682,489,951</b>  |
| Adjustments to reconcile income before income tax to net cash flows |                                |                        |
| Program and other rights usage (Notes 8 and 23)                     | <b>1,355,729,310</b>           | <b>1,372,827,196</b>   |
| Depreciation (Notes 13, 15, 23, 24 and 28)                          | <b>833,071,577</b>             | <b>844,706,024</b>     |
| Pension expense (Notes 25 and 26)                                   | <b>707,191,839</b>             | <b>651,492,481</b>     |
| Interest expense and finance charges                                | <b>142,634,144</b>             | <b>184,884,598</b>     |
| Dividend income (Note 21)                                           | <b>(110,700,000)</b>           | <b>(131,900,000)</b>   |
| Reversal of impairment on investment (Notes 12 and 27)              | <b>44,511,314</b>              | <b>—</b>               |
| Net unrealized foreign currency exchange gain - net                 | <b>(38,725,585)</b>            | <b>(4,337,705)</b>     |
| Net gain on sale of property and equipment (Notes 13 and 27)        | <b>(38,311,900)</b>            | <b>(13,935,229)</b>    |
| Interest income (Note 6)                                            | <b>(28,623,538)</b>            | <b>(14,439,450)</b>    |
| Derecognition of dismantling cost (Notes 27 and 28)                 | <b>(25,928,479)</b>            | <b>—</b>               |
| Amortization of software costs (Notes 16 and 24)                    | <b>17,241,256</b>              | <b>42,050,710</b>      |
| Provision for impairment of investment in subsidiary (Note 24)      | <b>16,190,428</b>              | <b>—</b>               |
| Loss (gain) on cancellation of lease (Notes 27 and 28)              | <b>3,862,130</b>               | <b>(5,289,043)</b>     |
| Operating income before working capital changes                     | <b>5,735,383,971</b>           | <b>5,608,549,533</b>   |
| Working capital changes:                                            |                                |                        |
| Decreases (increases) in:                                           |                                |                        |
| Prepaid expenses and other current assets                           | <b>519,484,268</b>             | <b>156,329,969</b>     |
| Trade and other receivables                                         | <b>424,641,421</b>             | <b>(494,912,059)</b>   |
| Inventories                                                         | <b>120,850,602</b>             | <b>228,489,279</b>     |
| Program and other rights                                            | <b>(1,070,792,651)</b>         | <b>(1,272,252,098)</b> |
| Increases (decreases) in:                                           |                                |                        |
| Trade payables and other current liabilities                        | <b>42,517,007</b>              | <b>(377,320,573)</b>   |
| Other long-term employee benefits                                   | <b>42,000,000</b>              | <b>42,000,000</b>      |
| Benefit paid out of Company's own funds (Note 26)                   | <b>(59,488,155)</b>            | <b>(107,366,618)</b>   |
| Contributions to retirement plan assets (Note 26)                   | <b>(726,000,000)</b>           | <b>(670,421,297)</b>   |
| Net cash generated from operations                                  | <b>5,028,596,463</b>           | <b>3,113,096,136</b>   |
| Income taxes paid                                                   | <b>(758,427,094)</b>           | <b>(702,627,884)</b>   |
| Interest received                                                   | <b>28,794,953</b>              | <b>14,098,379</b>      |
| Net cash flows from operating activities                            | <b>4,298,964,322</b>           | <b>2,424,566,631</b>   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                         |                                |                        |
| Acquisitions of:                                                    |                                |                        |
| Property and equipment (Note 13)                                    | <b>(284,239,416)</b>           | <b>(654,038,018)</b>   |
| Software costs (Note 16)                                            | <b>(5,358,683)</b>             | <b>(3,286,173)</b>     |
| Land at revalued amounts (Note 14)                                  | <b>(42,890)</b>                | <b>(38,105)</b>        |
| Investment properties (Note 15)                                     | <b>—</b>                       | <b>(1,501,278)</b>     |
| Cash dividends received (Note 21)                                   | <b>119,700,000</b>             | <b>72,900,000</b>      |
| Proceeds from :                                                     |                                |                        |
| Sale of property and equipment (Note 13)                            | <b>45,517,130</b>              | <b>14,419,734</b>      |
| Disposal of financial assets at FVOCI (Note 11)                     | <b>535,775</b>                 | <b>—</b>               |

*(Forward)*

|                                                                     | <b>Years Ended December 31</b> |                 |
|---------------------------------------------------------------------|--------------------------------|-----------------|
|                                                                     | <b>2025</b>                    | <b>2024</b>     |
| Investments in:                                                     |                                |                 |
| Subsidiary (Note 12)                                                | <b>(₱29,192,709)</b>           | (₱19,808,400)   |
| Financial assets at FVOCI (Note 11)                                 | –                              | (5,757,846)     |
| Increase in other noncurrent assets                                 | <b>(17,014,850)</b>            | (180,056,625)   |
| Advances to associate and joint venture (Notes 12 and 21)           | <b>(1,060,116)</b>             | (5,727,679)     |
| Return of investment (Note 12)                                      | –                              | 16,217,105      |
| Net cash flows used in investing activities                         | <b>(171,155,759)</b>           | (766,677,285)   |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                         |                                |                 |
| Proceeds from availments of short-term loans (Notes 18 and 33)      | <b>1,500,000,000</b>           | 4,000,000,000   |
| Payments of:                                                        |                                |                 |
| Short-term loans (Notes 18 and 33)                                  | <b>(3,750,000,000)</b>         | (1,800,000,000) |
| Cash dividends (Notes 20 and 33)                                    | <b>(2,429,325,513)</b>         | (2,917,012,683) |
| Interest expense (Note 33)                                          | <b>(143,660,002)</b>           | (162,803,164)   |
| Principal portion of lease liabilities (Notes 28 and 33)            | <b>(35,915,892)</b>            | (22,699,522)    |
| Net cash flows used in financing activities                         | <b>(4,858,901,407)</b>         | (902,515,369)   |
| <b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>         | <b>(731,092,844)</b>           | 755,373,977     |
| <b>EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS</b> | <b>20,114,854</b>              | 16,694,082      |
| <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>               | <b>1,891,820,112</b>           | 1,119,752,053   |
| <b>CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 6)</b>            | <b>₱1,180,842,122</b>          | ₱1,891,820,112  |

*See accompanying Notes to Parent Company Financial Statements.*



## **GMA NETWORK, INC.**

### **NOTES TO PARENT COMPANY FINANCIAL STATEMENTS**

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#### **1. Corporate Information**

GMA Network, Inc. (the Company) is incorporated in the Philippines. The Company is primarily involved in the business of radio and television broadcasting. The registered office address of the Company is GMA Network Center, Timog Avenue corner EDSA, Quezon City. The Company was registered with the Philippine Securities and Exchange Commission (SEC) on June 14, 1950.

On July 20, 1995, the Board of Directors (BOD) approved the extension of the corporate term of the Company for another 50 years from June 14, 2000. In 1997, the SEC approved the said extension.

The Company's shares of stock are publicly listed and traded in the Philippine Stock Exchange.

The Company is a holder of a legislative franchise to construct, install, operate and maintain, for commercial purposes and in the public interest, radio and television broadcasting stations in the Philippines. The Company is required to make closed captioning available for its programs to assist in the functions of public information and education.

On December 7, 2016, House Bill No. 4631, which seeks to renew GMA's franchise, was filed. The key provisions of the franchise renewal under House Bill No. 4631 are as follows:

1. Allows continued broadcast operations of GMA, maintenance of its radio and TV stations in the Philippines and its expansion, including digital television system;
2. Provides another franchise term of twenty-five (25) years;
3. Requires the grantee to provide government adequate public service time to enable it to reach the population on important public issues and assist in the functions of public information and education;
4. Prohibits the grantee from leasing, transferring, selling nor assigning the franchise or controlling interest thereof without the prior approval of the Congress of the Philippines; and
5. Requires the grantee to submit an annual report to the Congress of the Philippines on its compliance with the terms and conditions of the franchise and its operation on or before April 30 of every year during the term of the franchise.

On March 23, 2017, House Bill 4631 became an Enrolled Bill (the "Enrolled Bill") and was endorsed to the Office of the President for his approval. On April 21, 2017, President Rodrigo Duterte signed Republic Act No. 10925 which grants the renewal of the legislative franchise of GMA for another 25 years.

The accompanying parent company financial statements were approved and authorized for issuance by the BOD on March 25, 2026.

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#### **2. Basis of Preparation, Statement of Compliance and Changes in Accounting Policies and Disclosures**

##### Basis of Preparation

The parent company financial statements have been prepared on a historical cost basis, except for financial assets at fair value through other comprehensive income (FVOCI), and land at revalued amounts, which are measured at fair value. The parent company financial statements are presented in Philippine peso, which is the Company's functional and presentation currency. All values are rounded to the nearest peso, except when otherwise indicated.



### Statement of Compliance

The parent company financial statements have been prepared in compliance with Philippine Financial Reporting Standards (PFRS) Accounting Standards as issued by the Philippine Financial and Sustainability Reporting Standards Council.

### Changes in Accounting Policies and Disclosures

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of new standards effective in 2025. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Unless otherwise indicated, adoption of these new standards did not have an impact on the parent company financial statements.

#### *Effective beginning on or after January 1, 2025*

- Amendments to PAS 21, *Lack of exchangeability*

The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

The amendments are effective for annual reporting periods beginning on or after January 1, 2025. Earlier adoption is permitted and that fact must be disclosed. When applying the amendments, an entity cannot restate comparative information.

### Standards Issued but not yet Effective

Pronouncements issued but not yet effective are listed below. The Company intends to adopt the following pronouncements when they become effective. Unless otherwise indicated, the Company does not expect that the future adoption of the said pronouncements will have a significant impact on its financial statements.

#### *Effective beginning on or after January 1, 2026*

- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*

The amendments clarify that a financial liability is derecognized on the ‘settlement date’, i.e., when the related obligation is discharged, cancelled, expires or the liability otherwise qualifies for derecognition. They also introduce an accounting policy option to derecognize financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met.

The amendments also clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features. Furthermore, the amendments clarify the treatment of non-recourse assets and contractually linked instruments.

- Amendments to Illustrative Examples on PFRS 7, PFRS 18, PAS 1, PAS 8, PAS 26 and PAS 37, *Disclosures about Uncertainties in the Financial Statements*
- Amendments to PFRS 9 and PFRS 7, *Contracts Referencing Nature-dependent Electricity*
- Annual Improvements to PFRS Accounting Standards—Volume 11
  - Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
  - Amendments to PFRS 7, *Gain or Loss on Derecognition*
  - Amendments to PFRS 9, *Lessee Derecognition of Lease Liabilities and Transaction Price*



- Amendments to PFRS 10, *Determination of a 'De Facto Agent'*
- Amendments to PAS 7, *Cost Method*

*Effective beginning on or after January 1, 2027*

- PFRS 18, *Presentation and Disclosure in Financial Statements*

The standard replaces PAS 1, *Presentation of Financial Statements* and responds to investors' demand for better information about companies' financial performance. The new requirements include:

- Required totals, subtotals and new categories in the statement of profit or loss
  - Disclosure of management-defined performance measures
  - Guidance on aggregation and disaggregation
- PFRS 17, *Insurance Contracts*
  - PFRS 19, *Subsidiaries without Public Accountability*
  - Amendments to PAS 21, *Translation to a Hyperinflationary Presentation Currency*

*Deferred effectivity*

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The amendments address the conflict between PFRS 10 and PAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that a full gain or loss is recognized when a transfer to an associate or joint venture involves a business as defined in PFRS 3. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognized only to the extent of unrelated investors' interests in the associate or joint venture.

On January 13, 2016, the FSRSC deferred the original effective date of January 1, 2016 of the said amendments until the IASB completes its broader review of the research project on equity accounting that may result in the simplification of accounting for such transactions and of other aspects of accounting for associates and joint ventures.

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### 3. Summary of Material Accounting Policy Information

#### Fair Value Measurement

The Company measures financial instruments at fair value at each reporting date. Fair value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed, are summarized in the following notes:

- Disclosures for significant estimates and assumptions, see Note 4
- Quantitative disclosures of fair value measurement hierarchy, see Note 32
- Land, see Note 14
- Investment properties, see Note 15
- Financial instruments (including those carried at amortized cost), see Note 32



Fair value is the estimated price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

#### Financial Instruments

A financial instrument is any contract that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### Financial Assets

*Initial Recognition and Measurement.* Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, FVOCI, and fair value through profit or loss (FVPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value



plus, in the case of a financial asset not at FVPL, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under PFRS 15, *Revenue from Contracts with Customers*.

In order for a financial asset to be classified and measured at amortized cost or FVOCI, it needs to give rise to cash flows that are 'solely payments of principal and interest' (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

*Subsequent Measurement.* For purposes of subsequent measurement, financial assets are classified in four categories:

- financial assets at amortized cost (debt instruments)
- financial assets at FVOCI with recycling of cumulative gains and losses (debt instruments)
- financial assets designated at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- financial assets at FVPL

The Company does not have debt instruments at FVOCI and financial assets at FVPL as at December 31, 2025 and 2024.

*Financial Assets at Amortized Cost (Debt Instruments).* The Company measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognized in the parent company statement of comprehensive income when the asset is derecognized, modified or impaired.

The Company's financial assets at amortized cost includes cash and cash equivalents, trade and other receivables and refundable deposits (included under "Other noncurrent assets" account in the parent company statement of financial position) as at December 31, 2025 and 2024 (see Notes 6, 7, 16 and 31).

*Financial Assets Designated at FVOCI (Equity Instruments).* Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at FVOCI when they meet the definition of equity under PAS 32, *Financial Instruments: Presentation*, and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as "Dividend income" included under "Others - Net" account in the parent company statement of comprehensive income when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which



case, such gains are recorded in Other Comprehensive Income (OCI). Equity instruments designated at FVOCI are not subject to impairment assessment.

The Company elected to classify irrevocably under this category its listed and non-listed equity instruments and investment in quoted club shares as at December 31, 2025 and 2024 (see Notes 11 and 31).

#### Derecognition of Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognized (i.e., removed from the Company's statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

#### Impairment of Financial Assets

The Company recognizes an allowance for ECLs for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original EIR. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.



For other financial assets such as due from related parties and certain advances to joint venture, the Company applies a general approach which measures ECL on either a 12-month or lifetime basis depending on whether a significant increase in credit risks has occurred since initial recognition or whether an asset is considered to be credit-impaired, adjusted for the effects of collateral, forward-looking factors and time value of money.

For cash and cash equivalents, the Company applies the low credit risk simplification. At every reporting date, the Company evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Company reassesses the external credit rating of the debt instrument or comparable instruments.

The Company, in general, considers a financial asset in default when contractual payments are 360 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off, in whole or in part, when the asset is considered uncollectible, the Company has exhausted all practical recovery efforts and has concluded that it has no reasonable expectations of recovering the financial asset in its entirety or a portion thereof.

#### Financial Liabilities

*Initial Recognition and Measurement.* Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company has not designated any financial liability as at FVPL as at December 31, 2025 and 2024.

*Subsequent Measurement* - The measurement of financial liabilities depends on their classification, as described below:

*Loans and Borrowings.* After initial recognition, interest-bearing loans and borrowings and other payables are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as "Interest expense" in the parent company statement of comprehensive income.

This category generally applies to trade payables and other current liabilities (excluding payable to government agencies, customers' deposits and contract liabilities), short-term loans, obligations for program and other rights, dividends payable and lease liabilities (see Notes 17, 18, 19, 20, 28 and 31).

#### Derecognition of Financial Liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the parent company statement of comprehensive income.



#### Program and Other Rights

Program and other rights are stated at cost less amortization and impairment in value. The estimated useful lives and the amortization method used depend on the manner and pattern of usage of the acquired rights. The cost of program and other rights with multiple number of runs within a specified term is amortized using straight line method up to the date of expiry or upon full airing of the acquired rights, whichever is earlier. The cost of program and other rights with indefinite lives are amortized using straight line method over 10 years.

For series of rights acquired, the cost is charged to profit or loss as each series is aired on a per episode basis.

For rights intended for airing over the international channels, the cost is amortized on a straight-line basis over the number of years indicated in the contract.

Amortization expense is shown as “Program and other rights usage” included under “Production costs” account in the parent company statement of comprehensive income.

#### Prepaid Production Costs

Prepaid production costs, included under “Prepaid expenses and other current assets” account in the parent company statement of financial position, represent costs paid in advance prior to the airing of the programs or episodes. These costs include talent fees of artists and production staff and other costs directly attributable to production of programs. These are charged to expense under “Production costs” account in the parent company statement of comprehensive income upon airing of the related program or episodes. Costs related to previously taped episodes determined not to be aired are charged to expense.

#### Inventories

Merchandise inventory and materials and supplies inventory is stated at the lower of cost and net realizable value. Cost is determined using the weighted average method. Net realizable value of inventories that are for sale is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale. Net realizable value of inventories not held for sale is the current replacement cost.

#### Tax Credits

Tax credits, measured at cost less any impairment in value, represent claims from the government arising from airing of government commercials and advertisements availed under Presidential Decree (PD) No. 1362. Pursuant to PD No. 1362, these will be collected in the form of tax credits which the Company can use in paying for import duties and taxes on imported broadcasting related equipment. The tax credits cannot be used to pay for any other tax obligation to the government.

As at December 31, 2025 and 2024, the Company’s tax credits are classified as current under “Prepaid expenses and other current assets” account in the parent company statement of financial position.

#### Advances to Suppliers

Advances to suppliers, included under “Prepaid expenses and other current assets” account in the parent company statement of financial position, are measured at cost and are noninterest-bearing and are generally applied to acquisition of inventories, programs and other rights, availments of services and others.

#### Investments and Advances

This account consists of investments and advances to subsidiaries, joint venture and an associate. The Company’s investments in and advances to subsidiaries, joint venture and associate are carried in the parent company statement of financial position at cost less any impairment value.



A subsidiary is an entity in which the Company has control. Control is achieved when the Company is composed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. An associate is an entity in which the Company has significant influence and which is neither a subsidiary nor a joint venture of the Company. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The ownership interests in subsidiaries, associate and joint venture, which are all incorporated in the Philippines, consist of the following in 2025 and 2024:

|                                                                       |                                                                                                                                         | Percentage<br>of Ownership |          |
|-----------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|----------------------------|----------|
|                                                                       | Principal Activities                                                                                                                    | Direct                     | Indirect |
| Entertainment Business:                                               |                                                                                                                                         |                            |          |
| Alta Productions Group, Inc. (Alta)                                   | Pre- and post-production services                                                                                                       | 100                        | —        |
| Citynet Network Marketing and Productions, Inc. (Citynet)             | Television entertainment production                                                                                                     | 100                        | —        |
| GMA Network Films, Inc. (GNFI)                                        | Film production                                                                                                                         | 100                        | —        |
| GMA New Media, Inc. (GNMI)                                            | Converging technology                                                                                                                   | 100                        | —        |
| GMA Worldwide (Philippines), Inc. (GWI)                               | International marketing, handling foreign program acquisitions and international syndication of the Parent Company's programs           | 100                        | —        |
| Scenarios, Inc. <sup>a</sup>                                          | Design, construction and maintenance of sets for TV, stage plays and concerts; transportation services                                  | 100                        | —        |
| GMA Productions, Inc. (formerly RGMA Marketing and Productions, Inc.) | Music recording, publishing and video distribution                                                                                      | 100                        | —        |
| RGMA Network, Inc. <sup>c</sup>                                       | Radio broadcasting and management                                                                                                       | 49                         | —        |
| Script2010, Inc. <sup>b</sup>                                         | Design, construction and maintenance of sets for TV, stage plays and concerts; transportation and manpower services                     | —                          | 100      |
| Holding Company:                                                      |                                                                                                                                         |                            |          |
| GMA Ventures, Inc. (GVI)                                              | Identifying, investing in, and/or building strong and sustainable businesses                                                            | 100                        | —        |
| Advertising Business:                                                 |                                                                                                                                         |                            |          |
| GMA Marketing & Productions, Inc. (GMPI) <sup>a</sup>                 | Exclusive marketing and sales arm of Parent Company's airtime, events management, sales implementation, traffic services and monitoring | 100                        | —        |
| Digify, Inc. <sup>d</sup>                                             | Crafting, planning and handling advertising and other forms of promotion including multi-media productions                              | —                          | 100      |
| Others:                                                               |                                                                                                                                         |                            |          |
| Media Merge Corporation <sup>e</sup>                                  | Business development and operations for the Parent Company's online publishing and advertising initiatives                              | —                          | 100      |
| Ninja Graphics, Inc. <sup>f</sup>                                     | Engaged in magazine printing and distribution                                                                                           | —                          | 51       |

<sup>a</sup> Under liquidation

<sup>b</sup> Indirectly owned through Citynet

<sup>c</sup> Ceased operations in 2023

<sup>d</sup> Indirectly owned through GNMI

<sup>e</sup> Indirectly owned through GNMI; ceased commercial operations in 2020

<sup>f</sup> Indirectly owned through Alta; ceased commercial operations in 2004



### Property and Equipment

Property and equipment, except for land, are stated at cost, net of accumulated depreciation and amortization and impairment losses, if any. Such cost includes the cost of replacing part of the property and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property and equipment are required to be replaced at intervals, the Company recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. All other repair and maintenance costs are recognized in profit or loss as incurred.

Land is initially measured at cost. After initial recognition, land is carried at revalued amounts, being its fair value at the date of the revaluation, less any subsequent impairment losses. Valuations are generally performed every three to five years or more frequently as deemed necessary to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.

Any revaluation surplus is recorded in other comprehensive income and hence, credited to the "Revaluation increment on land - net of tax" account under equity, except to the extent that it reverses a revaluation decrease of the same asset previously recognized in profit or loss, in which case, the increase is recognized in profit or loss. A revaluation deficit is recognized in profit or loss, except to the extent that it offsets an existing surplus on the same asset recognized in the "Revaluation increment on land - net of tax" account.

Depreciation and amortization are computed on a straight-line basis over the following estimated useful lives of the assets:

|                                                         |             |
|---------------------------------------------------------|-------------|
| Buildings, towers and improvements                      | 11-20 years |
| Antenna and transmitter systems and broadcast equipment | 5-10 years  |
| Communication and mechanical equipment                  | 3-5 years   |
| Transportation equipment                                | 4-5 years   |
| Furniture, fixtures and equipment                       | 5 years     |

An item of property and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss when the asset is derecognized.

The assets' residual values, useful lives and methods of depreciation and amortization are reviewed at each financial year-end and adjusted prospectively, if appropriate.

Fully depreciated assets are retained in the accounts until they are no longer in use and no further depreciation and amortization is credited or charged to current operations.

Construction in progress is stated at cost. This includes cost of construction, equipment under installation and other direct costs. Construction in progress is not depreciated until such time as the relevant assets are completed and put into operational use.

### Investment Properties

Investment properties consist of real estate held for capital appreciation and rental.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties, except land, are measured at cost less accumulated depreciation and amortization and impairment in value. Land is stated at cost less any impairment in value.



Depreciation and amortization are computed using the straight-line method over 11-20 years.

The remaining useful lives and depreciation and amortization method are reviewed and adjusted, if appropriate, at each financial year-end.

Investment properties are derecognized when either they have been disposed of or when the investment properties are permanently withdrawn from use and no future economic benefits are expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognized in profit or loss in the period of derecognition.

#### Investment in Artworks

Investment in artworks, included under “Other noncurrent assets” account in the parent company statement of financial position, is stated at cost less any impairment in value.

#### Software Costs

Costs incurred in the acquisition and customization of new software, included under “Other noncurrent assets” account in the parent company statement of financial position, are capitalized and amortized on a straight-line basis over three to ten years.

#### Impairment of Nonfinancial Assets

The carrying values of land at revalued amounts, program and other rights, prepaid production costs, deferred production costs, tax credits, investments and advances, property and equipment, right-of-use assets, investment properties, software costs and investment in artworks are reviewed for impairment when events or changes in circumstances indicate that the carrying values may not be recoverable. If any such indication exists, and if the carrying value exceeds the estimated recoverable amount, the assets are considered impaired and are written down to their recoverable amount. The recoverable amount of these nonfinancial assets is the greater of an asset’s or cash-generating unit’s fair value less cost to sell or value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or company of assets. The fair value less cost to sell is the amount obtainable from the sale of an asset in an arm’s length transaction less cost to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. Impairment losses, if any, are recognized in profit or loss in the parent company statement of comprehensive income in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting period as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If any such indication exists, the recoverable amount is estimated. A previously recognized impairment loss, except for land at revalued amount where the revaluation is taken to OCI, is reversed only if there has been a change in the estimates used to determine the asset’s recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation and amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in profit or loss. After such a reversal, the depreciation and amortization charges are adjusted in future periods to allocate the asset’s revised carrying amount, less any residual value, on a systematic basis over its remaining useful life. For land at revalued amounts, the reversal of impairment is also recognized in OCI up to the amount of any previous revaluation.



In the case of investments in associate and interests in joint ventures, after application of the equity method, the Company determines whether it is necessary to recognize any additional impairment loss with respect to the Company's investments in associate and interests in joint ventures. The Company determines at each reporting period whether there is any objective evidence that the investments in associate and interests in joint ventures are impaired. If this is the case, the Company calculates the amount of impairment as being the difference between the recoverable amount of investments in associate and interests in joint ventures, and the acquisition cost and recognizes the amount in the parent company statement of comprehensive income.

#### Investments in an Associate and Joint Ventures

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries.

The Company's investments in its associate and joint ventures are accounted for using the equity method.

#### Equity

Capital stock is measured at par value for all shares issued. Incremental costs incurred directly attributable to the issuance of new shares are shown in equity as a deduction from proceeds, net of tax. Proceeds and/or fair value of considerations received in excess of par value are recognized as additional paid-in capital.

Retained earnings include all current and prior period results of operations as reported in the statement of comprehensive income, net of any dividend declaration, adjusted for the effects of changes in accounting policies as may be required by PFRS Accounting Standards' transitional provisions.

#### Revenue Recognition

##### a. *PFRS 15, Revenue from Contracts with Customers*

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Revenue is recognized when the Company satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognized is the amount allocated to the satisfied performance obligation.



The following specific recognition criteria must also be met before revenue is recognized:

*Advertising Revenue.* Revenue is recognized in the period the advertisements are aired.

Payments received for advertisements before broadcast (pay before broadcast) are recognized as income on the dates the advertisements are aired. Prior to liquidation, these are classified as unearned revenue under "Contract liabilities" under "Trade payables and other current liabilities" account, in the parent company statement of financial position.

Goods received in exchange for airtime usage pursuant to exchange deal contracts executed between the Company and its customers are recorded at fair market values of assets received. Fair market value is the current market price.

Tax credits on aggregate airtime credits from government sales availed of under PD No. 1362 are recognized as revenue when there is reasonable certainty that these can be used to pay duties and taxes on imported broadcasting related equipment.

*Subscription Revenue.* Subscription fees are recognized over the subscription period in accordance with the terms of the subscription agreements.

*Sale of Goods.* Sale of goods pertain to sale of set-top boxes and other merchandise. Revenue is recognized at a point in time when delivery has taken place and transfer of control has been completed. These are stated net of sales discounts.

*Revenue from Distribution and Content Provisioning.* Revenue is recognized upon the license start date or delivery of the licensed content, whichever comes later.

*Production Revenue.* Production revenue is recognized at a point in time when project-related services are rendered.

*Commission from Artists.* Revenue is recognized as revenue at a point in time on an accrual basis in accordance with the terms of the related marketing agreements.

b. Revenue Recognition Outside the Scope of PFRS 15

*Rental Income.* Revenue from lease of property and equipment and investment properties is accounted for on a straight-line basis over the lease term.

*Interest Income.* Revenue is recognized as the interest accrues, taking into account the effective yield on the asset.

*Equity in Net Earnings (Losses) of Joint Ventures.* The Company recognizes its share in the net income or loss of joint ventures proportionate to the equity in the economic shares of such joint ventures, in accordance with the equity method.

*Other Income.* Other income is recognized when there is an incidental economic benefit, other than the usual business operations, that will flow to the Company through an increase in asset or reduction in liability that can be measured reliably.



### Contract Balances

*Trade Receivables.* A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to the accounting policies of Financial Instruments section.

*Contract Assets.* A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

*Contract Liabilities.* A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due, whichever is earlier. Contract liabilities are recognized as revenue when the Company performs under the contract.

### *Incremental Costs to Obtain a Contract*

The Company pays sales commissions to its account executives for each contract that they obtain for advertising agreements with customers. The Company has elected to apply the optional practical expedient for costs to obtain a contract which allows the Company to immediately expense sales commissions (presented as part of "Marketing expense" under "General and administrative expenses" account in the parent company statement of comprehensive income) because the amortization period of the asset that the Company otherwise would have used is less than one year.

### Pension and Other Long-Term Employee Benefits

The Parent Company has a funded, noncontributory defined benefit retirement plan covering permanent employees. Other entities are covered by Republic Act (R.A.) 7641, otherwise known as "The Philippine Retirement Law", which provides for qualified employees to receive an amount equivalent to a certain percentage of monthly salary at normal retirement age. In addition, the Company has agreed to pay the cash equivalent of the accumulated unused vacation leave of the employees upon separation from the Company.

The cost of providing benefits under the defined benefit plans is determined using the projected unit credit method.

*Defined Benefit Plans.* The net defined benefit liability or asset is the aggregate of the present value of the defined benefit obligation at the end of the reporting period reduced by the fair value of plan assets (if any), adjusted for any effect of limiting a net defined benefit asset to the asset ceiling.

The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The cost of providing benefits under defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the parent company statement of financial position with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.



Past service costs are recognized in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognizes related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation under “Production costs” and “General and administrative expenses” accounts in parent company statements of comprehensive income (by function):

- Service costs comprising current service costs, past service costs, gains and losses on curtailments and non-routine settlements.
- Net interest expense or income

Plan assets are assets that are held by a long-term employee benefit fund. Fair value of plan assets is based on market price information. When no market price is available, the fair value of plan assets is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of those assets (or, if they have no maturity, the expected period until the settlement of the related obligations). If the fair value of the plan assets is higher than the present value of the defined benefit obligation, the measurement of the resulting defined benefit asset is limited to the present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The Company’s right to be reimbursed of some or all of the expenditure required to settle a defined benefit obligation is recognized as a separate asset at fair value when and only when reimbursement is virtually certain.

### Leases

*Leases.* The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

*Company as Lessee.* The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

- *Right-of-use Assets.* The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received and estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term as follow:

|                                     |               |
|-------------------------------------|---------------|
| Land                                | 2 to 25 years |
| Buildings, studio and office spaces | 2 to 15 years |



Right-of-use assets are subject to impairment.

- *Lease Liabilities.* At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

- *Short-term Leases.* The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date or initial application of PFRS 16 and do not contain a purchase option). Lease payments on short-term leases are recognized as expense on a straight-line basis over the lease term.

*Company as Lessor.* Leases where the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Rental income from operating leases are recognized as income in the parent company statement of comprehensive income on a straight-line basis over the lease term. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

#### Foreign Currency-denominated Transactions

Transactions in foreign currencies are initially recorded in the functional currency exchange rate at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency closing exchange rate at financial reporting period. All differences are taken to profit or loss in the statements of comprehensive income. Nonmonetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Nonmonetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. For income tax purposes, foreign exchange gains and losses are treated as taxable income or deductible expenses when realized.

#### Taxes

*Current Income Tax.* Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted at reporting period.



Current income tax relating to items recognized directly in equity is recognized in equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation, and establishes provisions where appropriate.

*Deferred Tax.* Deferred tax is provided using the liability method on temporary differences at reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting period.

Deferred tax assets are recognized for all deductible temporary differences, carryforward benefits of excess minimum corporate income tax (MCIT) over regular corporate income tax (RCIT) and unused net operating loss carryover (NOLCO), to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carryforward benefits of excess MCIT over RCIT and unused NOLCO can be utilized, except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. Unrecognized deferred tax assets are reassessed at each reporting period and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates and tax laws to be enacted or substantially enacted at the reporting period.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.



*Creditable Withholding Taxes.* Creditable withholding taxes represent amounts withheld by the Company's customers and is deducted from the Company's income tax payable.

*Value-added Tax (VAT).* Revenue, expenses and assets are recognized net of the amount of VAT, if applicable.

When VAT from sales of goods and/or services (output VAT) exceeds VAT passed on from purchases of goods or services (input VAT), the excess is recognized as payable in the parent company statement of financial position. When VAT passed on from purchases of goods or services (input VAT) exceeds VAT from sales of goods and/or services (output VAT), the excess is recognized as an asset in the parent company statement of financial position to the extent of the recoverable amount.

The net amount of VAT recoverable from, or payable to, the taxation authority is included as part of "Prepaid expenses and other current assets" or "Trade payables and other current liabilities" accounts in the parent company statement of financial position.

#### Earnings Per Share (EPS)

Basic EPS is computed by dividing the net income for the year attributable to the equity holders of the Parent Company, net of income attributable to preferred shares, by the weighted average number of common shares outstanding during the year, after considering the retroactive adjustments for any stock dividends declared, if any.

Diluted EPS is calculated by dividing the net income for the year attributable to the equity holders of the Parent Company (inclusive of income attributable to preferred shares) by the weighted average number of common shares outstanding during the year, plus the weighted average number of common shares that would be issued upon conversion of all dilutive potential common shares.

#### Segment Reporting

For management purposes, the Company's operating businesses are organized and managed separately into television and radio airtime, international subscriptions and other business activities. Such business segments are the basis upon which the Company reports its primary segment information. The Company considers television and radio operations as the major business segment. The Company operates in two geographical areas where it derives its revenue. Financial information on business segments is presented in Note 5 to the parent company financial statements.

#### Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the parent company statement of comprehensive income, net of any reimbursement.

#### Contingencies

Contingent liabilities are not recognized in the parent company financial statements. These are disclosed in the notes to parent company financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the parent company financial statements but are disclosed in the notes to parent company financial statements when an inflow of economic benefits is probable.



#### Events after Reporting Period

Post year-end events that provide additional information about the Company's position at the reporting period (adjusting events) are reflected in the parent company financial statements. Post year-end events that are not adjusting events are disclosed in the notes to parent company financial statements when material.

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#### **4. Significant Accounting Judgments, Estimates and Assumptions**

The preparation of the parent company financial statements requires management to make judgments, estimates and assumptions that affect amounts reported in the parent company financial statements and related notes at the end of the reporting period. However, uncertainty about these judgments, estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

##### Judgments

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the parent company financial statements.

*Investment in RGMA.* The Company considers that it controls RGMA Network even though it owns less than 50% of the voting rights. This is because the Company is the single largest shareholder of RGMA Network with a 49% equity interest. The remaining 51% of the equity shares in RGMA Network are owned by several parties. Since September 27, 1995, which is the date of incorporation of RGMA Network, there is no history of the other shareholders collaborating to exercise their votes collectively or to outvote the Company.

Investment in RGMA amounted to ₱41.68 million as at December 31, 2025 and 2024 (see Note 12).

*Determination of Lease Term of Contracts with Renewal and Termination Options - Company as a Lessee.* The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customization to the leased asset).

The Company did not include the renewal period as part of the lease term for its leases as these are subject to mutual agreement and are not reasonably certain to be exercised. Furthermore, the periods covered by termination options are included as part of the lease term because they are reasonably certain not to be exercised.

*Operating Leases - Company as Lessor.* The Company has entered into various lease agreements as lessor. The Company had determined that the risks and rewards of ownership of the underlying property were retained by the Company. Accordingly, the leases are classified as an operating lease.



Total rental income amounted to ₱7.79 million and ₱7.15 million in 2025 and 2024, respectively (see Note 27).

*Estimating Allowance for ECL.* The following information explains the inputs, assumptions and techniques used by the Company in estimating ECL for trade receivables:

- Simplified approach for trade receivables

The Company uses a simplified approach for calculating ECL on trade receivables through the use of provision matrix to calculate ECLs. The provision rates are based on days past due for groupings of customer segments that have similar loss patterns (i.e., by customer type).

The provision matrix is initially based on the Company's historical observed default rates. The Company then calibrates the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (e.g., gross domestic product, inflation rate, unemployment rate) are expected to deteriorate over the next year which can lead to an increased number of defaults in the Company's operating segments, the historical default rates are adjusted. At every reporting date, the historical observed default rates are and changes in the forward-looking factors specific to the debtors and the economic environment are updated.

- Definition of default for trade receivables

The Company defines a trade receivable as in default, when it meets one or more of the following criteria:

- The counterparty is experiencing financial difficulty or is insolvent
- The receivable is more than 360 days past due. The determination of the period is based on the Company's practice and agreement with their customers within the industry.

- Grouping of instruments for losses measured on collective basis

For expected credit loss provisions modelled on a collective basis, a grouping of exposures is performed on the basis of shared risk characteristics, such that risk exposures within a segmentation are homogeneous. The Company segmented its receivables based on the type of customer (e.g., corporate and individuals).

- Incorporation of forward-looking information

The Company considers a range of relevant forward-looking macro-economic assumptions for the determination of unbiased general industry adjustments that support the calculation of ECLs. A broad range of forward-looking information are considered as economic inputs such as the gross domestic product, inflation rate, unemployment rates and other economic indicators.

The macroeconomic factors are aligned with information used by the Company for other purposes such as strategic planning and budgeting.

The Company identifies and documents key drivers of credit risk and credit losses of each portfolio of financial instruments and, using an analysis of historical data, has estimated relationships between macro-economic variables and credit risk and credit losses.



Predicted relationship between the key macro-economic indicators and default and loss rates on various portfolios of financial assets have been developed based on analyzing historical data over the past 5 years. The methodologies and assumptions including any forecasts of future economic conditions are reviewed regularly.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions, the Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Provision for ECL amounted to ₱100.00 million and nil in 2025 and 2024, respectively. The allowance for ECL amounted to ₱933.34 million and ₱833.34 million as at December 31, 2025 and 2024, respectively. The carrying amounts of trade and other receivables amounted to ₱6,494.74 million and ₱6,893.91 million as at December 31, 2025 and 2024, respectively (see Note 7).

*Contingencies.* The Company is currently involved in various claims and legal proceedings. The estimate of the probable costs for the resolution of these claims has been developed in consultation with legal counsel handling the defense in these matters and is based upon an analysis of potential results. The Company currently does not believe that these proceedings will have a material adverse effect on the Company's financial position.

#### Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the parent company financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

*Estimating the Incremental Borrowing Rate.* The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease.

The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the counterparty's stand-alone credit rating).

The Company's lease liabilities amounted to ₱128.80 million and ₱115.24 million as at December 31, 2025 and 2024, respectively (see Note 28).

*Classification and Amortization of Program and Other Rights.* Portions of program and other rights are classified as current and noncurrent assets. Current portion represents those expected to be aired any time within its normal operating cycle, whereas the noncurrent portion represents those without definite expiration.



The Company estimates the amortization of program and other rights with finite lives using straight line method up to the date of expiry and those with no definite expiration of up to ten years, which is the manner and pattern of usage of the acquired rights.

In addition, estimation of the amortization of program and other rights is based on the Company's experience with such rights. It is possible, however, that future results of operations could be materially affected by changes in estimates brought about by changes in the factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances.

Program and other rights usage amounted to ₱1,355.73 million and ₱1,372.83 million in 2025 and 2024, respectively (see Notes 8 and 23). Program and other rights, net of accumulated impairment in value of ₱2.70 million, amounted to ₱2,152.44 million and ₱2,336.37 million as at December 31, 2025 and 2024, respectively (see Note 8).

*Estimating Allowance for Inventory Losses.* The Company provides allowance for inventory losses whenever the net realizable value becomes lower than cost due to damage, physical deterioration, obsolescence, changes in price levels or other causes. The allowance account is reviewed periodically to reflect the accurate valuation of the inventories.

The carrying value of merchandise inventory and materials and supplies inventory in the parent company statement of financial position amounted to ₱804.99 million and ₱925.84 million as at December 31, 2025 and 2024, respectively (see Note 9). There were no provisions for inventory losses in 2025 and 2024.

*Estimating Useful Lives of Property and Equipment, Software Costs and Investment Properties.* The Company estimates the useful lives of property and equipment, software costs and investment properties based on the period over which the assets are expected to be available for use. The estimated useful lives of property and equipment, software costs and investment properties are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets. In addition, estimation of the useful lives of property and equipment, software costs and investment properties are based on collective assessment of industry practice, internal technical evaluation and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in estimates brought about by changes in the factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of property and equipment, software costs and investment properties would increase the recorded general and administrative expenses and decrease noncurrent assets.

There has been no change in the Company's estimate of useful lives of its property and equipment, software costs and investment properties in 2025 and 2024.

*Revaluation of Land.* The Company engages an accredited appraiser to determine the fair value of the land used in operations. Fair value is determined by reference to market-based evidence adjusted based on certain elements of comparison. The fair value amount would differ if the Company made different judgments and estimates or utilized a different basis for determining fair value.

Valuations from an accredited appraiser are generally performed every three to five years or more frequently as deemed necessary to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.



In 2025, the Company assessed those certain parcels of land at revalued amounts, comprising majority of the balance of the account, have significant movements in its current carrying values and obtained updated appraisals as at December 31, 2025. For the land that were not appraised, the Company referred to the published comparable prices for the fair values. Total additional revaluation increment recognized in 2025 amounted to ₱434.29 million, net of tax.

The revalued amount of land, which is classified under “Property and equipment” account in the parent company statements of financial position, amounted to ₱9,392.42 million and ₱8,813.32 million as at December 31, 2025 and 2024, respectively (see Notes 14 and 31).

*Impairment of Nonfinancial Assets.* For prepaid production costs, tax credits, investments and advances, property and equipment, land at revalued amounts, right-of-use assets, investment properties, program and other rights, software costs, and investment in artworks and software costs, impairment testing is performed whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

The factors that the Company considers important which could trigger an impairment review include the following:

- significant underperformance relative to expected historical or projected future operating results;
- significant changes in the manner of use of the acquired assets or the strategy for overall business;
- significant negative industry or economic trends; and
- obsolescence or physical damage of an asset.

The Company recognizes an impairment loss whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of fair value less costs to sell or asset’s value in use. Recoverable amounts are estimated for individual assets or, if it is not possible, for the CGU to which the asset belongs.

As at December 31, 2025 and 2024, the Company did not identify any indicator of impairment on its nonfinancial assets, hence, no impairment tests were carried out except for the Company’s investment in Scenarios, Inc., for which an impairment loss of ₱16.19 million was recognized in 2025 (see Notes 12 and 24). On the other hand, the Company recorded reversal of impairment amounting to ₱44.51 million on its investment in GMA Network Films, Inc., attributable to the entity’s improved operating performance and profitability (see Note 12).

The carrying values of non-financial assets as at December 31 follows:

|                                                | 2025           | 2024           |
|------------------------------------------------|----------------|----------------|
| Land at revalued amounts (see Note 14)         | ₱9,392,416,646 | ₱8,813,321,240 |
| Property and equipment - at cost (see Note 13) | 2,907,507,319  | 3,437,457,814  |
| Program and other rights (see Note 8)          | 2,152,441,529  | 2,336,373,202  |
| Investments and advances (see Note 12)         | 689,777,549    | 649,953,838    |
| Prepaid production costs (see Note 10)         | 284,900,304    | 565,870,889    |
| Tax credits (see Note 10)                      | 125,645,165    | 131,853,616    |
| Right-of-use assets (see Note 28)              | 104,364,665    | 91,007,759     |
| Investment properties (see Note 15)            | 18,231,716     | 19,689,167     |
| Investments in artworks (see Note 16)          | 9,454,000      | 9,454,000      |
| Software costs (see Note 16)                   | 8,725,981      | 20,608,554     |

*Estimating Realizability of Deferred Tax Assets.* The Company reviews its deferred tax assets at each reporting date and reduces the carrying amount to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.



Recognized deferred tax assets amounted to ₱1,831.52 million and ₱1,473.69 million as at December 31, 2025 and 2024, respectively (see Note 29).

*Pension and Other Employee Benefits.* The determination of the Company's obligation and cost of pension benefits is dependent on the selection of certain assumptions used by actuaries in calculating such amounts. Those assumptions are described in Note 26 and include, among others, discount rate and salary increase rate. Due to the complexity of the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions.

Pension liability amounted to ₱5,985.56 million and ₱4,654.46 million as at December 31, 2025 and 2024, respectively (see Note 26).

*Determination of Fair Value of Financial Assets at FVOCI.* Financial assets at FVOCI are carried and disclosed at fair value. When the fair values cannot be derived from active markets, they are determined using a variety of valuation techniques, which include net asset value method for equity instruments whose net assets substantially consists of financial instruments measured at fair value or approximates their fair values. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The fair value of financial assets at FVOCI are enumerated in Note 31.

*Determination of Fair Value of Investment Properties.* PFRS requires disclosure of fair value of investment properties when measured at cost.

The Company used the services of an independent professional appraiser in estimating the fair value of properties. The appraisers conducted an actual inspection of the property and considered the following in the study and analyses in arriving at the estimate of fair value: (a) extent, character and utility of the property; (b) sales and holding prices of similar properties; and (c) highest and best use of the property.

The description of valuation techniques used and key inputs to fair valuation of investment properties are enumerated in Note 15 of the parent company financial statements.

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## 5. Segment Information

### Business Segments

For management purposes, the Company is organized into business units based on its products and services and has three reportable segments, as follows:

- The television and radio segment, which engages in television and radio broadcasting activities and which generates revenue from sale of national and regional advertising time.
- The international subscription segment, which engages in subscription arrangements with international cable companies.
- The Company's other businesses which include movie production, consumer products and other services.

The Executive Committee, the chief operating decision maker, and Management monitor the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on net income or loss and is measured consistently with the net income or loss in the parent company financial statements. The Company's performance is evaluated based on net income for the year.



#### Geographical Segments

The Company operates in two major geographical segments - local and international. Local refers to revenues earned in the Philippines, the home country. Significant portion of the revenues earned locally pertain to television and radio airtime. International refers to revenues earned in United States and in other locations (which include Middle East, Europe, Australia, Canada, Guam, Singapore, Hongkong and Japan). The Company ties up with cable providers to bring local television programming outside the Philippines.

The Company's revenues are mostly generated in the Philippines, which is the Company's country of domicile. Revenues from external customers attributed to foreign countries from which the Company derives revenue are individually and in aggregate immaterial to the parent company financial statements.

Noncurrent assets consisting of property and equipment, land at revalued amounts and investment properties are all located in the Philippines.

The Company does not have a single external customer whose revenue accounts for 10% or more of the Company's revenues.

#### Inter-segment Transactions

Segment revenues, segment expenses and segment results include transfers among business segments and among geographical segments. The transfers are accounted for at competitive market prices charged to unrelated customers for similar services.

#### Measurement Basis

The amount of segment assets and liabilities and segment profit or loss are based on measurement principles that are similar to those used in measuring the assets and liabilities and profit or loss in the parent company financial statements, which is in accordance with PFRS.



| Geographical Segment                                              | Local                  |                        | International               |                     |                        |                        |
|-------------------------------------------------------------------|------------------------|------------------------|-----------------------------|---------------------|------------------------|------------------------|
| Business Segment                                                  | Advertising and Others |                        | International Subscriptions |                     | Total                  |                        |
|                                                                   | 2025                   | 2024                   | 2025                        | 2024                | 2025                   | 2024                   |
| <b>Revenues</b>                                                   | <b>₱16,864,423,853</b> | <b>₱16,448,040,572</b> | <b>₱666,508,127</b>         | <b>₱729,423,220</b> | <b>₱17,530,931,980</b> | <b>₱17,177,463,792</b> |
| <b>Results</b>                                                    |                        |                        |                             |                     |                        |                        |
| Segment results                                                   | 1,903,961,897          | 1,983,874,994          | 445,066,595                 | 501,974,587         | 2,349,028,492          | 2,485,849,581          |
| Dividend income from investments                                  | 110,700,000            | 131,900,000            | —                           | —                   | 110,700,000            | 131,900,000            |
| Interest expense                                                  | (142,633,522)          | (184,884,598)          | —                           | —                   | (142,633,522)          | (184,884,598)          |
| Net foreign currency exchange gain (loss)                         | 41,311,931             | 1,066,153              | 23,140,567                  | 148,049             | 64,452,498             | 1,214,202              |
| Interest income                                                   | 28,623,538             | 14,439,450             | —                           | —                   | 28,623,538             | 14,439,450             |
| Others - net                                                      | 447,070,469            | 233,971,316            | —                           | —                   | 447,070,469            | 233,971,316            |
| Provision for income tax                                          | (571,021,886)          | (531,698,881)          | (115,382,654)               | (122,367,327)       | (686,404,540)          | (654,066,208)          |
| Net income                                                        | ₱1,818,012,427         | ₱1,648,668,434         | ₱352,824,508                | ₱379,755,309        | ₱2,170,836,935         | ₱2,028,423,743         |
| <b>Assets and Liability</b>                                       |                        |                        |                             |                     |                        |                        |
| Segment assets                                                    | ₱24,386,114,068        | ₱26,258,109,744        | ₱291,989,267                | ₱259,018,020        | ₱24,678,103,335        | ₱26,517,127,764        |
| Investments in subsidiaries                                       | 518,500,803            | 505,498,522            | —                           | —                   | 518,500,803            | 505,498,522            |
| Investments in associates and interest in joint venture - at cost | 38,288,343             | 38,288,343             | —                           | —                   | 38,288,343             | 38,288,343             |
| Total assets                                                      | ₱24,942,903,214        | ₱26,801,896,609        | ₱291,989,267                | ₱259,018,020        | ₱25,234,892,481        | ₱27,060,914,629        |
| Segment Liabilities                                               | ₱11,271,262,795        | ₱12,149,369,371        | ₱282,420,326                | ₱147,396,247        | ₱11,553,683,121        | ₱12,296,765,618        |
| Deferred tax liabilities - net                                    | 420,832,078            | 621,956,511            | —                           | —                   | 420,832,078            | 621,956,511            |
| Total liabilities                                                 | ₱11,692,094,873        | ₱12,771,325,882        | ₱282,420,326                | ₱147,396,247        | ₱11,974,515,199        | ₱12,918,722,129        |
| <b>Other Segment Information</b>                                  |                        |                        |                             |                     |                        |                        |
| Capital expenditures:                                             |                        |                        |                             |                     |                        |                        |
| Property and equipment                                            | ₱275,725,523           | ₱650,675,246           | ₱8,513,893                  | ₱3,362,772          | ₱284,239,416           | ₱654,038,018           |
| Land                                                              | 42,890                 | 38,105                 | —                           | —                   | 42,890                 | 38,105                 |
| Program and other rights and software costs                       | 1,177,156,320          | 1,493,202,075          | —                           | —                   | 1,177,156,320          | 1,493,202,075          |
| Depreciation and amortization                                     | 2,203,530,106          | 2,259,300,728          | 2,512,037                   | 283,202             | 2,206,042,143          | 2,259,583,930          |



## 6. Cash and Cash Equivalents

|                           | 2025                  | 2024           |
|---------------------------|-----------------------|----------------|
| Cash on hand and in banks | <b>₱949,937,885</b>   | ₱1,689,341,983 |
| Short-term deposits       | <b>230,904,237</b>    | 202,478,129    |
|                           | <b>₱1,180,842,122</b> | ₱1,891,820,112 |

Cash in banks earn interest at the respective bank deposit rates. Short-term deposits are made for varying periods of up to three months depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates. Interest rates of peso placements ranged from 0.25% to 6.25% in 2025 and 0.90% to 6.25% in 2024, while interest rates of foreign placements ranged from 3.00% to 4.70% in 2025 and 0.10% to 4.70% in 2024.

Interest income earned from bank deposits and short-term deposits amounted to ₱28.62 million and ₱14.44 million in 2025 and 2024, respectively.

## 7. Trade and Other Receivables

|                               | 2025                  | 2024           |
|-------------------------------|-----------------------|----------------|
| Trade:                        |                       |                |
| Television and radio airtime  | <b>₱7,034,272,444</b> | ₱7,107,462,809 |
| Subscriptions                 | <b>185,583,575</b>    | 207,359,180    |
| Others (see Note 21)          | <b>56,418,156</b>     | 147,220,761    |
| Nontrade:                     |                       |                |
| Related parties (see Note 21) | <b>77,980,380</b>     | 180,021,628    |
| Others (see Note 21)          | <b>73,822,908</b>     | 85,181,714     |
|                               | <b>7,428,077,463</b>  | 7,727,246,092  |
| Less allowance for ECL        | <b>933,340,870</b>    | 833,340,870    |
|                               | <b>₱6,494,736,593</b> | ₱6,893,905,222 |

### Trade Receivables

*Television and Radio Airtime.* Television and radio airtime receivables are unsecured, noninterest-bearing and are generally on 60-90 day terms upon receipt of invoice by the customers. The receivables are normally collected within the next reporting period.

Television and radio airtime receivables include unbilled airtime receivables, arising when advertisements have been aired but billing or acceptance by the customer has been delayed due to time lag in completing all required documents. As of December 31, 2025 and 2024, the total unbilled airtime receivables, assessed as contract assets, amounted to ₱50.27 million and ₱45.30 million, respectively.

*Subscriptions Receivable.* Subscriptions receivable pertain to receivables from international channel subscriptions and advertisements. These are unsecured, noninterest-bearing and normally collected within the next reporting period.

*Other Trade Receivables.* These are unsecured, noninterest-bearing and are generally on 60-90 day terms upon receipt of invoice by the customers.



## Nontrade Receivables

*Related Parties.* Terms and conditions of receivables from related parties are discussed in Note 21.

*Other Nontrade Receivables.* Other nontrade receivables include dividends receivable and receivables from insurance. These are noninterest-bearing and are normally collected within the next financial year (see Note 21).

## Allowance for ECL on Trade Receivables

The allowance for ECL as at December 31, 2025 and 2024 are as follows:

|                                      | 2025         |             |              |
|--------------------------------------|--------------|-------------|--------------|
|                                      | Corporate    | Individual  | Total        |
| Balance at beginning of year         | ₱823,031,332 | ₱10,309,538 | ₱833,340,870 |
| Provision for the year (see Note 24) | 100,000,000  | –           | 100,000,000  |
| Balance at end of year               | ₱923,031,332 | ₱10,309,538 | ₱933,340,870 |

|                                      | 2024         |             |              |
|--------------------------------------|--------------|-------------|--------------|
|                                      | Corporate    | Individual  | Total        |
| Balance at beginning and end of year | ₱823,031,332 | ₱10,309,538 | ₱833,340,870 |

## 8. Program and Other Rights

Details and movement in this account are as follows:

|                                              | 2025            |                     |                              |                 |
|----------------------------------------------|-----------------|---------------------|------------------------------|-----------------|
|                                              | Program Rights  | Story/Format Rights | Program Rights - Incidentals | Total           |
| Cost:                                        |                 |                     |                              |                 |
| Balance at beginning of year                 | ₱2,196,008,470  | ₱90,090,350         | ₱52,976,642                  | ₱2,339,075,462  |
| Additions                                    | 1,051,937,517   | 43,049,648          | 76,810,472                   | 1,171,797,637   |
| Program and other rights usage (see Note 23) | (1,211,618,651) | (74,042,602)        | (70,068,057)                 | (1,355,729,310) |
| Balance at end of year                       | 2,036,327,336   | 59,097,396          | 59,719,057                   | 2,155,143,789   |
| Accumulated impairment in value              | (2,702,260)     | –                   | –                            | (2,702,260)     |
|                                              | 2,033,625,076   | 59,097,396          | 59,719,057                   | 2,152,441,529   |
| Less noncurrent portion                      | 440,990,796     | –                   | 22,587,299                   | 463,578,095     |
| Current portion                              | ₱1,592,634,280  | ₱59,097,396         | ₱37,131,758                  | ₱1,688,863,434  |

|                                              | 2024            |                     |                              |                 |
|----------------------------------------------|-----------------|---------------------|------------------------------|-----------------|
|                                              | Program Rights  | Story/Format Rights | Program Rights - Incidentals | Total           |
| Cost:                                        |                 |                     |                              |                 |
| Balance at beginning of year                 | ₱1,941,867,036  | ₱238,918,717        | ₱41,201,003                  | ₱2,221,986,756  |
| Additions                                    | 1,361,871,065   | 30,605,244          | 97,439,593                   | 1,489,915,902   |
| Program and other rights usage (see Note 23) | (1,107,729,631) | (179,433,611)       | (85,663,954)                 | (1,372,827,196) |
| Balance at end of year                       | 2,196,008,470   | 90,090,350          | 52,976,642                   | 2,339,075,462   |
| Accumulated impairment in value              | (2,702,260)     | –                   | –                            | (2,702,260)     |
|                                              | 2,193,306,210   | 90,090,350          | 52,976,642                   | 2,336,373,202   |
| Less noncurrent portion                      | 454,116,395     | –                   | 8,843,238                    | 462,959,633     |
| Current portion                              | ₱1,739,189,815  | ₱90,090,350         | ₱44,133,404                  | ₱1,873,413,569  |



## 9. Inventories

This account consists of the following:

|                                  | 2025                | 2024         |
|----------------------------------|---------------------|--------------|
| Merchandise inventory            | <b>₱639,408,686</b> | ₱916,482,600 |
| Materials and supplies inventory | <b>165,578,626</b>  | 9,355,314    |
|                                  | <b>₱804,987,312</b> | ₱925,837,914 |

The following are the details of merchandise inventory account:

|                    | 2025                | 2024         |
|--------------------|---------------------|--------------|
| Set-top box        | <b>₱639,408,686</b> | ₱741,324,942 |
| ITE chipset dongle | –                   | 175,157,658  |
|                    | <b>₱639,408,686</b> | ₱916,482,600 |

Merchandise inventory consists mainly of set-top boxes and digital TV mobile receiver for sale by the Company. In 2020, the Company launched the GMA Affordabox, a digital box, which allows users to receive clear pictures and sounds in their television sets through digital transmission. Cost of sales related to digital boxes amounted to ₱111.66 million and ₱217.89 million in 2025 and 2024, respectively.

Materials and supplies inventory includes the Company's promotional items, office supplies, spare parts and production materials. In 2025, the Company reclassified chipset dongle that are intended to be used for promotions amounting to ₱155.54 million from merchandise inventory to materials and supplies inventory.

## 10. Prepaid Expenses and Other Current Assets

|                          | 2025                | 2024           |
|--------------------------|---------------------|----------------|
| Input VAT                | <b>₱286,616,100</b> | ₱265,297,386   |
| Prepaid production costs | <b>284,900,304</b>  | 565,870,889    |
| Prepaid expenses         | <b>143,501,922</b>  | 160,423,512    |
| Tax credits              | <b>125,645,165</b>  | 131,853,616    |
| Advances to suppliers    | <b>115,687,843</b>  | 352,390,199    |
|                          | <b>₱956,351,334</b> | ₱1,475,835,602 |

Input VAT pertains to VAT on purchase or importation of goods and services which are to be claimed and credited in the succeeding month's filing of VAT return.

Prepaid production costs represent costs paid in advance prior to the airing of the programs or episodes. The Company expects to air the related programs or episodes within the next financial year.

Prepaid expenses include prepayments for rental, health benefit, syndication, interest, insurance and subscriptions.

Tax credits represent claims of the Company from the government arising from airing of government commercials and advertisements. The Company expects to utilize these tax credits within the next financial year.



Advances to suppliers are noninterest-bearing and are generally applied to acquisition of program and other rights, inventories, availment of services and others within the next financial year.

## 11. Financial Assets at Fair Value Through Other Comprehensive Income

This account consists of the following:

|                               | 2025                | 2024         |
|-------------------------------|---------------------|--------------|
| Non-listed equity instruments | <b>₱164,323,807</b> | ₱162,445,518 |
| Listed equity instruments     | <b>1,227,593</b>    | 715,222      |
|                               | <b>₱165,551,400</b> | ₱163,160,740 |

Investment in equity instruments pertains to shares of stock and club shares which are not held for trading. The Company assessed the equity instruments to be strategic in nature.

The movement of financial assets at FVOCI are as follows:

|                                                           | 2025                | 2024         |
|-----------------------------------------------------------|---------------------|--------------|
| Balance at beginning of year                              | <b>₱163,160,740</b> | ₱156,509,189 |
| Additions during the year                                 | —                   | 5,757,846    |
| Disposals during the year                                 | <b>(535,775)</b>    | —            |
| Net unrealized gain on fair value changes during the year | <b>2,926,435</b>    | 893,705      |
| Balance at end of year                                    | <b>₱165,551,400</b> | ₱163,160,740 |

In 2024, the Company made additional investments in TNB Aura fund 2 Ltd., totaling ₱5.76 million. In 2025, the Company executed a partial redemption of its investment involving the redemption of 2,269 shares at a price of US\$4.24 per share. Dividend income from financial assets at FVOCI amounted to nil in 2025 and 2024.

The movements in net unrealized loss on financial assets at FVOCI are as follows:

|                                                           | 2025                 | 2024          |
|-----------------------------------------------------------|----------------------|---------------|
| Balance at beginning of year - net of tax                 | <b>(₱72,795,844)</b> | (₱73,555,494) |
| Net unrealized gain on fair value changes during the year | <b>2,926,435</b>     | 893,705       |
| Tax effect of the changes in fair market values           | <b>(480,695)</b>     | (134,055)     |
| Transfer of realized gain to retained earnings            | <b>(312,971)</b>     | —             |
| Balance at end of year                                    | <b>(₱70,663,075)</b> | (₱72,795,844) |

### IP E-Games Ventures, Inc.

In 2015, IP E-Games Ventures, Inc. (IPE) issued 13,000.00 million of its own common shares, 8,000.00 million to the Company and 5,000.00 million to GNMI, in exchange of GNMI's investment in X-Play Online Games Incorporated (X-Play), ₱50.00 million airtime credits granted by the Company and in settlement of ₱30.00 million advances to X-Play. At initial recognition, the Company recognized the IPE share at their fair value amounting to ₱80.00 million. The carrying values of investment in IPE amounted to ₱1.23 million and ₱0.72 million as at December 31, 2025 and 2024, respectively.



Of the ₱50.00 million airtime credits, ₱30.00 million has not been implemented at the date of exchange and therefore was recognized by the Company as unearned revenue presented as “Contract liabilities” included as part of “Trade payables and other current liabilities” in 2025 and 2024 (see Note 17).

## 12. Investments and Advances

As at December 31, the carrying value of the Company’s investments and advances are as follows:

|                                                         | 2025          |                           | Total         |
|---------------------------------------------------------|---------------|---------------------------|---------------|
|                                                         | Investments   | Advances<br>(see Note 21) |               |
| Subsidiaries:                                           |               |                           |               |
| GVI                                                     | ₱215,898,850  | ₱—                        | ₱215,898,850  |
| RGMA                                                    | 168,000,000   | —                         | 168,000,000   |
| GMPI                                                    | 148,924,242   | —                         | 148,924,242   |
| Citynet                                                 | 937,500       | 118,934,402               | 119,871,902   |
| GNMI                                                    | 76,500,000    | —                         | 76,500,000    |
| GNFI                                                    | 20,000,000    | 25,761,314                | 45,761,314    |
| Scenarios                                               | 20,000,000    | 1,014,090                 | 21,014,090    |
| Alta                                                    | 10,855,176    | —                         | 10,855,176    |
| GWl                                                     | 2,500,000     | —                         | 2,500,000     |
| GMA Music                                               | 1,875,000     | —                         | 1,875,000     |
|                                                         | 665,490,768   | 145,709,806               | 811,200,574   |
| Allowance for impairment of<br>investments and advances | (146,989,965) | (119,948,492)             | (266,938,457) |
|                                                         | 518,500,803   | 25,761,314                | 544,262,117   |
| Associate - Mont-Aire                                   | 38,288,343    | 107,227,089               | 145,515,432   |
| Joint Venture - INQ7                                    |               |                           |               |
| Cost                                                    | 50,000,000    | 11,544,000                | 61,544,000    |
| Allowance for impairment of<br>investments and advances | (50,000,000)  | (11,544,000)              | (61,544,000)  |
|                                                         | —             | —                         | —             |
|                                                         | ₱556,789,146  | ₱132,988,403              | ₱689,777,549  |
|                                                         |               |                           |               |
|                                                         | 2024          |                           | Total         |
|                                                         | Investments   | Advances<br>(see Note 21) |               |
| Subsidiaries:                                           |               |                           |               |
| GVI                                                     | ₱205,456,142  | ₱—                        | ₱205,456,142  |
| RGMA                                                    | 168,000,000   | —                         | 168,000,000   |
| GMPI                                                    | 148,924,241   | —                         | 148,924,241   |
| Citynet                                                 | 937,500       | 118,934,402               | 119,871,902   |
| GNMI                                                    | 76,500,000    | —                         | 76,500,000    |
| GNFI                                                    | 1,250,000     | 44,511,314                | 45,761,314    |
| Scenarios                                               | 20,000,000    | 1,014,090                 | 21,014,090    |
| Alta                                                    | 10,855,176    | —                         | 10,855,176    |
| GWl                                                     | 2,500,000     | —                         | 2,500,000     |
| GMA Music                                               | 1,875,000     | —                         | 1,875,000     |
|                                                         | 636,298,059   | 164,459,806               | 800,757,865   |
| Allowance for impairment of<br>investments and advances | (130,799,537) | (164,459,806)             | (295,259,343) |
|                                                         | 505,498,522   | —                         | 505,498,522   |

(Forward)



|                                                         | 2024         |                           |              |
|---------------------------------------------------------|--------------|---------------------------|--------------|
|                                                         | Investments  | Advances<br>(see Note 21) | Total        |
| Associate - Mont-Aire                                   | ₱38,288,343  | ₱106,166,973              | ₱144,455,316 |
| Joint Venture - INQ7                                    |              |                           |              |
| Cost                                                    | 50,000,000   | 11,544,000                | 61,544,000   |
| Allowance for impairment of<br>investments and advances | (50,000,000) | (11,544,000)              | (61,544,000) |
|                                                         | —            | —                         | —            |
|                                                         | ₱543,786,865 | ₱106,166,973              | ₱649,953,838 |

The movements in the account are as follows:

|                                                              | 2025          | 2024          |
|--------------------------------------------------------------|---------------|---------------|
| Investments in subsidiaries:                                 |               |               |
| Acquisition costs                                            |               |               |
| Balance at beginning of year                                 | ₱636,298,059  | ₱632,706,764  |
| Reclassification from advances to subsidiaries               | 18,750,000    | —             |
| Additional investments during the year                       | 10,442,709    | 19,808,400    |
| Return of investment                                         | —             | (16,217,105)  |
| Balance at end of year                                       | 665,490,768   | 636,298,059   |
| Allowance for impairment in value                            |               |               |
| Balance at beginning of year                                 | (130,799,537) | (130,799,537) |
| Impairment loss on investment in subsidiary<br>(see Note 24) | (16,190,428)  | —             |
| Balance at end of the year                                   | (146,989,965) | (130,799,537) |
|                                                              | 518,500,803   | 505,498,522   |
| Investments in associate and joint venture:                  |               |               |
| Acquisition costs                                            |               |               |
| Balance at beginning and end of year                         | 88,288,343    | 88,288,343    |
| Allowance for impairment in value                            |               |               |
| Balance at beginning and end of year                         | (50,000,000)  | (50,000,000)  |
|                                                              | 38,288,343    | 38,288,343    |
| Advances to subsidiaries:                                    |               |               |
| Balance at beginning of year                                 | 164,459,806   | 164,459,806   |
| Reclassification to investment in subsidiaries               | (18,750,000)  | —             |
| Balance at end of year                                       | 145,709,806   | 164,459,806   |
| Allowance for ECL                                            |               |               |
| Balance at beginning at beginning of year                    | (164,459,806) | (164,459,806) |
| Reversal during the year                                     | 44,511,314    | —             |
| Balance at end of year                                       | (119,948,492) | (164,459,806) |
|                                                              | 25,761,314    | —             |
| Advances to associate and joint venture:                     |               |               |
| Balance at beginning of year                                 | 117,710,973   | 111,983,294   |
| Additional advances during the year (see Note 21)            | 1,060,116     | 5,727,679     |
| Balance at end of year                                       | 118,771,089   | 117,710,973   |
| Allowance for impairment loss                                |               |               |
| Balance at beginning and end of year                         | (11,544,000)  | (11,544,000)  |
|                                                              | 107,227,089   | 106,166,973   |
| Total investments and advances                               | ₱689,777,549  | ₱649,953,838  |



On January 1, 2016, GMPI's operations was integrated into the Company's operations. The Company absorbed all of GMPI's employees and assumed the obligation to settle the post-employment benefits of these employees upon their retirement. The post-employment benefit obligation assumed by the Company amounting to ₱259.14 million was recognized as an addition to the investment in GMPI.

On January 1, 2023, RGMA ceased operations. As a result, the Company recognized impairment loss for its investment in RGMA amounting to ₱126.32 million in 2023. As at December 31, 2025 and 2024, investment in RGMA amounted to ₱41.68 million.

In 2024, GMPI returned investment amounting ₱16.22 million to the Company after partial payment of post-employment obligation on February 29, 2024. As at December 31, 2025 and 2024, the Company's remaining investment in GMPI amounted to ₱148.92 million.

In 2025, the Company recognized an impairment loss of ₱16.19 million on its investment in Scenarios, Inc. based on the impairment testing performed as of December 31, 2025 considering its status as under liquidation.



### 13. Property and Equipment at Cost

| 2025                               |                                    |                                                         |                                        |                          |                                   |                                                         |                 |
|------------------------------------|------------------------------------|---------------------------------------------------------|----------------------------------------|--------------------------|-----------------------------------|---------------------------------------------------------|-----------------|
|                                    | Buildings, towers and improvements | Antenna and transmitter systems and broadcast equipment | Communication and mechanical equipment | Transportation equipment | Furniture, fixtures and equipment | Construction in progress and equipment for installation | Total           |
| <b>Cost</b>                        |                                    |                                                         |                                        |                          |                                   |                                                         |                 |
| At January 1, 2025                 | ₱3,574,213,981                     | ₱9,307,488,027                                          | ₱2,075,427,229                         | ₱625,130,031             | ₱153,021,504                      | ₱395,946,447                                            | ₱16,131,227,219 |
| Additions                          | 3,128,296                          | 55,431,821                                              | 95,225,327                             | 80,966,049               | 1,941,174                         | 47,546,749                                              | 284,239,416     |
| Disposals                          | —                                  | —                                                       | (14,141,875)                           | (88,568,295)             | —                                 | —                                                       | (102,710,170)   |
| Reclassifications                  | 159,782,462                        | 163,958,892                                             | 29,532,886                             | —                        | 1,809,917                         | (355,084,157)                                           | —               |
| At December 31, 2025               | 3,737,124,739                      | 9,526,878,740                                           | 2,186,043,567                          | 617,527,785              | 156,772,595                       | 88,409,039                                              | 16,312,756,465  |
| <b>Accumulated Depreciation</b>    |                                    |                                                         |                                        |                          |                                   |                                                         |                 |
| At January 1, 2025                 | 2,793,669,990                      | 7,568,097,368                                           | 1,729,639,737                          | 456,844,440              | 145,517,870                       | —                                                       | 12,693,769,405  |
| Depreciation (see Notes 23 and 24) | 114,131,326                        | 444,951,958                                             | 170,643,720                            | 74,747,424               | 2,510,253                         | —                                                       | 806,984,681     |
| Disposals                          | —                                  | —                                                       | (14,086,577)                           | (81,418,363)             | —                                 | —                                                       | (95,504,940)    |
| At December 31, 2025               | 2,907,801,316                      | 8,013,049,326                                           | 1,886,196,880                          | 450,173,501              | 148,028,123                       | —                                                       | 13,405,249,146  |
| Net Book Value                     | ₱829,323,423                       | ₱1,513,829,414                                          | ₱299,846,687                           | ₱167,354,284             | ₱8,744,472                        | ₱88,409,039                                             | ₱2,907,507,319  |

| 2024                               |                                    |                                                         |                                        |                          |                                   |                                                         |                 |
|------------------------------------|------------------------------------|---------------------------------------------------------|----------------------------------------|--------------------------|-----------------------------------|---------------------------------------------------------|-----------------|
|                                    | Buildings, towers and improvements | Antenna and transmitter systems and broadcast equipment | Communication and mechanical equipment | Transportation equipment | Furniture, fixtures and equipment | Construction in progress and equipment for installation | Total           |
| <b>Cost</b>                        |                                    |                                                         |                                        |                          |                                   |                                                         |                 |
| At January 1, 2024                 | ₱3,478,205,415                     | ₱9,034,137,333                                          | ₱1,900,849,245                         | ₱597,595,084             | ₱150,991,454                      | ₱382,156,708                                            | ₱15,543,935,239 |
| Additions                          | 18,545,463                         | 145,976,756                                             | 163,977,983                            | 78,763,766               | 1,019,473                         | 245,754,577                                             | 654,038,018     |
| Disposals                          | —                                  | (8,802,243)                                             | (6,710,467)                            | (51,228,819)             | (4,509)                           | —                                                       | (66,746,038)    |
| Reclassifications                  | 77,463,103                         | 136,176,181                                             | 17,310,468                             | —                        | 1,015,086                         | (231,964,838)                                           | —               |
| At December 31, 2024               | 3,574,213,981                      | 9,307,488,027                                           | 2,075,427,229                          | 625,130,031              | 153,021,504                       | 395,946,447                                             | 16,131,227,219  |
| <b>Accumulated Depreciation</b>    |                                    |                                                         |                                        |                          |                                   |                                                         |                 |
| At January 1, 2024                 | 2,678,302,656                      | 7,106,743,076                                           | 1,581,211,114                          | 435,926,472              | 142,418,495                       | —                                                       | 11,944,601,813  |
| Depreciation (see Notes 23 and 24) | 115,367,334                        | 470,156,536                                             | 155,135,089                            | 71,666,282               | 3,103,884                         | —                                                       | 815,429,125     |
| Disposals                          | —                                  | (8,802,244)                                             | (6,706,466)                            | (50,748,314)             | (4,509)                           | —                                                       | (66,261,533)    |
| At December 31, 2024               | 2,793,669,990                      | 7,568,097,368                                           | 1,729,639,737                          | 456,844,440              | 145,517,870                       | —                                                       | 12,693,769,405  |
| Net Book Value                     | ₱780,543,991                       | ₱1,739,390,659                                          | ₱345,787,492                           | ₱168,285,591             | ₱7,503,634                        | ₱395,946,447                                            | ₱3,437,457,814  |



Construction in progress pertains to costs incurred for installation of equipment, signal strengthening of transmitters nationwide and construction/improvement of studios and stations in the regions.

The Company leases out a portion of its property and equipment at cost. Total rental income recognized for the leased portion amounted to ₱2.40 million and ₱2.06 million in 2025 and 2024, respectively (see Note 27).

The Company disposed various property and equipment in 2025 and 2024 resulting to the recognition of gain on sale amounting to ₱38.31 million and ₱13.94 million, respectively (see Note 27).

As at December 31, 2025 and 2024, no property and equipment have been pledged as collateral or security for any of the Company's liabilities.

#### 14. Land at Revalued Amounts

The movement of the land at revalued amount is shown below:

|                           | 2025         |                       |                | 2024         |                       |                |
|---------------------------|--------------|-----------------------|----------------|--------------|-----------------------|----------------|
|                           | Cost         | Revaluation Increment | Total          | Cost         | Revaluation Increment | Total          |
| At beginning of year      | ₱526,065,360 | ₱8,287,255,880        | ₱8,813,321,240 | ₱526,027,255 | ₱8,287,255,880        | ₱8,813,283,135 |
| Additions during the year | 42,890       | 579,052,516           | 579,095,406    | 38,105       | —                     | 38,105         |
| At end of year            | ₱526,108,250 | ₱8,866,308,396        | ₱9,392,416,646 | ₱526,065,360 | ₱8,287,255,880        | ₱8,813,321,240 |

Revaluation increment recognized in 2025 and 2024 based on appraisal reports and management estimates amounted to ₱579.05 million and nil, respectively.

The fair value from the 2025 appraisals were determined using the "Market Data Approach" as determined by independent professionally qualified appraisers and based on its highest and best use. The fair value represents the amount that would be received to sell the property in an orderly transaction between market participants at the date of valuation in accordance with International Valuation Standards. The fair value is categorized under Level 3 of the fair value hierarchy.

As of December 31, 2025 and 2024, the fair value of land is directly proportional to the asking price of the comparable land and adjusted according to the following appraisal considerations:

| Significant unobservable input | Range              |
|--------------------------------|--------------------|
| Asking price per square meter  | ₱1,500 to ₱361,690 |
| Sales price adjustment         | 10%                |
| Lot size adjustment            | 5% to 20%          |

Significant increases (decreases) in asking price per square meter would result to significantly higher (lower) fair value of the properties. Significant increases (decreases) in the sales price adjustment and lot size adjustment would result in a significantly lower (higher) fair value.

Management believes that the carrying value of certain land acquired on 2021 approximates the fair values as at December 31, 2025 and 2024.

As at December 31, 2025 and 2024, no land has been pledged as collateral or security for any of the Company's liabilities and the Company has no restrictions on the realizability of its land and no contractual obligation to purchase, construct or develop land or for repairs, maintenance and enhancements.



## 15. Investment Properties

|                                            | 2025                  |                            |             |
|--------------------------------------------|-----------------------|----------------------------|-------------|
|                                            | Land and Improvements | Buildings and Improvements | Total       |
| Cost                                       |                       |                            |             |
| Balance at beginning and end of year       | ₱12,388,088           | ₱53,858,516                | ₱66,246,604 |
| Accumulated depreciation                   |                       |                            |             |
| Balance at beginning of year               | –                     | 45,174,061                 | 45,174,061  |
| Depreciation during the year (see Note 24) | –                     | 1,457,451                  | 1,457,451   |
| Balance at end of year                     | –                     | 46,631,512                 | 46,631,512  |
| Accumulated impairment                     |                       |                            |             |
| Balance at beginning and end of year       | –                     | 1,383,376                  | 1,383,376   |
|                                            | ₱12,388,088           | ₱5,843,628                 | ₱18,231,716 |

|                                            | 2024                  |                            |             |
|--------------------------------------------|-----------------------|----------------------------|-------------|
|                                            | Land and Improvements | Buildings and Improvements | Total       |
| Cost                                       |                       |                            |             |
| Balance at beginning and end of year       | ₱12,388,088           | ₱52,357,238                | ₱64,745,326 |
| Additions                                  | –                     | 1,501,278                  | 1,501,278   |
| Balance at end of year                     | 12,388,088            | 53,858,516                 | 66,246,604  |
| Accumulated depreciation                   |                       |                            |             |
| Balance at beginning of year               | –                     | 43,791,674                 | 43,791,674  |
| Depreciation during the year (see Note 24) | –                     | 1,382,387                  | 1,382,387   |
| Balance at end of year                     | –                     | 45,174,061                 | 45,174,061  |
| Accumulated impairment                     |                       |                            |             |
| Balance at beginning and end of year       | –                     | 1,383,376                  | 1,383,376   |
|                                            | ₱12,388,088           | ₱7,301,079                 | ₱19,689,167 |

The fair value of investment properties amounted to ₱205.31 million as at December 31, 2025 and 2024. As at December 31, 2025 and 2024, the land used in operations was last appraised on December 31, 2023, by an accredited firm of appraisers and is valued in terms of its highest and best use.

The fair value was determined using the “Market Data Approach”. The fair value represents the amount that would be received to sell the property in an orderly transaction between market participants at the date of valuation and is categorized under Level 3 of the fair value hierarchy.

The description of the valuation techniques used and key inputs to fair valuation as of December 31, 2025 and 2024 is as follows:

|                     | Significant Unobservable Inputs | Range            |
|---------------------|---------------------------------|------------------|
| Land                | Price per square meter          | ₱1,400-₱11,700   |
| Buildings for lease | Price per square meter          | ₱22,000-₱117,000 |



Rental income and the directly related expense arising from these investment properties follow:

|                                    | 2025               | 2024        |
|------------------------------------|--------------------|-------------|
| Rental income (see Note 27)        | <b>₱5,387,432</b>  | ₱5,095,367  |
| Depreciation expense (see Note 24) | <b>(1,457,451)</b> | (1,382,387) |
|                                    | <b>₱3,929,981</b>  | ₱3,712,980  |

As at December 31, 2025 and 2024, no investment properties have been pledged as collateral or security for any of the Company's liabilities and the Company has no restriction on the realizability of its investment properties and no contractual obligation to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

## 16. Other Noncurrent Assets

|                         | 2025                | 2024         |
|-------------------------|---------------------|--------------|
| Restricted cash         | <b>₱302,604,243</b> | ₱284,450,077 |
| Refundable deposits     | <b>44,072,811</b>   | 42,924,440   |
| Investments in artworks | <b>9,454,000</b>    | 9,454,000    |
| Software costs          | <b>8,725,981</b>    | 20,608,554   |
| Guarantee deposits      | <b>2,162,420</b>    | 2,162,420    |
| Deferred input VAT      | <b>588,326</b>      | 2,876,013    |
| Others                  | <b>76,515</b>       | 76,515       |
|                         | <b>₱367,684,296</b> | ₱362,552,019 |

Restricted cash pertains to time deposits held under the custody of the courts and other regulatory bodies, such as the National Labor Relations Commission, serving as bonds or sureties for the Company's court appearances or commitments related to pending labor cases and litigation.

Refundable deposits pertain to the deposits made to various electric companies across the country.

Investment in artworks are paintings and other works of art usually displayed in the Company's hallways.

Software costs relate to software applications and website development costs, which provide an edge on the Company's online presence and other software issues.

The movements in software costs follows:

|                                            | 2025                | 2024         |
|--------------------------------------------|---------------------|--------------|
| Cost:                                      |                     |              |
| Balance at beginning of year               | <b>₱692,482,153</b> | ₱689,195,980 |
| Additions during the year                  | <b>5,358,683</b>    | 3,286,173    |
| Balance at end of year                     | <b>697,840,836</b>  | 692,482,153  |
| Accumulated amortization:                  |                     |              |
| Balance at beginning of year               | <b>671,873,599</b>  | 629,822,889  |
| Amortization during the year (see Note 24) | <b>17,241,256</b>   | 42,050,710   |
| Balance at end of year                     | <b>689,114,855</b>  | 671,873,599  |
|                                            | <b>₱8,725,981</b>   | ₱20,608,554  |

Guarantee deposits pertain to deposits to telephone companies as well as building/office rental deposits to be used for the Company's programs. Also included are deposits to the satellite providers.



Deferred input VAT pertains to the VAT on the Company's acquisitions of capital goods exceeding ₱1.00 million in any given month which are to be amortized over the 60 months or the life of the asset whichever is shorter.

## 17. Trade Payables and Other Current Liabilities

|                                      | 2025                  | 2024           |
|--------------------------------------|-----------------------|----------------|
| Payable to government agencies       | <b>₱880,968,590</b>   | ₱1,103,113,860 |
| Accrued expenses:                    |                       |                |
| Utilities and other accrued expenses | <b>418,539,337</b>    | 331,810,202    |
| Production costs                     | <b>290,036,054</b>    | 198,131,378    |
| Payroll and talent fees              | <b>126,575,964</b>    | 197,121,467    |
| Commissions                          | <b>80,646,611</b>     | 72,896,422     |
| Ploughback                           | <b>75,402,151</b>     | 92,459,988     |
| Trade:                               |                       |                |
| Suppliers                            | <b>681,061,341</b>    | 315,721,903    |
| Related parties (see Note 21)        | <b>145,482,854</b>    | 129,639,610    |
| Customers' deposits                  | <b>96,375,378</b>     | 79,309,129     |
| Contract liabilities                 | <b>50,821,133</b>     | 215,524,575    |
| Due to related parties (see Note 21) | <b>2,603,779</b>      | 3,002,128      |
| Others                               | <b>18,135,722</b>     | 26,301,812     |
|                                      | <b>₱2,866,648,914</b> | ₱2,765,032,474 |

Payable to government agencies is composed of the Company's statutory compensation-related contributions to government agencies and net VAT and withholding taxes payable to the Bureau of Internal Revenue (BIR). These payables are remitted within 30 days after reporting period.

Accrued expenses and other payables are noninterest-bearing and are generally settled within the next financial year.

Trade payables to suppliers are noninterest-bearing and are normally settled on terms ranging from seven to 60 days. The terms and conditions of trade payables to related parties are discussed in Note 21.

Customers' deposits include guaranty deposits from advertising agencies to secure payment of bills by advertisers. These deposits are noninterest-bearing and normally refunded once the related broadcasts are paid by the advertisers. It also includes deposits from the Company's lessees upon inception of the lease agreements.

Contract liabilities pertain to payments received before broadcast and before delivery of goods and services amounting to ₱50.82 million and ₱215.52 million as at December 31, 2025 and 2024, respectively. This account includes contract liabilities of ₱30.00 million resulting from airtime credits that have not been implemented resulting from the exchange of the Company's interests in X-Play in 2015 (see Note 11). Contract liabilities are recognized as revenue when the Company performs the obligation under the contract. Out of the contract liabilities outstanding as of December 31, 2024, ₱185.57 million was recognized as revenue for the year ended December 31, 2025.

Others include unpaid subscriptions and retention payables. These are noninterest-bearing and are normally settled within one year.



## 18. Short-term Loans

The Company obtained unsecured short-term peso loans from local banks in 2025 and 2024. Details and movements of the short-term loans are as follows:

|                              | 2025                   | 2024            |
|------------------------------|------------------------|-----------------|
| Balance at beginning of year | <b>₱3,700,000,000</b>  | ₱1,500,000,000  |
| Availments                   | <b>1,500,000,000</b>   | 4,000,000,000   |
| Payments                     | <b>(3,750,000,000)</b> | (1,800,000,000) |
| Balance at end of year       | <b>₱1,450,000,000</b>  | ₱3,700,000,000  |

The outstanding loans as at December 31, 2025 consist of fixed rate notes with the following details:

| Lender            | Annual Interest Rate | Terms                                         | Amount                |
|-------------------|----------------------|-----------------------------------------------|-----------------------|
| Banco De Oro      | 5.45%                | Availed in 2025;<br>payable in 280 – 310 days | ₱750,000,000          |
| Metropolitan Bank | 5.15% - 5.50%        | Availed in 2025;<br>payable in 210-240 days   | 700,000,000           |
|                   |                      |                                               | <b>₱1,450,000,000</b> |

The outstanding loans as at December 31, 2024 consist of fixed rate notes with the following details:

| Lender            | Annual Interest Rate | Terms                                         | Amount                |
|-------------------|----------------------|-----------------------------------------------|-----------------------|
| Metropolitan Bank | 5.87%                | Availed in 2024;<br>payable in 180 - 355 days | ₱2,000,000,000        |
| Banco De Oro      | 6.05% - 6.15%        | Availed in 2024;<br>payable in 300 - 359 days | 1,700,000,000         |
|                   |                      |                                               | <b>₱3,700,000,000</b> |

Interest expense amounted to ₱132.48 million and ₱174.69 million for peso denominated loans in 2025 and 2024, respectively.

## 19. Obligations for Program and Other Rights

Obligations for program and other rights represent liabilities to foreign and local film suppliers for program and other rights purchased by the Company. Outstanding unpaid balance as at December 31, 2025 and 2024 are as follows:

|                                                                | 2025                | 2024         |
|----------------------------------------------------------------|---------------------|--------------|
| Obligations for program and other rights                       | <b>₱688,561,554</b> | ₱583,054,562 |
| Less: Current portion                                          | <b>631,972,080</b>  | 583,054,562  |
| Noncurrent portion of obligations for program and other rights | <b>₱56,589,474</b>  | ₱—           |

Obligations for program and other rights are generally payable in equal monthly or quarterly installments.



## 20. Equity

### a. Capital Stock

Details of capital stock as at December 31, 2025 and 2024:

|                             | No. of Shares | Amount         |
|-----------------------------|---------------|----------------|
| Common - ₱1.00 par value    |               |                |
| Authorized                  | 5,000,000,000 | ₱5,000,000,000 |
| Subscribed and issued       | 3,364,692,000 | ₱3,364,692,000 |
| Preferred - ₱0.20 par value |               |                |
| Authorized                  | 7,500,000,000 | ₱1,500,000,000 |
| Subscribed and issued       | 7,500,000,000 | ₱1,500,000,000 |

The cumulative preferred shares are of equal rank, preference and priority and are identical in all respect regardless of series. Preferred shares are participating at the rate of one fifth (1/5) of the dividends paid to common shares, the rate of which is adjusted proportionately by the Company's BOD consequent to any stock split or stock dividend declaration affecting the common shares and preferred shares. Preferred shares are convertible at the option of the shareholders at the ratio of five preferred shares to one common share, based on par value.

Preferred shares enjoy priority over common shares in the distribution of assets of the Company in the event of dissolution and liquidation, at such rates, terms and conditions as the BOD may determine. Each preferred share is entitled to one vote and shall have the same voting rights as the common shares.

The Company's BOD may specify other terms and conditions, qualifications, restrictions and privileges of the preferred shares or series/classes thereof, insofar as such terms, conditions, qualifications, restrictions and privileges are not inconsistent with the articles of incorporation and any applicable law or regulation.

The following summarizes the information on the Company's registration of securities with the SEC, which was approved on June 20, 2007, as required by Revised Securities Regulation Code (SRC) Rule 68:

| Securities                                        | Authorized and issued shares | Issue/Offer Price |
|---------------------------------------------------|------------------------------|-------------------|
| Initial public offering                           | 91,346,000                   | ₱8.50             |
| Underlying common shares of PDRs                  | 945,432,000                  | 8.50              |
| Over-allotment common shares                      | 13,701,000                   | 8.50              |
| Common shares covering employee stock option plan | 57,000,000                   | 8.50              |

In prior years, the Company has acquired 750,000 PDRs issued by GMA Holdings, Inc. at acquisition cost of ₱5.79 million. In as much as each PDR share grants the holder, upon payment of the exercise price and subject to certain other conditions, the delivery of one (1) Company share or the sale and delivery of the proceeds of such sale of Company share, such PDRs held by the Company is being treated similar to a treasury shares.



On October 4, 2021, the Company's BOD approved to contribute its treasury common and preferred shares and PDRs to the Company's retirement plan. The contribution of the 3,645,000 treasury common shares and 492,816 treasury preferred shares was executed on December 31, 2021 at a transaction price of ₱13.90 per share and ₱2.77 per share, respectively. As the preferred shares are unlisted, the transaction price was based on the market price of the Company's listed common shares on the transaction date, with the value of the treasury preferred shares computed based on the ratio of 1:5 preferred shares to common shares. The contribution of the 750,000 PDRs was executed on December 20, 2021 at a transaction price of ₱13.02 per share, which resulted to additional paid-in capital amounted to ₱27.52 million.

The total number of shareholders is 1,619 and 1,622 as at December 31, 2025 and 2024, respectively.

b. Retained Earnings

The BOD of the Company approved the declaration of the following cash dividends:

| Year        | Declaration Date      | Record Date           | Cash Dividend<br>Per Share | Total Cash<br>Dividend Declared |
|-------------|-----------------------|-----------------------|----------------------------|---------------------------------|
| <b>2025</b> | <b>March 31, 2025</b> | <b>April 29, 2025</b> | <b>₱0.50</b>               | <b>₱2,432,346,000</b>           |
| 2024        | April 3, 2024         | April 24, 2024        | ₱0.60                      | ₱2,918,815,200                  |

The Company's outstanding dividends payable amounts to ₱39.51 million and ₱36.49 million as at December 31, 2025 and 2024, respectively.

On March 25, 2026, the Company's BOD approved the declaration and distribution of cash dividends amounting to ₱0.40 per share totaling ₱1,945.88 million to all stockholders of record as at April 20, 2026 and will be paid starting May 15, 2026.

## 21. Related Party Disclosures

Parties are considered to be related if one party has the ability, directly and indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individual or corporate entities.

Outstanding balances at year-end are unsecured and settlement occurs in cash throughout the financial year. There have been no guarantees provided or received for any related party receivables or payables.

For years ended December 31, 2025 and 2024, the Company has not recorded any impairment of receivables on amounts owed by the related parties. The assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

In the ordinary course of business, the Company transacts with subsidiaries, affiliate, joint venture and other related parties on advances, reimbursement of expenses, and future stock subscriptions.



The transactions and balances of accounts as at and for the years ended December 31, 2025 and 2024 with related parties are as follows:

| Related Party                                                     | Category                                     | Year | Amount/Volume of Transaction | Outstanding Receivable (Payable) | Terms and Conditions                                    |
|-------------------------------------------------------------------|----------------------------------------------|------|------------------------------|----------------------------------|---------------------------------------------------------|
| <b>Trade payables and other current liabilities</b> (see Note 17) |                                              |      |                              |                                  |                                                         |
| <b>Subsidiaries</b>                                               |                                              |      |                              |                                  |                                                         |
| GNMI                                                              | Technical support and website administration | 2025 | ₱339,906,248                 | (₱96,714,268)                    | 30-60 day noninterest-bearing; unsecured                |
|                                                                   |                                              | 2024 | 199,398,045                  | (89,201,551)                     |                                                         |
| Script2010                                                        | Production cost/service fees                 | 2025 | 135,822,512                  | (17,667,964)                     | On demand, noninterest-bearing; unsecured               |
|                                                                   |                                              | 2024 | 130,777,423                  | (16,603,280)                     |                                                         |
| Alta                                                              | Production cost/service fees                 | 2025 | 64,228,414                   | (13,043,848)                     | Noninterest-bearing; unsecured                          |
|                                                                   |                                              | 2024 | 87,025,238                   | (18,983,465)                     |                                                         |
| GNFI                                                              | Production cost                              | 2025 | 11,828,316                   | (11,828,316)                     | 30-day noninterest-bearing; unsecured                   |
|                                                                   |                                              | 2024 |                              |                                  |                                                         |
| GWI                                                               | Management fee and distribution expenses     | 2025 | —                            | (3,925,824)                      | 30-day noninterest-bearing; unsecured                   |
|                                                                   |                                              | 2024 | —                            | (3,925,824)                      |                                                         |
| GMA Music                                                         | Production cost/service fees                 | 2025 | 1,983,951                    | (2,302,634)                      | 30-60 day noninterest-bearing; unsecured                |
|                                                                   |                                              | 2024 | 6,984,844                    | (925,490)                        |                                                         |
|                                                                   |                                              | 2025 | ₱553,769,441                 | (₱145,482,854)                   |                                                         |
|                                                                   |                                              | 2024 | ₱424,185,550                 | (₱129,639,610)                   |                                                         |
| <b>Nontrade payables</b> (see Note 17)                            |                                              |      |                              |                                  |                                                         |
| <b>Subsidiaries</b>                                               |                                              |      |                              |                                  |                                                         |
| Script2010                                                        | Reimbursable charges                         | 2025 | ₱—                           | (₱2,480,219)                     | Noninterest-bearing; unsecured                          |
|                                                                   |                                              | 2024 | (601,732)                    | (2,480,219)                      |                                                         |
| RGMA                                                              | Reimbursable charges                         | 2025 | —                            | —                                | Noninterest-bearing; unsecured                          |
|                                                                   |                                              | 2024 | —                            | (247,116)                        |                                                         |
| GNMI                                                              | Reimbursable charges                         | 2025 | (123,561)                    | (123,561)                        | Noninterest-bearing; unsecured                          |
|                                                                   |                                              | 2024 | (274,793)                    | (274,793)                        |                                                         |
|                                                                   |                                              | 2025 | (₱123,561)                   | (₱2,603,779)                     |                                                         |
|                                                                   |                                              | 2024 | (₱876,525)                   | (₱3,002,128)                     |                                                         |
| <b>Other related parties</b>                                      |                                              |      |                              |                                  |                                                         |
| Belo, Gozon, Elma Legal, Consulting fee and others                |                                              | 2025 | ₱21,208,856                  | ₱—                               | On demand, noninterest-bearing; unsecured               |
| Law                                                               |                                              | 2024 | 11,774,318                   | —                                |                                                         |
| GMA Kapuso Foundation                                             | Donations                                    | 2025 | 1,698,400                    | —                                | On demand, noninterest-bearing; unsecured               |
|                                                                   |                                              | 2024 | 1,769,617                    | —                                |                                                         |
|                                                                   |                                              | 2025 | ₱22,907,256                  | ₱—                               |                                                         |
|                                                                   |                                              | 2024 | ₱13,543,935                  | ₱—                               |                                                         |
| <b>Other trade receivables</b> (see Note 7)                       |                                              |      |                              |                                  |                                                         |
| <b>Subsidiaries</b>                                               |                                              |      |                              |                                  |                                                         |
| GNMI                                                              | Online advertising                           | 2025 | ₱214,778,777                 | ₱50,674,842                      | 30-60 day; noninterest-bearing; unsecured; not impaired |
|                                                                   |                                              | 2024 | 405,511,375                  | 140,689,725                      |                                                         |
| GMA Music                                                         | Sale of Affordabox and Now                   | 2025 | 18,453,600                   | 5,743,314                        | 30-60 day; noninterest-bearing; unsecured; not impaired |
|                                                                   |                                              | 2024 | 13,474,945                   | 5,784,514                        |                                                         |
| GNFI                                                              | Commission of Artist Center from Movies      | 2025 | 3,417,244                    | —                                | 30-60 day; noninterest-bearing; unsecured; not impaired |
|                                                                   |                                              | 2024 | 746,522                      | 746,522                          |                                                         |
|                                                                   |                                              | 2025 | ₱236,649,621                 | ₱56,418,156                      |                                                         |
|                                                                   |                                              | 2024 | ₱419,732,842                 | ₱147,220,761                     |                                                         |
| <b>Nontrade receivables</b> (see Note 7)                          |                                              |      |                              |                                  |                                                         |
| <b>Subsidiaries</b>                                               |                                              |      |                              |                                  |                                                         |
| GNFI                                                              | Reimbursable charges                         | 2025 | ₱8,000,000                   | ₱42,556,499                      | On-demand, noninterest-bearing; unsecured; not impaired |
|                                                                   |                                              | 2024 | 102,806,398                  | 144,158,380                      |                                                         |
| Script2010                                                        | Reimbursable charges                         | 2025 | 127,959                      | 31,527,687                       | On-demand, noninterest-bearing; unsecured; not impaired |
|                                                                   |                                              | 2024 | 2,527,535                    | 31,399,728                       |                                                         |

(Forward)



| Related Party                                  | Category             | Year | Amount/Volume of Transaction | Outstanding Receivable (Payable) | Terms and Conditions                                      |
|------------------------------------------------|----------------------|------|------------------------------|----------------------------------|-----------------------------------------------------------|
| GNMI                                           | Reimbursable charges | 2025 | ₱–                           | ₱2,500,000                       | On-demand, noninterest-bearing; unsecured; not impaired   |
|                                                |                      | 2024 | 3,634                        | 2,504,834                        |                                                           |
| GMA Music                                      | Reimbursable charges | 2025 | 349,913                      | 19,424                           | On-demand, noninterest-bearing; unsecured; not impaired   |
|                                                |                      | 2024 | 305,908                      | 449,317                          |                                                           |
| RGMA                                           | Reimbursable charges | 2025 | –                            | –                                | On-demand, noninterest-bearing; unsecured; not impaired   |
|                                                |                      | 2024 | –                            | 81,513                           |                                                           |
| <b>Other related parties</b>                   |                      |      |                              |                                  |                                                           |
| GMA Kapuso Foundation                          | Reimbursable charges | 2025 | 1,376,770                    | 1,376,770                        | On demand, noninterest-bearing; unsecured; not impaired   |
|                                                |                      | 2024 | 1,427,856                    | 1,427,856                        |                                                           |
|                                                |                      | 2025 | ₱9,854,642                   | ₱77,980,380                      |                                                           |
|                                                |                      | 2024 | ₱107,071,331                 | ₱180,021,628                     |                                                           |
| <b>Other nontrade receivables</b> (see Note 7) |                      |      |                              |                                  |                                                           |
| <b>Subsidiaries</b>                            |                      |      |                              |                                  |                                                           |
| GNMI                                           | Dividend income      | 2025 | ₱65,000,000                  | ₱46,700,000                      | On-demand, noninterest-bearing; unsecured; not impaired   |
|                                                |                      | 2024 | 114,000,000                  | 51,700,000                       |                                                           |
| Alta                                           | Dividend income      | 2025 | –                            | 9,000,000                        | On-demand, noninterest-bearing; unsecured; not impaired   |
|                                                |                      | 2024 | 11,000,000                   | 11,000,000                       |                                                           |
| GMA Music                                      | Dividend income      | 2025 | 3,700,000                    | –                                | –                                                         |
|                                                |                      | 2024 | 6,900,000                    | –                                |                                                           |
| Citynet                                        | Dividend income      | 2025 | –                            | 2,000,000                        | On-demand, noninterest-bearing; unsecured; not impaired   |
|                                                |                      | 2024 | –                            | 4,000,000                        |                                                           |
| GNFI                                           | Dividend income      | 2025 | 42,000,000                   | –                                | On-demand, noninterest-bearing; unsecured; not impaired   |
|                                                |                      | 2024 | –                            | –                                |                                                           |
|                                                |                      | 2025 | ₱110,700,000                 | ₱57,700,000                      |                                                           |
|                                                |                      | 2024 | ₱131,900,000                 | ₱66,700,000                      |                                                           |
| <b>Advances to investees</b> (see Note 12)     |                      |      |                              |                                  |                                                           |
| <b>Subsidiaries</b>                            |                      |      |                              |                                  |                                                           |
| Citynet                                        | Advances             | 2025 | ₱–                           | ₱118,934,402                     | 60-day noninterest-bearing; fully impaired                |
|                                                |                      | 2024 | –                            | 118,934,402                      |                                                           |
| GNFI                                           | Advances             | 2025 | –                            | 25,761,314                       | On-demand, noninterest-bearing; unsecured; not impaired   |
|                                                |                      | 2024 | –                            | 44,511,314                       |                                                           |
| Scenarios                                      | Advances             | 2025 | –                            | 1,014,090                        | On-demand, noninterest-bearing; unsecured; not impaired   |
|                                                |                      | 2024 | –                            | 1,014,090                        |                                                           |
| <b>Associate</b>                               |                      |      |                              |                                  |                                                           |
| Mont-aire                                      | Advances             | 2025 | 1,060,116                    | 107,227,089                      | On-demand, noninterest-bearing; unsecured; not impaired   |
|                                                |                      | 2024 | 5,727,679                    | 106,166,972                      |                                                           |
| <b>Joint venture</b>                           |                      |      |                              |                                  |                                                           |
| INQ7                                           | Advances             | 2025 | –                            | 11,544,000                       | On-demand, noninterest-bearing; unsecured; fully impaired |
|                                                |                      | 2024 | –                            | 11,544,000                       |                                                           |
|                                                |                      |      | ₱1,060,116                   | ₱264,480,895                     |                                                           |
|                                                |                      |      | –                            | (131,492,492)                    |                                                           |
|                                                |                      |      | ₱1,060,116                   | ₱132,988,403                     |                                                           |
|                                                |                      |      | ₱5,727,679                   | ₱282,170,778                     |                                                           |
|                                                |                      |      | –                            | (176,003,805)                    |                                                           |
|                                                |                      |      | ₱5,727,679                   | ₱106,166,973                     |                                                           |



The following table provides the summary of outstanding balances, before any allowance for impairment, for the years ended December 31, 2025 and 2024 in relation with the table above for the transactions that have been entered into with related parties:

|                                                               | 2025                | 2024         |
|---------------------------------------------------------------|---------------------|--------------|
| Advances to investees (see Note 12)                           | <b>₱264,480,895</b> | ₱282,170,779 |
| Trade payables and other current liabilities<br>(see Note 17) | <b>145,482,854</b>  | 129,639,610  |
| Nontrade receivables (see Note 7)                             | <b>77,980,380</b>   | 180,021,628  |
| Other nontrade receivables (see Note 7)                       | <b>57,700,000</b>   | 66,700,000   |
| Other trade receivables (see Note 7)                          | <b>56,418,156</b>   | 147,220,761  |
| Nontrade payables (see Note 17)                               | <b>2,603,779</b>    | 3,002,128    |

The advances made by the Company to Mont-Aire in previous years are intended for future capital subscription.

Accumulated impairment loss on advances amounted to ₱131.49 million and ₱176.00 million as at December 31, 2025 and 2024, respectively.

#### Compensation of Key Management Personnel

The compensation of key management personnel of the Company, by benefit type, are as follows:

|                                                     | 2025                | 2024         |
|-----------------------------------------------------|---------------------|--------------|
| Salaries and other long-term benefits (see Note 24) | <b>₱677,899,486</b> | ₱686,602,322 |
| Pension benefits (see Notes 24 and 25)              | <b>256,402,179</b>  | 202,409,512  |
|                                                     | <b>₱934,301,665</b> | ₱889,011,834 |

Pension costs under OCI amounted to ₱1,402.07 million and ₱5.77 million as at December 31, 2025 and 2024, respectively.

#### Equity Investments of the Retirement Fund

The Company's retirement fund includes equity investments in GMA Network, Inc. and GMA PDRs amounting to ₱481.31 million and ₱6.23 million in 2025, respectively, and ₱517.67 million and ₱6.23 million in 2024, respectively (see Note 26).



## 22. Revenues

Set out below is the disaggregation of the Company's revenues from contract with customers for the year ended December 31:

|                                                    | 2025                   | 2024            |
|----------------------------------------------------|------------------------|-----------------|
| <b>Revenue source:</b>                             |                        |                 |
| Sale of service                                    |                        |                 |
| Advertising revenue                                | <b>₱14,565,036,013</b> | ₱14,542,061,935 |
| Digital revenue                                    | <b>1,623,481,524</b>   | 1,475,570,111   |
| Subscription revenue (see Note 28)                 | <b>640,745,981</b>     | 677,243,995     |
| Production revenue                                 | <b>524,036,720</b>     | 173,409,509     |
| Revenue from distribution and content provisioning | <b>93,072,634</b>      | 114,689,684     |
| Sale of goods                                      | <b>84,559,108</b>      | 194,488,558     |
| <b>Total revenue from contracts with customers</b> | <b>₱17,530,931,980</b> | ₱17,177,463,792 |
| <b>Geographical markets</b>                        |                        |                 |
| Local                                              | <b>₱16,864,423,853</b> | ₱16,448,040,572 |
| International                                      | <b>666,508,127</b>     | 729,423,220     |
| <b>Total revenue from contracts with customers</b> | <b>₱17,530,931,980</b> | ₱17,177,463,792 |
| <b>Timing of revenue recognition</b>               |                        |                 |
| Goods/services transferred at a point in time      | <b>₱16,890,185,999</b> | ₱16,500,219,797 |
| Services transferred over time                     | <b>640,745,981</b>     | 677,243,995     |
| <b>Total revenue from contracts with customers</b> | <b>₱17,530,931,980</b> | ₱17,177,463,792 |

## 23. Production Costs

|                                                          | 2025                  | 2024           |
|----------------------------------------------------------|-----------------------|----------------|
| Talent fees and production personnel costs (see Note 25) | <b>₱4,243,055,721</b> | ₱4,329,585,566 |
| Program and other rights usage (see Note 8)              | <b>1,355,729,310</b>  | 1,372,827,196  |
| Facilities and production services                       | <b>1,124,708,042</b>  | 606,135,967    |
| Rental (see Note 28)                                     | <b>623,101,633</b>    | 639,127,197    |
| Depreciation (see Note 13)                               | <b>606,993,223</b>    | 601,916,382    |
| Tapes, sets and production supplies                      | <b>422,077,808</b>    | 364,575,461    |
| Transportation and communication                         | <b>106,818,803</b>    | 121,751,412    |
|                                                          | <b>₱8,482,484,540</b> | ₱8,035,919,181 |



## 24. General and Administrative Expenses

|                                                         | 2025                  | 2024           |
|---------------------------------------------------------|-----------------------|----------------|
| Personnel costs (see Note 25)                           | <b>₱3,891,596,337</b> | ₱3,662,279,186 |
| Professional fees                                       | <b>437,522,210</b>    | 385,561,490    |
| Communication, light and water                          | <b>347,553,002</b>    | 376,325,069    |
| Depreciation (see Notes 13, 15 and 28)                  | <b>226,078,354</b>    | 242,789,642    |
| Taxes and licenses                                      | <b>215,474,779</b>    | 280,194,535    |
| Repairs and maintenance                                 | <b>211,712,275</b>    | 287,375,429    |
| Software maintenance                                    | <b>175,482,041</b>    | 170,938,622    |
| Advertising                                             | <b>143,967,165</b>    | 161,234,829    |
| Research and surveys                                    | <b>124,677,510</b>    | 118,603,031    |
| Provision for doubtful accounts                         | <b>100,000,000</b>    | —              |
| Security services                                       | <b>87,079,528</b>     | 88,303,002     |
| Dues and subscription                                   | <b>57,018,365</b>     | 54,877,424     |
| Facilities related expenses                             | <b>47,293,703</b>     | 57,866,804     |
| Marketing expense                                       | <b>45,297,600</b>     | 46,965,465     |
| Transportation and travel                               | <b>36,284,551</b>     | 42,628,321     |
| Insurance                                               | <b>35,010,340</b>     | 37,835,882     |
| Amortization of software costs (see Note 16)            | <b>17,241,256</b>     | 42,050,710     |
| Provision for impairment of investment<br>(see Note 12) | <b>16,190,428</b>     | —              |
| Rental (see Note 28)                                    | <b>10,443,902</b>     | 15,033,107     |
| Materials and supplies                                  | <b>9,237,207</b>      | 10,389,909     |
| Entertainment, amusement and recreation                 | <b>8,342,613</b>      | 9,890,602      |
| Others                                                  | <b>344,254,375</b>    | 346,657,915    |
|                                                         | <b>₱6,587,757,541</b> | ₱6,437,800,974 |

Others include expenses incurred for other manpower, janitorial and messengerial services, freight charges, donations and other miscellaneous expenses.

### Depreciation

|                                              | 2025                | 2024         |
|----------------------------------------------|---------------------|--------------|
| Property and equipment (see Notes 13 and 23) |                     |              |
| Production costs                             | <b>₱582,363,778</b> | ₱583,364,450 |
| General and administrative expenses          | <b>224,620,903</b>  | 232,064,675  |
|                                              | <b>806,984,681</b>  | 815,429,125  |
| Right-of-use assets (see Notes 23 and 28)    |                     |              |
| Production costs                             | <b>24,629,445</b>   | 18,551,932   |
| General and administrative expenses          | —                   | 9,342,580    |
| Investment properties (see Note 15)          |                     |              |
| General and administrative expenses          | <b>1,457,451</b>    | 1,382,387    |
|                                              | <b>₱833,071,577</b> | ₱844,706,024 |



## 25. Personnel Costs

|                                  | 2025                  | 2024           |
|----------------------------------|-----------------------|----------------|
| Talent fees                      | <b>₱3,982,723,140</b> | ₱4,081,103,983 |
| Salaries and wages               | <b>2,109,245,814</b>  | 2,057,480,209  |
| Employee benefits and allowances | <b>1,113,110,278</b>  | 1,002,754,696  |
| Pension expense (see Note 26)    | <b>707,191,839</b>    | 651,492,481    |
| Sick and vacation leaves expense | <b>222,380,987</b>    | 199,033,383    |
|                                  | <b>₱8,134,652,058</b> | ₱7,991,864,752 |

The above amounts were distributed as follows:

|                                                   | 2025                  | 2024           |
|---------------------------------------------------|-----------------------|----------------|
| Production costs (see Note 23)                    | <b>₱4,243,055,721</b> | ₱4,329,585,566 |
| General and administrative expenses (see Note 24) | <b>3,891,596,337</b>  | 3,662,279,186  |
|                                                   | <b>₱8,134,652,058</b> | ₱7,991,864,752 |

## 26. Pension and Other Long-term Employee Benefits

As at December 31, pension and other employee benefits consist of:

|                                 | 2025                  | 2024           |
|---------------------------------|-----------------------|----------------|
| Pension liability               | <b>₱5,985,555,163</b> | ₱4,654,463,106 |
| Vacation and sick leave accrual | <b>319,460,684</b>    | 277,460,684    |
|                                 | <b>₱6,305,015,847</b> | ₱4,931,923,790 |

### Pension Benefits

The Company has non-contributory defined benefit retirement plan. The Company's latest actuarial valuation report is as at December 31, 2025.

Pension benefits recognized in the parent company statements of comprehensive income are as follows (see Notes 24 and 25):

|                      | 2025                | 2024         |
|----------------------|---------------------|--------------|
| Current service cost | <b>₱437,230,017</b> | ₱373,441,047 |
| Net interest cost    | <b>269,961,822</b>  | 278,051,434  |
|                      | <b>₱707,191,839</b> | ₱651,492,481 |

Net pension liability recognized in the parent company statements of financial position is as follows:

|                                             | 2025                  | 2024           |
|---------------------------------------------|-----------------------|----------------|
| Present value of defined benefit obligation | <b>₱7,623,215,526</b> | ₱5,860,457,246 |
| Fair value of plan assets                   | <b>1,637,660,363</b>  | 1,205,994,140  |
|                                             | <b>₱5,985,555,163</b> | ₱4,654,463,106 |



The changes in the present value of the defined benefit obligation are as follows:

|                                    | 2025                  | 2024            |
|------------------------------------|-----------------------|-----------------|
| Balance at beginning of year       | <b>₱5,860,457,246</b> | ₱6,338,044,815  |
| Interest cost                      | <b>355,729,755</b>    | 384,719,320     |
| Current service cost               | <b>437,230,017</b>    | 373,441,047     |
| Benefits paid:                     |                       |                 |
| from plan assets                   | <b>(386,026,727)</b>  | (1,128,381,318) |
| from Company's own funds           | <b>(59,488,155)</b>   | (107,366,618)   |
| Remeasurement loss (gain):         |                       |                 |
| Changes in financial assumptions   | <b>(103,381,076)</b>  | —               |
| Changes in demographic assumptions | <b>220,008,707</b>    | —               |
| Experience adjustment              | <b>1,298,685,759</b>  | —               |
| Balance at end of year             | <b>₱7,623,215,526</b> | ₱5,860,457,246  |

The changes in the fair value of plan assets are as follows:

|                                            | 2025                  | 2024            |
|--------------------------------------------|-----------------------|-----------------|
| Balance at beginning of year               | <b>₱1,205,994,140</b> | ₱1,207,748,332  |
| Contribution during the year               | <b>726,000,000</b>    | 670,421,297     |
| Remeasurement loss - return on plan assets | <b>5,925,017</b>      | 349,537,943     |
| Interest income                            | <b>85,767,933</b>     | 106,667,886     |
| Benefits paid                              | <b>(386,026,727)</b>  | (1,128,381,318) |
| Balance at end of year                     | <b>₱1,637,660,363</b> | ₱1,205,994,140  |

Remeasurement gain (loss) on retirement plans amounting to (₱1,057.04 million) and ₱262.15 million in 2025 and 2024 respectively, is reported under the parent company statement of comprehensive income, net of deferred tax.

At each reporting period, the Company determines its contribution based on the performance of its retirement fund. The Company expects to contribute ₱1,000.00 million to the fund in 2026.

The funds are managed and supervised by Trustee banks for the benefit of the plan members. However, the general administration of the funds is vested in a Retirement Committee.

The following table presents the carrying amounts and estimated fair values of the plan assets:

|                                                   | 2025                          | 2024                          |
|---------------------------------------------------|-------------------------------|-------------------------------|
|                                                   | Carrying Value/<br>Fair Value | Carrying Value/<br>Fair Value |
| Cash and cash equivalents                         | <b>₱13,101,283</b>            | ₱50,373,320                   |
| Equity instruments (see Note 21):                 |                               |                               |
| GMA Network, Inc.                                 | <b>481,306,490</b>            | 517,671,188                   |
| GMA PDRs                                          | <b>6,225,000</b>              | 6,225,000                     |
| Debt instruments:                                 |                               |                               |
| Government securities                             | <b>345,546,337</b>            | 98,007,432                    |
| Investment in Unit Investment Trust Funds (UITFs) | <b>309,190,277</b>            | 241,406,587                   |
| Others                                            | <b>482,290,976</b>            | 292,310,613                   |
|                                                   | <b>₱1,637,660,363</b>         | ₱1,205,994,140                |



The plan assets consist of the following:

- Cash and cash equivalents consist of regular savings and time deposits.
- Investments in equity instruments consist of listed shares of GMA Network, Inc. and GMA PDRs (see Note 21). Changes in the fair market value of these investments resulted in a loss of ₱70.33 million and ₱517.67 million in 2025 and 2024, respectively.
- Investments in debt instruments bear interest ranging from 4.8% to 6.8% and have maturities from May 2027 to April 2032. Equity and debt instruments held have quoted prices in active market.
- Investment in UITFs are measured at their net asset value per unit.
- Others consist of loans and receivables which are collectible within the next twelve months.

The person who exercises voting rights over shares is within the powers of the Trustee, who do not have any relationship with the directors or officers of the Company.

The plan assets are primarily exposed to financial risks such as liquidity risk and price risk.

Liquidity risk pertains to the plan's ability to meet its obligation to the employees upon retirement. To effectively manage liquidity risk, the Board of Trustees invests at least the equivalent amount of actuarially computed expected compulsory retirement benefit payments for the year to liquid/semi-liquid assets such as treasury notes, treasury bills, and savings and time deposits with commercial banks.

The Company performs an Asset-Liability Matching Study (ALM) annually. The principal technique of the Company's ALM in order to minimize the portfolio liquidation risk is to ensure the expected return on assets will be sufficient to support the desired level of funding arising from the defined benefit plans.

Price risk pertains mainly to fluctuations in market prices of equity securities listed in the Philippine Stock Exchange. In order to effectively manage price risk, the Board of Trustees continuously assesses these risks by closely monitoring the market value of the securities and implementing prudent investment strategies.

However, in the event a benefit claim arises under the retirement plan and the retirement fund is not sufficient to pay the benefit, the unfunded portion of the claim shall immediately be due and payable to the retirement fund from the Company.

The principal assumptions used in determining pension liability for the Company's plans are shown below:

|                                  | 2025   | 2024   |
|----------------------------------|--------|--------|
| Discount rate                    | 6.27%  | 6.07%  |
| Expected rate of salary increase | 4.00%  | 4.00%  |
| Turn-over rates                  |        |        |
| 19-24 years old                  | 14.63% | 16.84% |
| 25-29 years old                  | 10.50% | 15.96% |
| 30-34 years old                  | 8.68%  | 10.62% |
| 35-39 years old                  | 7.03%  | 8.02%  |
| 40-44 years old                  | 2.42%  | 4.66%  |
| ≥45 years old                    | 4.50%  | 6.16%  |



The sensitivity analysis below has been determined by remeasuring the defined benefit obligation at the reporting period after first adjusting one of the current assumption that were reasonably possible at the valuation date while all other assumptions remained unchanged. It should be noted that the changes assumed to be reasonably possible at the valuation date are open to subjectivity, and do not consider more complex scenarios in which changes other than those assumed may be deemed to be more reasonable.

|                                  | Increase (Decrease)<br>in Basis Points | Increase (Decrease) in Defined<br>Benefit Obligation |                |
|----------------------------------|----------------------------------------|------------------------------------------------------|----------------|
|                                  |                                        | 2025                                                 | 2024           |
| Discount rate                    | 50                                     | (P247,838,048)                                       | (P217,786,115) |
|                                  | (50)                                   | 263,245,266                                          | 236,761,345    |
| Expected rate of salary increase | 50                                     | 267,843,865                                          | 231,323,432    |
|                                  | (50)                                   | (254,270,241)                                        | (263,635,997)  |

Shown below is the maturity analysis of the undiscounted benefit payments as at December 31, 2025 and 2024:

|                               | 2025           | 2024          |
|-------------------------------|----------------|---------------|
| Less than one year            | P1,946,931,863 | P510,190,684  |
| More than 1 year to 3 years   | 944,450,992    | 774,974,962   |
| More than 3 years to 5 years  | 1,508,937,719  | 924,157,092   |
| More than 5 years to 10 years | 4,586,683,490  | 4,010,178,525 |

#### Other Long-Term Employee Benefits

Other long-term employee benefits consist of accumulated and unexpired employee sick and vacation leave entitlements amounting to P319.46 million and P277.46 million as at December 31, 2025 and 2024, respectively. Expense related to cash conversion of leaves, included under personnel cost in the statements of comprehensive income, amounted to P171.07 million and P163.07 million in 2025 and 2024, respectively (see Note 25).

#### **27. Others - Net**

|                                                                   | 2025                | 2024                |
|-------------------------------------------------------------------|---------------------|---------------------|
| Commission from Artists                                           | P305,037,764        | P187,052,396        |
| Reversal of impairment on advances to subsidiary<br>(see Note 12) | 44,511,314          | —                   |
| Net gain on sale of property and equipment<br>(see Note 13)       | 38,311,900          | 13,935,229          |
| Derecognition of dismantling costs (see Note 28)                  | 25,928,479          | —                   |
| Merchandising license fees and others                             | 25,460,493          | 17,348,419          |
| Rental income (see Notes 13, 15 and 28)                           | 7,791,876           | 7,153,302           |
| Music royalty                                                     | 4,703,512           | 4,500,000           |
| Gain (loss) on retirement/cancellation of lease<br>(see Note 28)  | (3,862,130)         | 5,289,043           |
| Bank charges                                                      | (812,739)           | (1,307,073)         |
|                                                                   | <b>P447,070,469</b> | <b>P233,971,316</b> |



Merchandising license fees and others include income from mall shows, sale of DVDs and integrated receiver-decoders and income from events. Music royalty represents the remittance received from Filipino Society of Composers, Authors and Publishers (FILSCAP) for the use of the Company's music rights.

## 28. Agreements

### Lease Agreements

*Company as a Lessee.* The Company entered into various lease agreements for land, building and studio spaces that it presently occupies and uses for periods ranging from two to 25 years. The lease agreements can be renewed subject to mutual agreement. Most of the lease agreements can be terminated at the option of the Company.

The Company also has certain leases with lease terms of 12 months or less. The Company applies the "short-term lease" recognition exemptions for these leases.

The rollforward analysis of right-of-use assets follows:

|                                    | 2025                  |                               |                        |
|------------------------------------|-----------------------|-------------------------------|------------------------|
|                                    | Right-of-use:<br>Land | Right-of-use:<br>Office Space | Right-of-use:<br>Total |
| Cost                               |                       |                               |                        |
| Balance at beginning of year       | ₱146,081,504          | ₱94,093,352                   | ₱240,174,856           |
| Additions                          | 16,085,944            | 25,762,537                    | 41,848,481             |
| Retirement of lease                | (44,793,403)          | (47,335,458)                  | (92,128,861)           |
| Balance at end of year             | 117,374,045           | 72,520,431                    | 189,894,476            |
| Accumulated Depreciation           |                       |                               |                        |
| Balance at beginning of year       | 70,180,963            | 78,986,134                    | 149,167,097            |
| Depreciation (see Notes 23 and 24) | 9,146,151             | 15,483,294                    | 24,629,445             |
| Retirement of lease                | (38,448,576)          | (49,818,155)                  | (88,266,731)           |
| Balance at end of year             | 40,878,538            | 44,651,273                    | 85,529,811             |
| Net Book Value                     | ₱76,495,507           | ₱27,869,158                   | ₱104,364,665           |

|                                    | 2024                  |                               |                        |
|------------------------------------|-----------------------|-------------------------------|------------------------|
|                                    | Right-of-use:<br>Land | Right-of-use:<br>Office Space | Right-of-use:<br>Total |
| Cost                               |                       |                               |                        |
| Balance at beginning of year       | ₱193,021,244          | ₱85,568,107                   | ₱278,589,351           |
| Additions                          | —                     | 8,525,245                     | 8,525,245              |
| Cancellation of lease              | (46,939,740)          | —                             | (46,939,740)           |
| Balance at end of year             | 146,081,504           | 94,093,352                    | 240,174,856            |
| Accumulated Depreciation           |                       |                               |                        |
| Balance at beginning of year       | 74,471,583            | 64,005,513                    | 138,477,096            |
| Depreciation (see Notes 23 and 24) | 12,913,891            | 14,980,621                    | 27,894,512             |
| Cancellation of lease              | (17,204,511)          | —                             | (17,204,511)           |
| Balance at end of year             | 70,180,963            | 78,986,134                    | 149,167,097            |
| Net Book Value                     | ₱75,900,541           | ₱15,107,218                   | ₱91,007,759            |



The rollforward analysis of lease liabilities follows:

|                              | 2025                | 2024         |
|------------------------------|---------------------|--------------|
| Balance at beginning of year | <b>₱115,237,524</b> | ₱155,956,336 |
| Additions                    | <b>41,848,481</b>   | 8,525,245    |
| Accretion of interest        | <b>7,634,856</b>    | 8,479,737    |
| Cancellation of lease        | —                   | (35,024,272) |
| Payments                     | <b>(35,915,892)</b> | (22,699,522) |
| Balance at end of year       | <b>₱128,804,969</b> | ₱115,237,524 |

The rollforward analysis of dismantling provision follows:

|                                    | 2025                | 2024        |
|------------------------------------|---------------------|-------------|
| Balance at beginning of year       | <b>₱52,557,654</b>  | ₱50,872,484 |
| Accretion of interest              | <b>2,512,481</b>    | 1,685,170   |
| Derecognition of dismantling costs | <b>(25,928,479)</b> | —           |
| Balance at end of year             | <b>₱29,141,656</b>  | ₱52,557,654 |

The following are the amounts recognized in the parent company statement of comprehensive income:

|                                                                                                         | 2025                | 2024         |
|---------------------------------------------------------------------------------------------------------|---------------------|--------------|
| Expense relating to short-term leases (included in “Production costs”) (see Note 23)                    | <b>₱623,101,633</b> | ₱639,127,197 |
| Depreciation expense of right-of-use assets (see Notes 23 and 24)                                       | <b>24,629,445</b>   | 27,894,512   |
| Expense relating to short-term leases (included in “General and administrative expenses”) (see Note 24) | <b>10,443,902</b>   | 15,033,107   |
| Interest expense on lease liabilities                                                                   | <b>7,634,856</b>    | 8,479,737    |
| Loss (gain) on retirement/cancellation of lease (see Note 27)                                           | <b>3,862,131</b>    | (5,289,043)  |
| Interest expense on dismantling provision                                                               | <b>2,512,481</b>    | 1,685,170    |

Shown below is the maturity analysis of the undiscounted lease payments:

|                              | 2025               | 2024        |
|------------------------------|--------------------|-------------|
| 1 year                       | <b>₱16,586,033</b> | ₱31,349,157 |
| more than 1 year to 2 years  | <b>17,483,333</b>  | 59,392,807  |
| more than 2 years to 3 years | <b>16,388,855</b>  | 21,214,438  |
| more than 3 years to 4 years | <b>12,780,742</b>  | 19,897,082  |
| More than 5 years            | <b>79,098,407</b>  | 96,836,889  |

Total rental expense on short-term leases amounted ₱633.55 million and ₱654.16 million in 2025 and 2024, respectively (see Notes 23 and 24).

*Company as Lessor.* The Company leases out certain properties for a period of one year, renewable annually. The leased-out properties include investment properties and broadcasting equipment.

Total rental income amounted to ₱7.79 million and ₱7.15 million in 2025 and 2024, respectively (see Note 27).



### Subscription Agreements

The Company entered into various subscription agreements with international cable providers for the airing of its programs and shows abroad. The agreements generally have terms of three to five years and are based on certain agreed service package rates.

Total subscription income amounted to ₱640.75 million and ₱677.24 million in 2025 and 2024, respectively (see Note 22).

## 29. **Income Taxes**

### Current Income Tax

The current income tax consists of the following:

|                | 2025                | 2024         |
|----------------|---------------------|--------------|
| Current - RCIT | <b>₱680,851,906</b> | ₱585,682,239 |
| Deferred       | <b>5,552,634</b>    | 68,383,969   |
|                | <b>₱686,404,540</b> | ₱654,066,208 |

The reconciliation between the statutory income tax rate and effective income tax rates on income before income tax is shown below:

|                                                      | 2025           | 2024    |
|------------------------------------------------------|----------------|---------|
| Statutory income tax                                 | <b>25.00%</b>  | 25.00%  |
| Additions (deductions) in income tax resulting from: |                |         |
| Dividend income from investments                     | <b>(0.97%)</b> | (1.23%) |
| Nondeductible tax deficiency payments                | <b>0.16%</b>   | 0.71%   |
| Interest income already subjected to final tax       | <b>(0.16%)</b> | (0.07%) |
| Nondeductible interest expense                       | <b>0.04%</b>   | 0.02%   |
| Others – net                                         | <b>(0.04%)</b> | (0.04%) |
| Effective income tax                                 | <b>24.03%</b>  | 24.39%  |

### Deferred Taxes

The components of the Company's net deferred tax assets are as follows:

|                                                      | 2025                   | 2024            |
|------------------------------------------------------|------------------------|-----------------|
| Deferred tax assets:                                 |                        |                 |
| Pension liability                                    | <b>₱1,438,256,408</b>  | ₱1,105,483,394  |
| Allowance for ECL                                    | <b>233,335,218</b>     | 208,335,218     |
| Other long-term employee benefits                    | <b>73,212,217</b>      | 62,712,217      |
| Allowance for impairment of investments and advances | <b>35,940,938</b>      | 43,021,160      |
| Lease liabilities                                    | <b>32,201,242</b>      | 28,809,381      |
| Unrealized loss on financial assets at FVOCI         | <b>11,286,146</b>      | 12,193,041      |
| Dismantling provision                                | <b>7,285,414</b>       | 13,139,414      |
|                                                      | <b>1,831,517,583</b>   | 1,473,693,825   |
| Deferred tax liabilities:                            |                        |                 |
| Revaluation increment in land                        | <b>(2,216,577,099)</b> | (2,071,813,970) |
| Right-of-use assets                                  | <b>(26,091,167)</b>    | (22,751,940)    |
| Unrealized foreign exchange gain                     | <b>(9,681,395)</b>     | (1,084,426)     |
|                                                      | <b>(2,252,349,661)</b> | (2,095,650,336) |
| Deferred tax liabilities – net                       | <b>(₱420,832,078)</b>  | (₱621,956,511)  |



The components of net deferred tax liabilities pertaining to accounts presented under equity in the parent company statements of financial position are as follows:

|                                              | 2025                    | 2024             |
|----------------------------------------------|-------------------------|------------------|
| Deferred tax assets:                         |                         |                  |
| Remeasurement loss on retirement plan        | <b>₱978,843,756</b>     | ₱626,496,663     |
| Unrealized loss on financial assets at FVOCI | <b>11,286,146</b>       | 12,193,041       |
|                                              | <b>990,129,902</b>      | 638,689,704      |
| Deferred tax liability -                     |                         |                  |
| Revaluation increment in land                | <b>(2,216,577,099)</b>  | (2,071,813,970)  |
|                                              | <b>(₱1,226,447,197)</b> | (₱1,433,124,266) |

### 30. Financial Risk Management Objectives and Policies

The Company's principal financial instruments include cash and cash equivalents. The main purpose of these financial instruments includes raising financing for the Company's operations and managing identified financial risks. The Company has other financial assets and liabilities such as trade and other receivables, refundable deposits, trade payables and other current liabilities (excluding payable to government agencies, customers' deposits, contract liabilities, and advances from customers), short-term loans, obligations for program and other rights, dividends payable, other long-term employee benefits and lease liabilities which arise directly from its operations, and financial assets at FVOCI. The main risks arising from the use of financial instruments are liquidity risk, foreign currency exchange risk and credit risk. The Company is not exposed to interest rate risk as most of its financial assets and financial liabilities have fixed rates. The BOD reviews and approves the Company's objectives and policies.

*Liquidity Risk.* The Company is exposed to the possibility that adverse changes in the business environment and/or its operations would result in substantially higher working capital requirements and subsequently pose difficulty in financing the additional working capital.

The Company manages liquidity risk by using its cash and cash equivalents from operations to meet its short-term liquidity needs. The Company likewise regularly evaluates other financing instruments and arrangements to broaden the Company's range of financing sources.

The tables below summarize the maturity profile of the Company's financial assets and financial liabilities based on contractual undiscounted payments as at December 31:

|                                     | 2025                  |                       |                |                     |                       |
|-------------------------------------|-----------------------|-----------------------|----------------|---------------------|-----------------------|
|                                     | On Demand             | Less than 3 Months    | 3 to 12 Months | More than 1 year    | Total                 |
| Financial assets at amortized cost: |                       |                       |                |                     |                       |
| Cash and cash equivalents           | <b>₱949,937,885</b>   | <b>₱230,904,237</b>   | <b>₱—</b>      | <b>₱—</b>           | <b>₱1,180,842,122</b> |
| Trade receivables:                  |                       |                       |                |                     |                       |
| Television and radio airtime        | <b>2,581,903,190</b>  | <b>3,543,019,546</b>  | —              | —                   | <b>6,124,922,736</b>  |
| Subscriptions                       | —                     | <b>161,592,413</b>    | —              | —                   | <b>161,592,413</b>    |
| Others                              | —                     | <b>56,418,156</b>     | —              | —                   | <b>56,418,156</b>     |
| Nontrade receivables:               |                       |                       |                |                     |                       |
| Due from related parties            | —                     | <b>77,980,380</b>     | —              | —                   | <b>77,980,380</b>     |
| Others                              | —                     | <b>73,822,908</b>     | —              | —                   | <b>73,822,908</b>     |
| Refundable deposits*                | —                     | —                     | —              | <b>44,072,811</b>   | <b>44,072,811</b>     |
|                                     | <b>3,531,841,075</b>  | <b>4,143,737,640</b>  | —              | <b>44,072,811</b>   | <b>7,719,651,526</b>  |
| Financial assets at FVOCI           | —                     | —                     | —              | <b>165,551,400</b>  | <b>165,551,400</b>    |
|                                     | <b>₱3,531,841,075</b> | <b>₱4,143,737,640</b> | <b>₱—</b>      | <b>₱209,624,211</b> | <b>₱7,885,202,926</b> |

(Forward)



|                                                | 2025           |                    |                |                  | Total          |
|------------------------------------------------|----------------|--------------------|----------------|------------------|----------------|
|                                                | On Demand      | Less than 3 Months | 3 to 12 Months | More than 1 year |                |
| Loans and borrowings:                          |                |                    |                |                  |                |
| Trade payables and other current liabilities** | ₱679,817,556   | ₱1,109,551,134     | ₱49,115,123    | ₱–               | ₱1,838,483,813 |
| Short-term loans                               | –              | 1,450,000,000      | –              | –                | 1,450,000,000  |
| Obligations for program and other rights       | –              | 631,972,080        | –              | 56,589,474       | 688,561,554    |
| Lease liabilities***                           | –              | 4,168,419          | 12,417,614     | 125,751,337      | 142,337,370    |
| Dividends payable                              | 39,509,859     | –                  | –              | –                | 39,509,859     |
|                                                | 719,327,415    | 3,195,691,633      | 61,532,737     | 182,340,811      | 4,158,892,596  |
| Liquidity portion (Gap)                        | ₱2,812,513,660 | ₱948,046,007       | (₱61,532,737)  | ₱27,283,400      | ₱3,726,310,330 |

\*Included under "Other noncurrent assets" account in the parent company statements of financial position (see Note 16).

\*\*Excluding payable to government agencies, contract liabilities and customer deposits amounting to 1,838.48 million which are not considered as financial liabilities. (see Note 17)

\*\*\*Gross contractual payments.

|                                     | 2024           |                    |                |                  | Total          |
|-------------------------------------|----------------|--------------------|----------------|------------------|----------------|
|                                     | On Demand      | Less than 3 Months | 3 to 12 Months | More than 1 year |                |
| Financial assets at amortized cost: |                |                    |                |                  |                |
| Cash and cash equivalents           | ₱1,689,341,983 | ₱202,478,129       | ₱–             | ₱–               | ₱1,891,820,112 |
| Trade receivables:                  |                |                    |                |                  |                |
| Television and radio airtime        | 2,774,718,153  | 3,523,027,174      | –              | –                | 6,297,745,327  |
| Subscriptions                       | –              | 183,735,792        | –              | –                | 183,735,792    |
| Others                              | –              | 147,220,761        | –              | –                | 147,220,761    |
| Nontrade receivables:               |                |                    |                |                  |                |
| Due from related parties            | –              | 180,021,628        | –              | –                | 180,021,628    |
| Others                              | –              | 85,181,714         | –              | –                | 85,181,714     |
| Refundable deposits*                | –              | –                  | –              | 42,924,440       | 42,924,440     |
|                                     | 4,464,060,136  | 4,321,665,198      | –              | 42,924,440       | 8,828,649,774  |
| Financial assets at FVOCI           | –              | –                  | –              | 163,160,740      | 163,160,740    |
|                                     | ₱4,464,060,136 | ₱4,321,665,198     | ₱–             | ₱206,085,180     | ₱8,991,810,514 |

|                                                |                |                |               |             |                |
|------------------------------------------------|----------------|----------------|---------------|-------------|----------------|
| Loans and borrowings:                          |                |                |               |             |                |
| Trade payables and other current liabilities** | ₱317,117,126   | ₱998,565,375   | ₱51,402,408   | ₱–          | ₱1,367,084,909 |
| Short-term loans                               | –              | 3,700,000,000  | –             | –           | 3,700,000,000  |
| Obligations for program and other rights       | –              | 583,054,562    | –             | –           | 583,054,562    |
| Lease liabilities***                           | –              | 7,647,761      | 23,701,396    | 197,341,216 | 228,690,373    |
| Dividends payable                              | 36,489,373     | –              | –             | –           | 36,489,373     |
|                                                | 353,606,499    | 5,289,267,698  | 75,103,804    | 197,341,216 | 5,915,319,217  |
| Liquidity portion (Gap)                        | ₱4,110,453,637 | (₱967,602,500) | (₱75,103,804) | ₱8,743,964  | ₱3,076,491,297 |

\*Included under "Other noncurrent assets" account in the parent company statements of financial position (see Note 16).

\*\*Excluding payable to government agencies, contract liabilities and customer deposits amounting to ₱1,397.95 million which are not considered as financial liabilities. (see Note 17)

\*\*\*Gross contractual payments.

**Foreign Currency Exchange Risk.** Foreign currency exchange risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign currency exchange rates. The Company's exposure to foreign currency exchange risk results from certain business transactions denominated in foreign currencies. It is the Company's policy to ensure that capabilities exist for active but conservative management of its foreign currency exchange risk.

The Company's foreign currency-denominated monetary assets and liabilities are as follows:

| Assets                    | 2025             |                | 2024             |                |
|---------------------------|------------------|----------------|------------------|----------------|
|                           | Foreign Currency | Local Currency | Foreign Currency | Local Currency |
| Cash and cash equivalents | \$12,817,185     | ₱753,522,319   | \$7,275,042      | ₱420,824,784   |
|                           | CAD 156,234      | 6,720,297      | C\$1,010,803     | 40,702,933     |
| Trade receivables         | \$3,564,517      | 209,557,980    | \$3,628,902      | 178,072,719    |
|                           | CAD 7,279,386    | 313,118,426    | C\$478,316       | 19,260,771     |
|                           | SGD 781,966      | 35,829,442     | S\$198,925       | 8,492,483      |
|                           | AUD 168,000      | 6,616,126      | A\$22,947        | 828,049        |
|                           | AED 132,516      | 2,121,639      | DH44,644         | 705,158        |
| Short-term investments    | \$1,454,196      | 85,492,167     | \$625,747        | 36,196,333     |
|                           |                  | ₱1,412,978,396 |                  | ₱705,083,230   |

(Forward)



|                                          | 2025        |              | 2024        |              |
|------------------------------------------|-------------|--------------|-------------|--------------|
| <b>Liabilities</b>                       |             |              |             |              |
| Trade payables                           | \$2,317,991 | ₱136,274,669 | \$817,852   | ₱45,284,478  |
|                                          | EUR 35,373  | 2,449,729    | €81,586     | 5,015,411    |
|                                          | —           | —            | S\$2,055    | 86,495       |
| Obligations for program and other rights | \$7,673,478 | 451,123,779  | \$9,057,001 | 523,902,246  |
|                                          |             | ₱589,848,177 |             | ₱574,288,630 |
|                                          |             | ₱823,130,219 |             | ₱130,794,600 |

In translating the foreign currency-denominated monetary assets and liabilities into Philippine peso amounts, the exchange rates used were ₱58.79 to \$1.00 and ₱57.85 to \$1.00, the Philippine peso to U.S. dollar exchange rate as at December 31, 2025 and 2024, respectively. The exchange rates for Philippine peso to Canadian dollar were ₱43.01 to CAD\$1.00 and ₱40.27 to CAD\$1.00 as at December 31, 2025 and 2024, respectively. The peso equivalents for the Singaporean Dollar, Australian Dollar, Dirham, and Euro were ₱45.82, ₱39.38, ₱16.01, and ₱69.25, and ₱42.69, ₱36.08, ₱15.80, and ₱60.47, as at December 31, 2025 and 2024, respectively.

The following table demonstrates the sensitivity to a reasonably possible change in the exchange rates, with all other variables held constant, of the Company's income before income tax from reporting period up to next reporting period (due to changes in the fair value of monetary assets and liabilities). There is no impact on the Company's equity other than those already affecting profit or loss.

|      | Appreciation/<br>Depreciation<br>of Peso | EUR                 | USD                         | CAD                       | SGD                   | AUD                 | AED                 | Total                       |
|------|------------------------------------------|---------------------|-----------------------------|---------------------------|-----------------------|---------------------|---------------------|-----------------------------|
| 2025 | 0.50<br>(0.50)                           | ₱17,686<br>(17,686) | ₱3,922,215<br>(3,922,215)   | ₱3,717,810<br>(3,717,810) | ₱390,983<br>(390,983) | ₱84,000<br>(84,000) | ₱66,258<br>(66,258) | ₱319,149<br>(319,149)       |
| 2024 | 0.50<br>(0.50)                           | ₱40,793<br>(40,793) | ₱10,702,272<br>(10,702,272) | ₱744,560<br>(744,560)     | ₱100,490<br>(100,490) | ₱11,474<br>(11,474) | ₱22,322<br>(22,322) | ₱11,621,911<br>(11,621,911) |

**Credit Risk.** Credit risk, or the risk of counterparties defaulting, is controlled by the application of credit approvals, limits and monitoring procedures. It is the Company's policy to enter into transactions with a diversity of creditworthy parties to mitigate any significant concentration of credit risk.

The Company ensures that sales of products and services are made to customers with appropriate credit history. The Company has an internal mechanism to monitor the granting of credit and management of credit exposures. The Company has made provisions, where necessary, for potential losses on credits extended. The Company's exposure to credit risk arises from default of the counterparty with a maximum exposure equal to the carrying amount of the instruments. The Company does not require any collateral for its financial assets, thus, maximum exposure to credit risk is equal to the carrying value of the financial instruments.



The table below shows the maximum exposure to credit risk for the components of the parent company financial position as at December 31:

|                                     | 2025                  | 2024           |
|-------------------------------------|-----------------------|----------------|
| Financial assets at amortized cost: |                       |                |
| Cash and cash equivalents*          | <b>₱1,101,865,279</b> | ₱1,563,769,458 |
| Trade receivables:                  |                       |                |
| Television and radio airtime        | <b>6,124,922,736</b>  | 6,297,745,327  |
| Subscriptions                       | <b>161,592,413</b>    | 183,735,792    |
| Others                              | <b>56,418,156</b>     | 147,220,761    |
| Nontrade receivables:               |                       |                |
| Due from related parties            | <b>77,980,380</b>     | 180,021,628    |
| Others                              | <b>73,822,908</b>     | 85,181,714     |
| Refundable deposits**               | <b>44,072,811</b>     | 42,924,440     |
|                                     | <b>7,640,674,683</b>  | 8,500,599,120  |
| Financial assets at FVOCI           | <b>165,551,400</b>    | 163,160,740    |
|                                     | <b>₱7,806,226,083</b> | ₱8,663,759,860 |

\*Excluding cash on hand amounting to ₱67.43 million and ₱321.20 million as at December 31, 2025 and 2024, respectively.

\*\*Included under "Other noncurrent assets" account in the parent company statements of financial position (see Note 16).

The maximum exposure for cash and cash equivalents (excluding cash on hand) is the carrying amount less insured amount by the Philippine Deposit Insurance Corporation equivalent to the actual cash balance to a maximum of ₱0.50 million per depositor per bank. Beginning March 15, 2025, the insured amount has increased to ₱1 million per depositor per bank. The maximum exposure of trade and non-trade receivables and refundable deposits is equal to its carrying amount.

#### Credit quality of Financial Assets, Other than Trade Receivables

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

Stage 1 - Those that are considered current and up to 120 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 120 to 360 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 Company's financial assets are as follows:

|                                    | 2025                  |              |              |                       |
|------------------------------------|-----------------------|--------------|--------------|-----------------------|
|                                    | ECL Staging           |              |              |                       |
|                                    | Stage 1               | Stage 2      | Stage 3      |                       |
|                                    | 12-month ECL          | Lifetime ECL | Lifetime ECL | Total                 |
| Financial assets at amortized cost |                       |              |              |                       |
| Cash and cash equivalents*         | <b>₱1,101,865,279</b> | <b>₱-</b>    | <b>₱-</b>    | <b>₱1,101,865,279</b> |
| Nontrade receivables:              |                       |              |              |                       |
| Due from related parties           | <b>77,980,380</b>     | -            | -            | <b>77,980,380</b>     |
| Others                             | <b>73,822,908</b>     | -            | -            | <b>73,822,908</b>     |
| Refundable deposits**              | <b>44,072,811</b>     | -            | -            | <b>44,072,811</b>     |
|                                    | <b>1,297,741,378</b>  | -            | -            | <b>1,297,741,378</b>  |
| Financial assets at FVOCI          | <b>165,551,400</b>    | -            | -            | <b>165,551,400</b>    |
|                                    | <b>₱1,463,292,778</b> | <b>₱-</b>    | <b>₱-</b>    | <b>₱1,463,292,778</b> |

\*Excluding cash on hand amounting to ₱67.43 million as at December 31, 2025.

\*\*Included under "Other noncurrent assets" account in the parent company statements of financial position.



|                                    | 2024                    |                         |                         |                |
|------------------------------------|-------------------------|-------------------------|-------------------------|----------------|
|                                    | ECL Staging             |                         |                         | Total          |
|                                    | Stage 1<br>12-month ECL | Stage 2<br>Lifetime ECL | Stage 3<br>Lifetime ECL |                |
| Financial assets at amortized cost |                         |                         |                         |                |
| Cash and cash equivalents*         | ₱1,563,769,458          | ₱—                      | ₱—                      | ₱1,563,769,458 |
| Nontrade receivables:              |                         |                         |                         |                |
| Due from related parties           | 180,021,628             | —                       | —                       | 180,021,628    |
| Others                             | 85,181,714              | —                       | —                       | 85,181,714     |
| Refundable deposits**              | 42,924,440              | —                       | —                       | 42,924,440     |
|                                    | 1,871,897,240           | —                       | —                       | 1,871,897,240  |
| Financial assets at FVOCI          | 163,160,740             | —                       | —                       | 163,160,740    |
|                                    | ₱2,035,057,980          | ₱—                      | ₱—                      | ₱2,035,057,980 |

\*Excluding cash on hand amounting to ₱321.20 million as at December 31, 2024.

\*\*Included under "Other noncurrent assets" account in the parent company statements of financial position.

### Credit Quality of Trade Receivables

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segment with similar loss patterns (i.e., by customer type). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Set out below is the information about the credit risk exposure of the Company's trade receivables using provision matrix:

|                             | 2025           |              |              |              |              |                |                |
|-----------------------------|----------------|--------------|--------------|--------------|--------------|----------------|----------------|
|                             | Days past due  |              |              |              |              |                | Total          |
|                             | Current        | 0-30 days    | 31-60 days   | 61-90 days   | 91-360 days  | Over 360 days  |                |
| Expected credit loss rate   | 0.57%          | 2.75%        | 8.20%        | 8.34%        | 16.00%       | 34.29%         |                |
| Total gross carrying amount | ₱3,589,170,917 | ₱442,095,753 | ₱263,302,546 | ₱188,215,374 | ₱802,058,008 | ₱2,143,234,865 | ₱7,428,077,463 |
| Expected credit loss        | 20,552,979     | 12,161,707   | 21,584,158   | 15,692,947   | 128,356,534  | 734,992,545    | 933,340,870    |

|                             | 2024           |              |              |              |                |                |                |
|-----------------------------|----------------|--------------|--------------|--------------|----------------|----------------|----------------|
|                             | Days past due  |              |              |              |                |                | Total          |
|                             | Current        | 0-30 days    | 31-60 days   | 61-90 days   | 91-360 days    | Over 360 days  |                |
| Expected credit loss rate   | 0.52%          | 1.79%        | 7.44%        | 7.52%        | 10.87%         | 44.94%         |                |
| Total gross carrying amount | ₱3,956,412,306 | ₱678,133,599 | ₱290,135,212 | ₱208,608,093 | ₱1,181,035,528 | ₱1,412,921,354 | ₱7,727,246,092 |
| Expected credit loss        | 20,552,979     | 12,161,707   | 21,584,158   | 15,692,947   | 128,356,534    | 634,992,545    | 833,340,870    |

### Capital Management

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value.

The Company manages its capital structure and makes adjustments to it, in the light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, pay off existing debts, return capital to shareholders or issue new shares.

The Company is not subject to externally imposed capital requirements.

No changes were made in the objectives, policies or processes for the years ended December 31, 2025 and 2024.



The Company monitors its capital gearing by measuring the ratio of interest-bearing loan to total equity. The Company's interest-bearing loans, which are the short-term loans, amounted to ₱1,450.00 million and ₱3,700.00 million as at December 31, 2025 and 2024, respectively. The Company's total equity as at December 31, 2025 and 2024 amounted to ₱13,260.38 million and ₱14,142.19 million, respectively.

### 31. Fair Value Measurement

The table below presents the carrying values and fair values of the Company's assets and liabilities, by category and by class, as at December 31:

|                                                   |                       | 2025           |                                           |                                           |
|---------------------------------------------------|-----------------------|----------------|-------------------------------------------|-------------------------------------------|
|                                                   |                       | Carrying Value | Fair Value                                |                                           |
|                                                   |                       |                | Quoted prices in active markets (Level 1) | Significant unobservable inputs (Level 2) |
|                                                   |                       |                |                                           | Significant unobservable inputs (Level 3) |
| <b>Assets</b>                                     |                       |                |                                           |                                           |
| <i>Assets Measured at Fair Value</i>              |                       |                |                                           |                                           |
| Land at revalued amount                           | ₱9,392,416,646        | ₱—             | ₱—                                        | ₱9,392,416,646                            |
| Financial assets at FVOCI                         | 165,551,400           | —              | 16,300,000                                | 149,251,400                               |
| <i>Assets for which Fair Values are Disclosed</i> |                       |                |                                           |                                           |
| Investment properties                             | 18,231,716            | —              | —                                         | 205,305,748                               |
| Refundable deposits*                              | 44,072,811            | —              | —                                         | 44,072,811                                |
|                                                   | <b>₱9,620,272,573</b> | <b>₱—</b>      | <b>₱16,300,000</b>                        | <b>₱9,791,046,605</b>                     |

\*Included under "Other noncurrent assets" account in the parent company statement of financial position (see Note 16).

|                                                          |                       | 2024           |                                           |                                           |
|----------------------------------------------------------|-----------------------|----------------|-------------------------------------------|-------------------------------------------|
|                                                          |                       | Carrying Value | Fair Value                                |                                           |
|                                                          |                       |                | Quoted prices in active markets (Level 1) | Significant unobservable inputs (Level 2) |
|                                                          |                       |                |                                           | Significant unobservable inputs (Level 3) |
| <b>Assets</b>                                            |                       |                |                                           |                                           |
| <i>Assets Measured at Fair Value</i>                     |                       |                |                                           |                                           |
| Land at revalued amount                                  | ₱8,813,321,240        | ₱—             | ₱—                                        | ₱8,813,321,240                            |
| Financial assets at FVOCI                                | 163,160,740           | —              | 16,300,000                                | 146,860,740                               |
| <i>Assets for which Fair Values are Disclosed</i>        |                       |                |                                           |                                           |
| Investment properties                                    | 19,689,167            | —              | —                                         | 205,305,748                               |
| Financial asset at amortized cost - Refundable deposits* | 42,924,440            | —              | —                                         | 42,924,440                                |
|                                                          | <b>₱9,039,095,587</b> | <b>₱—</b>      | <b>₱16,300,000</b>                        | <b>₱9,208,412,168</b>                     |

\*Included under "Other noncurrent assets" account in the parent company statement of financial position (see Note 16).

As at December 31, 2025 and 2024, the fair value of equity instruments in a listed entity is classified under Level 3 due to the investee Company's suspension of trading in the market.

The fair values of equity instruments in listed and non-listed companies classified under Level 3 were determined through asset-based approach. Asset-based approach is based on the value of all the tangible and intangible assets and liabilities of the company. Presented below are the significant unobservable inputs used in the net asset valuation of the Company's financial assets in 2025 and 2024:

| Description                           | Unobservable Inputs                | Range   |         |
|---------------------------------------|------------------------------------|---------|---------|
|                                       |                                    | 2025    | 2024    |
| <b>Listed equity instrument:</b>      |                                    |         |         |
| Casinos and gaming industry           | Discount for lack of marketability | 10%-30% | 10%-30% |
|                                       | Discount for lack of control       | 10%-30% | 10%-30% |
| <b>Non-listed equity instruments:</b> |                                    |         |         |
| Media and entertainment industry      | Discount for lack of marketability | 10%-30% | 10%-30% |
|                                       | Discount for lack of control       | 10%-30% | 10%-30% |



An increase (decrease) in the significant unobservable inputs used in the valuation of the equity investments will decrease (increase) the fair value of the equity investments.

Movements in the fair value of equity investments classified under Level 3 are as follows:

|                                                                                                  | 2025                | 2024         |
|--------------------------------------------------------------------------------------------------|---------------------|--------------|
| Balance at beginning of year                                                                     | <b>₱146,860,740</b> | ₱143,159,189 |
| Additions during the year                                                                        | —                   | 5,757,846    |
| Fair value adjustment recognized under “Net unrealized gain (loss) on financial assets at FVOCI” | <b>2,566,595</b>    | (2,056,295)  |
| Disposals during the year                                                                        | <b>(175,935)</b>    | —            |
| Balance at end of year                                                                           | <b>₱149,251,400</b> | ₱146,860,740 |

#### Fair Value Determination

The following methods and assumptions are used to estimate the fair value of each asset and liability for which it is practicable to estimate such value:

##### *Cash and Cash Equivalents and Trade and Other Receivables*

The carrying values of cash and cash equivalents and trade and nontrade receivables approximate their fair values primarily due to the relatively short-term maturity of these financial instruments.

##### *Refundable Deposits*

The fair value of refundable deposits is based on the present value of the future discounted cash flows. Discount rates used range from 3.26% to 4.44% in 2025 and 2024.

##### *Financial assets at FVOCI*

The Company’s investments in club shares were based on prices readily available from brokers and other regulatory agencies as at reporting date (Level 2). The fair values of equity investments in listed and non-listed companies have been estimated using the net asset value model. The valuation using adjusted net asset approach requires the management to measure the fair value of the individual assets and liabilities recognized in an investee’s statement of financial position as well as the fair value of any unrecognized assets and liabilities at the measurement date.

##### *Investment Properties and Land at Revalued Amounts*

The valuation for the disclosure of the fair value of investment properties and for the recognition land at revalued amounts were derived through market data approach based upon prices paid in actual market transactions. This approach relies on the comparison of recent sale transactions or offerings of similar properties which have occurred and/or offered with close proximity to the subject property adjusted based on certain elements of comparison (e.g. market conditions, location, physical condition and amenities). Significant unobservable valuation input in determining the fair value of investment properties includes adjusted price per square meter that ranges from ₱1,400 to ₱117,000. On the other hand, significant unobservable valuation input in determining the fair value of land at revalued amount includes adjusted price per square meter that ranges from ₱1,500 to ₱361,690.



Significant increases (decreases) in estimated price per square meter would result in a significantly higher (lower) fair value of the properties.

*Trade Payables and Other Current Liabilities (excluding Payable to Government Agencies and Advances from Customers), Short-term Loans, Obligations for Program and Other Rights and Dividends Payable*

The carrying values of trade payables and other current liabilities, short-term loans, current portion of obligations for program and other rights and dividends payable approximate their fair values due to the relatively short-term maturity of these financial instruments.

*Lease Liabilities*

The fair value is based on the discounted value of future cash flows using the applicable rates for similar types of loans plus the applicable credit spread. Discount rates used ranged from 4.12% to 7.66% in 2025 and 4.26% to 8.87% in 2024.

*Obligations for program and other rights*

Estimated fair value is based on the discounted value of future cash flows using the applicable risk-free rates for similar types of loans adjusted for credit risk.

### 32. EPS

The computation of basic and diluted EPS follows:

|                                                                                  | 2025                  | 2024           |
|----------------------------------------------------------------------------------|-----------------------|----------------|
| Net income of the Company (a)                                                    | <b>₱2,170,836,935</b> | ₱2,028,423,743 |
| Less attributable to preferred shareholders                                      | <b>669,365,173</b>    | 625,452,879    |
| Net income attributable to common equity holders of the Company (b)              | <b>₱1,501,471,762</b> | ₱1,402,970,864 |
| Common shares issued at the beginning of year (Note 20)                          | <b>3,364,692,000</b>  | 3,364,692,000  |
| Weighted average number of common shares for basic EPS (c)                       | <b>3,364,692,000</b>  | 3,364,692,000  |
| Weighted average number of common shares                                         | <b>3,364,692,000</b>  | 3,364,692,000  |
| Effect of dilution - assumed conversion of preferred shares                      | <b>1,500,000,000</b>  | 1,500,000,000  |
| Weighted average number of common shares adjusted for the effect of dilution (d) | <b>4,864,692,000</b>  | 4,864,692,000  |
| Basic EPS (b/c)                                                                  | <b>₱0.446</b>         | ₱0.417         |
| Diluted EPS (a/d)                                                                | <b>₱0.446</b>         | ₱0.417         |



### 33. Supplemental Cash Flow Information

|                                             | January 1, 2025 | Additions      | Cash flows       | December 31, 2025 |
|---------------------------------------------|-----------------|----------------|------------------|-------------------|
| Short-term loans                            | ₱3,700,000,000  | ₱1,500,000,000 | (₱3,750,000,000) | ₱1,450,000,000    |
| Dividends payable                           | 36,489,373      | 2,432,346,000  | (2,429,325,514)  | 39,509,859        |
| Lease liabilities                           | 115,237,524     | 49,483,337     | (35,915,892)     | 128,804,969       |
| Accrued interest expense*                   | 13,929,028      | 132,486,807    | (143,660,002)    | 2,755,833         |
| Total liabilities from financing activities | ₱3,865,655,925  | ₱4,114,316,144 | (₱6,358,901,408) | ₱1,621,070,661    |

\*Included under "Trade payables and other current liabilities" account in the statement of financial position (see Note 17).

|                                             | January 1, 2024 | Additions      | Cash flows       | December 31, 2024 |
|---------------------------------------------|-----------------|----------------|------------------|-------------------|
| Short-term loans                            | ₱1,500,000,000  | ₱4,000,000,000 | (₱1,800,000,000) | ₱3,700,000,000    |
| Dividends payable                           | 34,686,856      | 2,918,815,199  | (2,917,012,683)  | 36,489,372        |
| Lease liabilities                           | 155,956,336     | 17,004,982     | (57,723,794)     | 115,237,524       |
| Accrued interest expense*                   | 2,012,500       | 174,719,691    | (162,803,164)    | 13,929,027        |
| Total liabilities from financing activities | ₱1,692,655,692  | ₱7,110,539,872 | (₱4,937,539,641) | ₱3,865,655,923    |

\*Included under "Trade payables and other current liabilities" account in the statement of financial position (see Note 17).

#### Non-cash activities

Significant non-cash investing activity in 2025 and 2024 pertains to the following:

- Additional revaluation increment of land at revalued amounts totaling to ₱579.05 million and nil in 2025 and 2024, respectively.
- Additions to program rights on account. The outstanding balance of additions to program rights on account that was considered in the cashflows from operating activities amounted to ₱688.56 million and ₱583.05 million as at December 31, 2025 and 2024, respectively.

### 34. Supplementary Information Required by Revenue Regulations No. 15-2010

The Company reported and/or paid the following types of taxes in 2025:

#### a. Value-added Tax (VAT)

The Company's sales are subject to output VAT while its purchases from VAT-registered individuals or corporations are subject to input VAT. The VAT rate is 12%.

Net receipts and Output VAT declared in the Company's VAT returns for 2025:

|                                     | Gross Amount of Revenues | Output VAT     |
|-------------------------------------|--------------------------|----------------|
| Subject to 12% VAT -                |                          |                |
| Sale of Goods and Services          | ₱15,406,418,875          | ₱1,848,770,265 |
| Zero-rated -                        |                          |                |
| Sale of Services                    | 2,561,916,010            | —              |
| Sale to Government Sale of Services | 169,230,382              | 20,307,646     |
| Exempt Sales                        | —                        | —              |
|                                     | ₱18,137,565,267          | ₱1,869,077,911 |

Zero-rated sales are sales made to enterprises accredited by the Philippine Economic Zone Authority and non-resident foreign companies in accordance with Section 108 B (2) and (3) of the National Internal Revenue Code.



▪ Input VAT

|                                                     |             |
|-----------------------------------------------------|-------------|
| Beginning balance                                   | ₱2,876,013  |
| Add current year's domestic purchases/payments for: |             |
| Services                                            | 577,379,013 |
| Services rendered by non-residents                  | 60,061,277  |
| Goods other than capital goods                      | 41,164,176  |
| Importation of goods other than capital goods       | 6,820,066   |
| Capital goods subject to amortization               | 2,287,687   |
| Capital goods not subject to amortization           | —           |
| Total input VAT                                     | 690,588,232 |
| Application against output VAT                      | 687,712,219 |
| Balance at end of year                              | ₱2,876,013  |

b. Importations

The Company has incurred a total of ₱63,653,951 import duties and taxes in which ₱102,865 were paid in cash and applied ₱5,882,377 as tax credit for the year ended December 31, 2025.

c. Documentary stamp tax

The Company has paid ₱17.20 million of documentary stamp tax on short-term rentals and various loan transactions with financial institutions for the year ended December 31, 2025.

d. Other Taxes and Licenses

All other local and national taxes paid for the year ended December 31, 2025 consist of:

|                      |              |
|----------------------|--------------|
| Business tax         | ₱115,268,192 |
| Licenses and permits | 34,978,335   |
| Real property tax    | 22,061,515   |
| Others               | 25,967,690   |
|                      | ₱198,275,732 |

e. Withholding Taxes

Withholding taxes paid and accrued and/or withheld for the year ended December 31, 2025 consist of:

|                                 | Paid           | Accrued      | Total          |
|---------------------------------|----------------|--------------|----------------|
| Withholding tax on compensation | ₱689,494,753   | ₱59,843,938  | ₱749,338,691   |
| Expanded withholding tax        | 311,331,993    | 32,949,183   | 344,281,176    |
| Final withholding tax           | 95,745,928     | 23,548,922   | 119,294,850    |
| Withholding VAT/Percentage      |                |              |                |
| Tax                             | 53,477,145     | 11,241,047   | 64,718,192     |
| Fringe benefit tax              | 2,291,377      | 763,792      | 3,055,169      |
|                                 | ₱1,152,341,196 | ₱128,346,882 | ₱1,280,688,079 |

f. Tax Assessments and Cases

As at December 31, 2025, the Company have open LOAs for year 2022 (Audit of all taxes except VAT).





**STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR  
ANNUAL INCOME TAX RETURN**

March 25, 2026

Bureau of Internal Revenue  
Large Taxpayers Service (RDO 126)  
Quezon City

The Management of **GMA Network, Inc.**, is responsible for all information and representations contained in the Annual Income Tax Return for the year ended December 31, 2025. Management is likewise responsible for all information and representations contained in the financial statements accompanying the Annual Income Tax Return covering the same reporting period. Furthermore, the Management is responsible for all information and representations contained in all the other tax returns filed for the reporting period, including, but not limited, to the value-added tax returns, withholding tax returns, documentary stamp tax returns, and any and all other tax returns.

In this regard, Management affirms that the attached audited financial statements for the year ended December 31, 2025 and the accompanying Annual Income Tax Return are in accordance with the books and records of GMA Network, Inc., complete and correct in all material respects. Management likewise affirms that:

- a) the Annual Income Tax Return has been prepared in accordance with the provisions of the National International Revenue Code, as amended, and pertinent tax regulations and other issuances of the Department of Finance and the Bureau of Internal Revenue;
- b) any disparity of figures in the submitted reports arising from the preparation of financial statements pursuant to the financial accounting standards and the preparation of the income tax return pursuant to tax accounting rules has been reported as reconciling items and maintained in the Company's books and records in accordance with the requirements of Revenue Regulations No. 8-2007 and other relevant issuances;
- c) GMA Network, Inc., has filed all applicable tax returns, reports and statements required to be filed under Philippine tax laws for the reporting period and all taxes and other impositions shown thereon to be due and payable have been paid for the reporting period, except those contested in good faith.

**FELIPE L. GOZON**  
Chairman of the Board

**GILBERTO R. DUAVIT, JR.**  
President  
Chief Executive Officer

**FELIPE S. YALONG**  
Executive Vice President  
Chief Financial Officer

APR 14 2026 QUEZON CITY

SUBSCRIBED AND SWORN to before me this \_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_, affiants exhibited to me  
their (Felipe L. Gozon) TIN \_\_\_\_\_, (Gilberto R. Duavit, Jr.) TIN \_\_\_\_\_ and (Felipe S. Yalong) TIN \_\_\_\_\_

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Book No. 1  
Series of 2026

**ATTY. JANELLE CRISTEL J. JAVIER**  
Notary Public for and in Quezon City  
Until December 31, 2026  
Adm. Matter No. BP-241 (2025-2026)  
PTR No. 7121566-Jan. 10, 2025, QC  
IBP Lifetime No. 016879  
Roll of Attorney's No. 69611  
MCLL Compliance No. VII-0025278

**GMA NETWORK, INC.**  
GMA Network Center, EDSA cor. Timog Ave., Diliman, Quezon City, 1103, Philippines  
Telephone No.: (632) 8982-7777

|                                                                                                                                                                                                                                                                                                                                                                                                                                   |  |                                                                                                                                                                                                                                                                                                                                                                                               |        |                                                                                          |        |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|------------------------------------------------------------------------------------------|--------|
| <div style="display: flex; justify-content: space-around; align-items: center;"><div style="text-align: left;">For BIR BCS/<br/>Use Only Item:</div><div style="text-align: center;"><div>Republic of the Philippines<br/>Department of Finance<br/>Bureau of Internal Revenue</div></div></div>                                                                                                                                  |  | 1702-RT 01/18ENC5 P1                                                                                                                                                                                                                                                                                                                                                                          |        |                                                                                          |        |
| BIR Form No.<br><b>1702-RT</b><br>January 2018(ENC5)<br>Page 1                                                                                                                                                                                                                                                                                                                                                                    |  | <b>Annual Income Tax Return</b><br>Corporation, Partnership and Other Non-Individual<br>Taxpayer Subject Only to REGULAR Income Tax Rate<br><small>Enter all required information in CAPITAL LETTERS. Mark applicable boxes with an "X".<br/>Two copies MUST be filed with the BIR and one held by the taxpayers.</small>                                                                     |        |                                                                                          |        |
| <b>1</b> For <input checked="" type="radio"/> Calendar <input type="radio"/> Fiscal<br><b>2</b> Year Ended (MM/DD/YYYY)<br>12 - December 20 25                                                                                                                                                                                                                                                                                    |  | <b>3</b> Amended Return? <input type="radio"/> Yes <input checked="" type="radio"/> No<br><b>4</b> Short Period Return <input type="radio"/> Yes <input checked="" type="radio"/> No<br><b>5</b> Alphanumeric Tax Code (ATC)<br>IC 055-Minimum Corporate Income Tax (MCIT) <input checked="" type="radio"/><br>IC 010 - CORPORATION IN GENERAL - JAN 1, 2009 <input checked="" type="radio"/> |        |                                                                                          |        |
| <b>Part I - Background Information</b>                                                                                                                                                                                                                                                                                                                                                                                            |  |                                                                                                                                                                                                                                                                                                                                                                                               |        |                                                                                          |        |
| <b>6</b> Tax Identification Number (TIN)<br>000 - 917 - 916 - 00000                                                                                                                                                                                                                                                                                                                                                               |  | <b>7</b> RDO Code<br>126                                                                                                                                                                                                                                                                                                                                                                      |        |                                                                                          |        |
| <b>8</b> Registered Name (Enter only 1 letter per box using CAPITAL LETTERS)<br>GMA NETWORK INC                                                                                                                                                                                                                                                                                                                                   |  |                                                                                                                                                                                                                                                                                                                                                                                               |        |                                                                                          |        |
| <b>9</b> Registered Address (Indicate complete address. If the registered address is different from the current address, go to the RDO to update registered address by using BIR Form No. 1965)<br>GMA COMPLEX EDSA CORNER TIMOG AVE SOUTH TRIANGLE QUEZON CITY, NCR, SECOND DISTRICT<br><div style="text-align: right;"><b>9A</b> ZIP Code 1103</div>                                                                            |  |                                                                                                                                                                                                                                                                                                                                                                                               |        |                                                                                          |        |
| <b>10</b> Date of Incorporation/Organization (MM/DD/YYYY)<br>06/14/1950                                                                                                                                                                                                                                                                                                                                                           |  | <b>11</b> Contact Number 9271968                                                                                                                                                                                                                                                                                                                                                              |        |                                                                                          |        |
| <b>12</b> Email Address msgatmaitan@gmanetwork.com                                                                                                                                                                                                                                                                                                                                                                                |  |                                                                                                                                                                                                                                                                                                                                                                                               |        |                                                                                          |        |
| <b>13</b> Method of Deductions <input checked="" type="radio"/> Itemized Deductions [Section 34 (A-J), NIRC] <input type="radio"/> Optional Standard Deduction (OSD) - 40% of Gross Income [Section 34(L), NIRC as amended]                                                                                                                                                                                                       |  |                                                                                                                                                                                                                                                                                                                                                                                               |        |                                                                                          |        |
| <b>Part II - Total Tax Payable</b> (Do NOT enter Centavos; 49 Centavos or Less drop down; 50 or more round up)                                                                                                                                                                                                                                                                                                                    |  |                                                                                                                                                                                                                                                                                                                                                                                               |        |                                                                                          |        |
| <b>14</b> Tax Due                                                                                                                                                                                                                                                                                                                                                                                                                 |  | 680,851,906                                                                                                                                                                                                                                                                                                                                                                                   |        |                                                                                          |        |
| <b>15</b> Less: Total Tax Credits/Payments                                                                                                                                                                                                                                                                                                                                                                                        |  | 638,189,030                                                                                                                                                                                                                                                                                                                                                                                   |        |                                                                                          |        |
| <b>16</b> Net Tax Payable (Overpayment) (Item 14 Less Item 15)<br>Add: Penalties                                                                                                                                                                                                                                                                                                                                                  |  | 42,662,876                                                                                                                                                                                                                                                                                                                                                                                    |        |                                                                                          |        |
| <b>17</b> Surcharge                                                                                                                                                                                                                                                                                                                                                                                                               |  | 0                                                                                                                                                                                                                                                                                                                                                                                             |        |                                                                                          |        |
| <b>18</b> Interest                                                                                                                                                                                                                                                                                                                                                                                                                |  | 0                                                                                                                                                                                                                                                                                                                                                                                             |        |                                                                                          |        |
| <b>19</b> Compromise                                                                                                                                                                                                                                                                                                                                                                                                              |  | 0                                                                                                                                                                                                                                                                                                                                                                                             |        |                                                                                          |        |
| <b>20</b> Total Penalties (Sum of Items 17 to 19)                                                                                                                                                                                                                                                                                                                                                                                 |  | 0                                                                                                                                                                                                                                                                                                                                                                                             |        |                                                                                          |        |
| <b>21</b> TOTAL AMOUNT PAYABLE (Overpayment) (Sum of Items 16 and 20)                                                                                                                                                                                                                                                                                                                                                             |  | 42,662,876                                                                                                                                                                                                                                                                                                                                                                                    |        |                                                                                          |        |
| If Overpayment, mark one(1) box only (Once the choice is made, the same is irrevocable)<br><input type="radio"/> To be refunded <input type="radio"/> To be issued a Tax Credit Certificate (TCC) <input type="radio"/> To be carried over as a tax credit for next year/quarter                                                                                                                                                  |  |                                                                                                                                                                                                                                                                                                                                                                                               |        |                                                                                          |        |
| We declare under the penalties of perjury that this return, and all its attachments, have been made in good faith, verified by us, and to the best of our knowledge and belief, are true and correct, pursuant to the provisions of the National Internal Revenue Code, as amended, and the regulations issued under authority thereof. (If signed by an Authorized Representative, indicate TIN and attach authorization letter) |  |                                                                                                                                                                                                                                                                                                                                                                                               |        |                                                                                          |        |
| Signature over Printed Name of President/Principal Officer/Authorized Representative<br>GILBERTO R. DUAVIT, JR.                                                                                                                                                                                                                                                                                                                   |  | Signature over Printed Name of Treasurer/Assistant Treasurer<br>PETEPE S. YALONG                                                                                                                                                                                                                                                                                                              |        |                                                                                          |        |
| Title of Signatory PRESIDENT AND CEO TIN                                                                                                                                                                                                                                                                                                                                                                                          |  | Title of Signatory EVP & CFO TIN                                                                                                                                                                                                                                                                                                                                                              |        |                                                                                          |        |
| <b>Part III - Details of Payment</b>                                                                                                                                                                                                                                                                                                                                                                                              |  |                                                                                                                                                                                                                                                                                                                                                                                               |        |                                                                                          |        |
| Particulars                                                                                                                                                                                                                                                                                                                                                                                                                       |  | Drawee Bank/ Agency                                                                                                                                                                                                                                                                                                                                                                           | Number | Date(MM/DD/YYYY)                                                                         | Amount |
| <b>23</b> Cash/Bank Debit Memo                                                                                                                                                                                                                                                                                                                                                                                                    |  |                                                                                                                                                                                                                                                                                                                                                                                               |        |                                                                                          | 0      |
| <b>24</b> Check                                                                                                                                                                                                                                                                                                                                                                                                                   |  |                                                                                                                                                                                                                                                                                                                                                                                               |        |                                                                                          | 0      |
| <b>25</b> Tax Debit Memo                                                                                                                                                                                                                                                                                                                                                                                                          |  |                                                                                                                                                                                                                                                                                                                                                                                               |        |                                                                                          | 0      |
| <b>26</b> Others(Specify Below)                                                                                                                                                                                                                                                                                                                                                                                                   |  |                                                                                                                                                                                                                                                                                                                                                                                               |        |                                                                                          | 0      |
| Machine Validation/Revenue Official Receipt Details (if not filed with an Authorized Agent Bank(AAB))                                                                                                                                                                                                                                                                                                                             |  |                                                                                                                                                                                                                                                                                                                                                                                               |        | Stamp of Receiving Office/AAB and Date of Receipt (RO's Signature/Bank Teller's Initial) |        |

|                                                                                                               |  |                                                                                                                                   |  |                                                                                                             |  |
|---------------------------------------------------------------------------------------------------------------|--|-----------------------------------------------------------------------------------------------------------------------------------|--|-------------------------------------------------------------------------------------------------------------|--|
| BIR Form No.<br>1702-RT<br>January 2018(ENCS)<br>Page 2                                                       |  | Annual Income Tax Return<br>Corporation, Partnership and Other Non-Individual<br>Taxpayer Subject Only to REGULAR Income Tax Rate |  | <br>1702-RT 01/18ENCS P2 |  |
| Taxpayer Identification Number(TIN)                                                                           |  |                                                                                                                                   |  | Registered Name                                                                                             |  |
| 000 917 916 00000                                                                                             |  |                                                                                                                                   |  | GMA NETWORK INC                                                                                             |  |
| Part IV - Computation of Tax (DO NOT enter Centavos; 49 Centavos or Less drop down; 50 or more round up)      |  |                                                                                                                                   |  |                                                                                                             |  |
| 27 Sales/Revenues/Receipts/Fees                                                                               |  |                                                                                                                                   |  | 17,530,931,980                                                                                              |  |
| 28 Less:Sales Returns, Allowances and Discounts                                                               |  |                                                                                                                                   |  | 0                                                                                                           |  |
| 29 Net Sales/Revenues/Receipts/Fees (Item 27 Less Item 28)                                                    |  |                                                                                                                                   |  | 17,530,931,980                                                                                              |  |
| 30 Less: Cost of Sales/Services                                                                               |  |                                                                                                                                   |  | 8,569,516,502                                                                                               |  |
| 31 Gross Income from Operation (Item 29 less Item 30)                                                         |  |                                                                                                                                   |  | 8,961,415,478                                                                                               |  |
| 32 Add: Other Taxable Income Not Subjected to Final tax                                                       |  |                                                                                                                                   |  | 415,386,552                                                                                                 |  |
| 33 Total Taxable Income (Sum of Items 31 and 32)                                                              |  |                                                                                                                                   |  | 9,376,802,030                                                                                               |  |
| Less: Deductions Allowable under Existing Law                                                                 |  |                                                                                                                                   |  |                                                                                                             |  |
| 34 Ordinary Allowable Itemized Deductions                                                                     |  |                                                                                                                                   |  | 6,653,394,406                                                                                               |  |
| 35 Special Allowable Itemized Deductions                                                                      |  |                                                                                                                                   |  | 0                                                                                                           |  |
| 36 NOLCO (Only for those taxable under Sec. 27(A to C); Sec. 28(A)(1)(A)(6)(b) of Tax code, as amended)       |  |                                                                                                                                   |  | 0                                                                                                           |  |
| 37 Total Deductions (Sums of Items 34 to 36)                                                                  |  |                                                                                                                                   |  | 6,653,394,406                                                                                               |  |
| OR [in case taxable under Sec 27(A) & 28(A)(1)]                                                               |  |                                                                                                                                   |  |                                                                                                             |  |
| 38 Optional Standard Deduction (OSD) (40% of Item 33)                                                         |  |                                                                                                                                   |  | 0                                                                                                           |  |
| 39 Net Taxable Income/(Loss) <u>if itemized</u> : Item 33 Less Item 37; <u>if OSD</u> : Item 33 Less Item 38) |  |                                                                                                                                   |  | 2,723,407,624                                                                                               |  |
| 40 Applicable Income Tax Rate                                                                                 |  |                                                                                                                                   |  | 25 %                                                                                                        |  |
| 41 Income Tax Due other than Mininum Corporate Income Tax(MCIT) (Item 39 x Item 40)                           |  |                                                                                                                                   |  | 680,851,906                                                                                                 |  |
| 42 MCIT Due (2% of Item 33)                                                                                   |  |                                                                                                                                   |  | 187,536,041                                                                                                 |  |
| 43 Tax Due (Normal Income Tax Due in Item 41 OR the MCIT Due in Item 42, whichever is higher)                 |  |                                                                                                                                   |  | 680,851,906                                                                                                 |  |
| Less: Tax Credits/Payments(attach proof)                                                                      |  |                                                                                                                                   |  |                                                                                                             |  |
| 44 Prior Year's Excess Credits Other Than MCIT                                                                |  |                                                                                                                                   |  | 0                                                                                                           |  |
| 45 Income Tax Payment under MCIT from Previous Quarter/s                                                      |  |                                                                                                                                   |  | 0                                                                                                           |  |
| 46 Income Tax Payment under Regular/Normal Rate from Previous Quarter/s                                       |  |                                                                                                                                   |  | 160,220,399                                                                                                 |  |
| 47 Excess MCIT Applied this Current Taxable Year                                                              |  |                                                                                                                                   |  | 0                                                                                                           |  |
| 48 Creditable Tax Withheld from Previous Quarter/s per BIR Form No. 2307                                      |  |                                                                                                                                   |  | 262,326,234                                                                                                 |  |
| 49 Creditable Tax Withheld per BIR Form No. 2307 for the 4th Quarter                                          |  |                                                                                                                                   |  | 215,642,397                                                                                                 |  |
| 50 Foreign Tax Credits, if applicable                                                                         |  |                                                                                                                                   |  | 0                                                                                                           |  |
| 51 Tax Paid in Return Previously Filed, if this is an Amended Return                                          |  |                                                                                                                                   |  | 0                                                                                                           |  |
| 52 Special Tax Credits                                                                                        |  |                                                                                                                                   |  | 0                                                                                                           |  |
| Other Credits/Payments (Specify)                                                                              |  |                                                                                                                                   |  |                                                                                                             |  |
| 53                                                                                                            |  |                                                                                                                                   |  | 0                                                                                                           |  |
| 54                                                                                                            |  |                                                                                                                                   |  | 0                                                                                                           |  |
| 55 Total Tax Credits/Payments (Sum of Items 44 to 54)                                                         |  |                                                                                                                                   |  | 638,189,030                                                                                                 |  |
| 56 Net Tax Payable (Overpayment) (Item 43 Less Item 55)                                                       |  |                                                                                                                                   |  | 42,662,876                                                                                                  |  |
| Part V - Tax Relief Availment                                                                                 |  |                                                                                                                                   |  |                                                                                                             |  |
| 57 Special Allowable Itemized Deductions (Item 35 of Part IV x Applicable Income Tax Rate)                    |  |                                                                                                                                   |  | 0                                                                                                           |  |
| 58 Add:Special Tax Credits                                                                                    |  |                                                                                                                                   |  | 0                                                                                                           |  |
| 59 Total Tax Relief Availment (Sum of Items 57 & 58)                                                          |  |                                                                                                                                   |  | 0                                                                                                           |  |

|                                                                                                                            |  |                                                                                                                                          |  |                                                                                                             |  |
|----------------------------------------------------------------------------------------------------------------------------|--|------------------------------------------------------------------------------------------------------------------------------------------|--|-------------------------------------------------------------------------------------------------------------|--|
| BIR Form No.<br><b>1702-RT</b><br>January 2018(ENCS)<br>Page 3                                                             |  | <b>Annual Income Tax Return</b><br>Corporation, Partnership and Other Non-Individual<br>Taxpayer Subject Only to REGULAR Income Tax Rate |  | <br>1702-RT 01/18ENCS P3 |  |
| Taxpayer Identification Number(TIN)                                                                                        |  |                                                                                                                                          |  | Registered Name                                                                                             |  |
| 000 917 916 00000                                                                                                          |  |                                                                                                                                          |  | GMA NETWORK INC                                                                                             |  |
| Part VI - Schedules (DO NOT enter Centavos; 49 Centavos or Less drop down; 50 or more round up)                            |  |                                                                                                                                          |  |                                                                                                             |  |
| Schedule I - Ordinary Allowable Itemized Deductions (Attach additional sheet/s if necessary)                               |  |                                                                                                                                          |  |                                                                                                             |  |
| 1 Amortization                                                                                                             |  |                                                                                                                                          |  | 17,241,256                                                                                                  |  |
| 2 Bad Debts                                                                                                                |  |                                                                                                                                          |  | 0                                                                                                           |  |
| 3 Charitable and Other Contributions                                                                                       |  |                                                                                                                                          |  | 3,374,205                                                                                                   |  |
| 4 Depletion                                                                                                                |  |                                                                                                                                          |  | 0                                                                                                           |  |
| 5 Depreciation                                                                                                             |  |                                                                                                                                          |  | 226,078,354                                                                                                 |  |
| 6 Entertainment, Amusement and Recreation                                                                                  |  |                                                                                                                                          |  | 8,342,613                                                                                                   |  |
| 7 Fringe Benefits                                                                                                          |  |                                                                                                                                          |  | 0                                                                                                           |  |
| 8 Interest                                                                                                                 |  |                                                                                                                                          |  | 128,719,456                                                                                                 |  |
| 9 Losses                                                                                                                   |  |                                                                                                                                          |  | 0                                                                                                           |  |
| 10 Pension Trusts                                                                                                          |  |                                                                                                                                          |  | 0                                                                                                           |  |
| 11 Rental                                                                                                                  |  |                                                                                                                                          |  | 45,189,073                                                                                                  |  |
| 12 Research and Development                                                                                                |  |                                                                                                                                          |  | 124,677,510                                                                                                 |  |
| 13 Salaries, Wages and Allowances                                                                                          |  |                                                                                                                                          |  | 3,816,838,764                                                                                               |  |
| 14 SSS, GSIS, Philhealth, HDMF and Other Contributions                                                                     |  |                                                                                                                                          |  | 111,053,889                                                                                                 |  |
| 15 Taxes and Licenses                                                                                                      |  |                                                                                                                                          |  | 197,541,129                                                                                                 |  |
| 16 Transportation and Travel                                                                                               |  |                                                                                                                                          |  | 36,284,551                                                                                                  |  |
| 17 Others(Deductions Subject to Withholding Tax and Other Expenses) (Specify below; Add additional sheet(s), if necessary) |  |                                                                                                                                          |  |                                                                                                             |  |
| a Janitorial and Messengerial Services                                                                                     |  |                                                                                                                                          |  | 27,180,479                                                                                                  |  |
| b Professional Fees                                                                                                        |  |                                                                                                                                          |  | 437,522,210                                                                                                 |  |
| c Security Services                                                                                                        |  |                                                                                                                                          |  | 87,079,528                                                                                                  |  |
| d ADVERTISING AND PROMOTIONS                                                                                               |  |                                                                                                                                          |  | 143,967,165                                                                                                 |  |
| e COMMISSIONS                                                                                                              |  |                                                                                                                                          |  | 45,297,600                                                                                                  |  |
| f COMMUNICATION, LIGHT AND WATER                                                                                           |  |                                                                                                                                          |  | 347,553,002                                                                                                 |  |
| g INSURANCE                                                                                                                |  |                                                                                                                                          |  | 35,010,340                                                                                                  |  |
| h MISCELLANEOUS                                                                                                            |  |                                                                                                                                          |  | 301,423,030                                                                                                 |  |
| i OTHERS                                                                                                                   |  |                                                                                                                                          |  | 513,020,252                                                                                                 |  |
| 18 Total Ordinary Allowable Itemized Deductions (Sum of Items 1 to 17)                                                     |  |                                                                                                                                          |  | 6,653,394,406                                                                                               |  |
| Schedule II - Special Allowable Itemized Deductions (Attach additional sheet/s, if necessary)                              |  |                                                                                                                                          |  |                                                                                                             |  |
| Description                                                                                                                |  | Legal Basis                                                                                                                              |  | Amount                                                                                                      |  |
| 1                                                                                                                          |  |                                                                                                                                          |  | 0                                                                                                           |  |
| 2                                                                                                                          |  |                                                                                                                                          |  | 0                                                                                                           |  |
| 3                                                                                                                          |  |                                                                                                                                          |  | 0                                                                                                           |  |
| 4                                                                                                                          |  |                                                                                                                                          |  | 0                                                                                                           |  |
| 5 Total Special Allowable Itemized Deductions (Sum of Items 1 to 4)                                                        |  |                                                                                                                                          |  | 0                                                                                                           |  |

|                                                                                                                                                                           |                                  |                                                                                                                                          |         |                                                                                                             |                                       |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|---------|-------------------------------------------------------------------------------------------------------------|---------------------------------------|
| BIR Form No.<br><b>1702-RT</b><br>January 2018(ENCS)<br>Page 4                                                                                                            |                                  | <b>Annual Income Tax Return</b><br>Corporation, Partnership and Other Non-Individual<br>Taxpayer Subject Only to REGULAR Income Tax Rate |         | <br>1702-RT 01/18ENCS P4 |                                       |
| Taxpayer Identification Number(TIN)                                                                                                                                       |                                  |                                                                                                                                          |         | Registered Name                                                                                             |                                       |
| 000 917 916 00000                                                                                                                                                         |                                  |                                                                                                                                          |         | GMA NETWORK INC                                                                                             |                                       |
| Schedule III - Computation of Net Operating Loss Carry Over (NOLCO)                                                                                                       |                                  |                                                                                                                                          |         |                                                                                                             |                                       |
| 1 Gross Income                                                                                                                                                            |                                  |                                                                                                                                          |         | 0                                                                                                           |                                       |
| 2 Less: Ordinary Allowable Itemized Deductions                                                                                                                            |                                  |                                                                                                                                          |         | 0                                                                                                           |                                       |
| 3 Net Operating Loss (Item 1 Less Item 2) (To Schedule IIIA, Item 7A)                                                                                                     |                                  |                                                                                                                                          |         | 0                                                                                                           |                                       |
| Schedule IIIA - Computation of Available Net Operating Loss Carry Over (NOLCO) <small>(DO NOT enter Centavos; 49 Centavos or Less drop down; 50 or more round up)</small> |                                  |                                                                                                                                          |         |                                                                                                             |                                       |
| Year Incurred                                                                                                                                                             |                                  | Net Operating Loss                                                                                                                       |         | B) NOLCO Applied Previous Year/s                                                                            |                                       |
|                                                                                                                                                                           |                                  | A) Amount                                                                                                                                |         |                                                                                                             |                                       |
| 4                                                                                                                                                                         |                                  | 0                                                                                                                                        |         | 0                                                                                                           |                                       |
| 5                                                                                                                                                                         |                                  | 0                                                                                                                                        |         | 0                                                                                                           |                                       |
| 6                                                                                                                                                                         |                                  | 0                                                                                                                                        |         | 0                                                                                                           |                                       |
| 7                                                                                                                                                                         |                                  | 0                                                                                                                                        |         | 0                                                                                                           |                                       |
| Continuation of Schedule IIIA (Item numbers continue from table above)                                                                                                    |                                  |                                                                                                                                          |         |                                                                                                             |                                       |
| C) NOLCO Expired                                                                                                                                                          |                                  | D) NOLCO Applied Current Year                                                                                                            |         | E) Net Operating Loss (Unapplied)<br>[ E = A Less (B + C + D)]                                              |                                       |
| 4                                                                                                                                                                         | 0                                | 0                                                                                                                                        |         | 0                                                                                                           |                                       |
| 5                                                                                                                                                                         | 0                                | 0                                                                                                                                        |         | 0                                                                                                           |                                       |
| 6                                                                                                                                                                         | 0                                | 0                                                                                                                                        |         | 0                                                                                                           |                                       |
| 7                                                                                                                                                                         | 0                                | 0                                                                                                                                        |         | 0                                                                                                           |                                       |
| 8 Total NOLCO (Sum of Items 4D to 7D)                                                                                                                                     |                                  |                                                                                                                                          |         | 0                                                                                                           |                                       |
| Schedule IV -Computation of Minimum corporate Income Tax(MCIT)                                                                                                            |                                  |                                                                                                                                          |         |                                                                                                             |                                       |
| Year                                                                                                                                                                      | A) Normal Income Tax as Adjusted |                                                                                                                                          | B) MCIT |                                                                                                             | C) Excess MCIT over Normal Income Tax |
| 1                                                                                                                                                                         | 0                                |                                                                                                                                          | 0       |                                                                                                             | 0                                     |
| 2                                                                                                                                                                         | 0                                |                                                                                                                                          | 0       |                                                                                                             | 0                                     |
| 3                                                                                                                                                                         | 0                                |                                                                                                                                          | 0       |                                                                                                             | 0                                     |
| Continuation of Schedule IV (Item numbers continue from table above)                                                                                                      |                                  |                                                                                                                                          |         |                                                                                                             |                                       |
| D) Excess MCIT Applied/Used in Previous Years                                                                                                                             |                                  | E) Expired Portion of Excess MCIT                                                                                                        |         | F) Excess MCIT Applied this Current Taxable Year                                                            |                                       |
|                                                                                                                                                                           |                                  |                                                                                                                                          |         | G) Balance of Excess MCIT Allowable as Tax Credit for Succeeding Year/s<br>[G = C Less (D + E + F)]         |                                       |
| 1                                                                                                                                                                         | 0                                | 0                                                                                                                                        |         | 0                                                                                                           |                                       |
| 2                                                                                                                                                                         | 0                                | 0                                                                                                                                        |         | 0                                                                                                           |                                       |
| 3                                                                                                                                                                         | 0                                | 0                                                                                                                                        |         | 0                                                                                                           |                                       |
| 4 Total Excess MCIT Applied (Sum of Items 1F to 3F)                                                                                                                       |                                  |                                                                                                                                          |         | 0                                                                                                           |                                       |
| Schedule V - Reconciliation of Net Income per Books Against Taxable Income (Attach additional sheet/s, if necessary)                                                      |                                  |                                                                                                                                          |         |                                                                                                             |                                       |
| 1 Net Income/(Loss) per Books                                                                                                                                             |                                  |                                                                                                                                          |         | 2,857,241,475                                                                                               |                                       |
| Add: Non-deductible Expenses/Taxable Other Income                                                                                                                         |                                  |                                                                                                                                          |         |                                                                                                             |                                       |
| 2 NON DEDUCTIBLE INTEREST EXPENSE                                                                                                                                         |                                  |                                                                                                                                          |         | 14,726,805                                                                                                  |                                       |
| 3 OTHERS                                                                                                                                                                  |                                  |                                                                                                                                          |         | 916,145,198                                                                                                 |                                       |
| 4 Total (Sum of Items 1 to 3)                                                                                                                                             |                                  |                                                                                                                                          |         | 3,788,113,478                                                                                               |                                       |
| Less: A) Non-Taxable Income and Income Subjected to Final Tax                                                                                                             |                                  |                                                                                                                                          |         |                                                                                                             |                                       |
| 5 INCOME ALREADY SUBJECTED TO FINAL TAX                                                                                                                                   |                                  |                                                                                                                                          |         | 18,732,916                                                                                                  |                                       |
| 6 OTHERS                                                                                                                                                                  |                                  |                                                                                                                                          |         | 1,045,972,938                                                                                               |                                       |
| B) Special Deductions                                                                                                                                                     |                                  |                                                                                                                                          |         |                                                                                                             |                                       |
| 7                                                                                                                                                                         |                                  |                                                                                                                                          |         | 0                                                                                                           |                                       |
| 8                                                                                                                                                                         |                                  |                                                                                                                                          |         | 0                                                                                                           |                                       |
| 9 Total (Sum of Items 5 to 8)                                                                                                                                             |                                  |                                                                                                                                          |         | 1,064,705,854                                                                                               |                                       |
| 10 Net taxable Income (Loss) (Item 4 Less Item 9)                                                                                                                         |                                  |                                                                                                                                          |         | 2,723,407,624                                                                                               |                                       |

BIR-BancNet Tax Payment Notification



BancNet Tax Payment <tpg@bancnetonline.com>

Today, 8:42 AM

Fufunan, Mary Jane L.

Reply all |

Inbox

To help protect your privacy, some content in this message has been blocked. To re-enable the blocked features, click here.

To always show content from this sender, click here.

Hello BIR\_eFPSgm,

This is to notify you that BIRFDA\_7, your Company's assigned Final Authorizer transacted with BancNet Online Tax Payment Gateway. The transaction has just been proccessed with a status of Approved and with the following details:

|                              |   |                        |
|------------------------------|---|------------------------|
| TIN                          | : | 000-917-916-000        |
| RDO Code                     | : | 126                    |
| Tax Payer's Name             | : | GMA NETWORK, INC.      |
| Tax Type                     | : | IT                     |
| Tax Period                   | : | 12/31/2025             |
| Quarter                      | : | 0                      |
| Bank                         | : | Bank of Commerce       |
| Filing Reference Number      | : | 462600072022817        |
| Payment Transaction Number   | : | 266045710              |
| BancNet Confirmation Number: |   | 808145                 |
| Payment Transaction Date     | : | 04/13/2026             |
| Tax Due                      | : | 42,662,876.00          |
| Actual Amount Paid           | : | 42,662,876.00          |
| Transaction Date             | : | 04/15/2026 08:44:41 AM |
| Transaction Status           | : | Approved               |

This is an auto-email from BancNet Online.  
DO NOT REPLY TO THIS MESSAGE. For further help or to contact support, please see <https://www.bancnetonline.com/apps/servlet/ServletFront?trxcode=137>.

If you have questions check the BancNet Online Site FAQ please see <http://www.bancnet.net/faq/corporate/faq/FAQBOL.html>.

Thank you very much.

Visit us at <http://www.bancnetonline.com>.



**Gatmaitan, Maria Cristina S.**

---

**From:** eafs@bir.gov.ph  
**Sent:** Wednesday, 15 April 2026 10:14 am  
**To:** Gatmaitan, Maria Cristina S.  
**Cc:** Gatmaitan, Maria Cristina S.  
**Subject:** Your BIR AFS eSubmission uploads were received

Hi GMA NETWORK, INC.,

**Valid files**

- EAFS000917916ITRTY122025.pdf
- EAFS000917916AFSTY122025.pdf

**Invalid file**

- <None>

Transaction Code: **AFS-0-4YZP24TN03R4VVVYPP4PXS1NV085G755D5**

Submission Date/Time: **Apr 15, 2026 10:13 AM**

Company TIN: **000-917-916**

Please be reminded that you accepted the terms and conditions for the use of this portal and expressly agree, warrant and certify that:

- The submitted forms, documents and attachments are complete, truthful and correct based on the personal knowledge and the same are from authentic records;
- The submission is without prejudice to the right of the BIR to require additional document, if any, for completion and verification purposes;
- The hard copies of the documents submitted through this facility shall be submitted when required by the BIR in the event of audit/investigation and/or for any other legal purpose.

This is a system-generated e-mail. Please do not reply.



May 28, 2026

**Office of the General Accountant**  
Securities and Exchange Commission  
The SEC Headquarters, 7907 Makati Avenue  
Salcedo Village, Bel-air, Makati City

**Attention: Mr. Emmanuel Y. Artiza**

Sir:

This is in reference to your letter dated May 18, 2026, which we received electronically on the same date, regarding the comments and findings of the Commission on the Consolidated Audited Financial Statements of GMA Network, Inc. and Subsidiaries (the Company) for the year ended December 31, 2025.

In compliance with the instructions stated in the said letter, we are submitting herewith the duly accomplished Comment and Response Sheet containing the Company's replies to the Commission's comments and findings.

Also attached is the Audit Committee Resolution confirming that the comments and findings, including the corresponding corrective measures to be taken, were presented to and taken up by the Audit Committee.

Very truly yours,

**Gilberto R. Duavit, Jr.**

 President and Chief Executive Officer 

cc: Atty. Felipe L. Gozon, Chairman of the Board  
Dr. Jaime C. Laya, Chairman of the Audit Committee  
Felipe S. Yalong, EVP, Corporate Treasurer and Chief Financial Officer

**GMA Network Inc.**

- GMA Network Center, EDSA corner Timog Ave., Diliman, Quezon City 1103 Philippines •
- Tel. Nos. (632) 928-7777 • Website: [www.iGMA.tv](http://www.iGMA.tv)

**CAFS OF GMA NETWORK, INC. AND SUBSIDIARIES  
AS OF DECEMBER 31, 2025**

**COMMENT AND RESPONSE SHEET**

**General Instruction: Use this sheet in responding to us. WRITE your detailed explanation/action taken in the corresponding spaces under the caption "RESPONSE OF COMPANY". The determination of compliance or non-compliance shall be based on the explanation provided herein. SIGN each and every page.**

| COMPONENTS OF FINANCIAL STATEMENTS          | BRIEF DESCRIPTION OF NON- COMPLIANCE                                                                                                                                                                                                         | BASIS/ REFERENCE                              | RESPONSE OF COMPANY                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                             |                 |                                             |             |            |              |                       |                |                   |             |                   |               |                  |                |
|---------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|-----------------|---------------------------------------------|-------------|------------|--------------|-----------------------|----------------|-------------------|-------------|-------------------|---------------|------------------|----------------|
| Consolidated Statements of Cash Flows       | 1. We noted that the 2024 comparative balances of the following cash flow items presented in the 2025 CAFS are inconsistent with the corresponding amounts reported in the 2024 CAFS:<br>1. Pension Expense<br>2. Decrease in trade payables | PAS 7<br><br>PAS 8<br><br>Revised SRC Rule 68 | <p>1. The difference in the pension expense presented in 2025 comparative balance and 2024 AFS amounting to Php390,540 is due to the difference of net interest cost that was presented as part of pension expense as follows:</p> <table><tr><td>2024 net interest cost – 2025 AFS (Note 27)</td><td>Php 278,968,422</td></tr><tr><td>2024 net interest cost – 2024 AFS (Note 27)</td><td>279,358,962</td></tr><tr><td>Difference</td><td>(Php390,540)</td></tr></table> <p>The update made in the 2024 comparative balance is to correct the pension expense presented in the cashflow statement, which was included in the movement of trade payables. The composition of 2024 pension expense as presented in the statement of cashflows, which were disclosed in Note 27 is as follows:</p> <table><tr><td>Current service cost*</td><td>Php378,786,232</td></tr><tr><td>Interest expense*</td><td>386,026,848</td></tr><tr><td>Interest income**</td><td>(107,058,426)</td></tr><tr><td>Net pension cost</td><td>Php657,754,654</td></tr></table> <p>*presented in the "changes in present value of the defined benefit obligation" table in Note 27 (page 47).</p> <p>**presented in the "changes in the fair value of plan assets" table in Note 27 (page 47).</p> <p>There are no changes in the net cashflows from operating activities as a result of the changes made. The changes in pension</p> | 2024 net interest cost – 2025 AFS (Note 27) | Php 278,968,422 | 2024 net interest cost – 2024 AFS (Note 27) | 279,358,962 | Difference | (Php390,540) | Current service cost* | Php378,786,232 | Interest expense* | 386,026,848 | Interest income** | (107,058,426) | Net pension cost | Php657,754,654 |
|                                             | 2024 net interest cost – 2025 AFS (Note 27)                                                                                                                                                                                                  | Php 278,968,422                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                             |                 |                                             |             |            |              |                       |                |                   |             |                   |               |                  |                |
| 2024 net interest cost – 2024 AFS (Note 27) | 279,358,962                                                                                                                                                                                                                                  |                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                             |                 |                                             |             |            |              |                       |                |                   |             |                   |               |                  |                |
| Difference                                  | (Php390,540)                                                                                                                                                                                                                                 |                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                             |                 |                                             |             |            |              |                       |                |                   |             |                   |               |                  |                |
| Current service cost*                       | Php378,786,232                                                                                                                                                                                                                               |                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                             |                 |                                             |             |            |              |                       |                |                   |             |                   |               |                  |                |
| Interest expense*                           | 386,026,848                                                                                                                                                                                                                                  |                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                             |                 |                                             |             |            |              |                       |                |                   |             |                   |               |                  |                |
| Interest income**                           | (107,058,426)                                                                                                                                                                                                                                |                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                             |                 |                                             |             |            |              |                       |                |                   |             |                   |               |                  |                |
| Net pension cost                            | Php657,754,654                                                                                                                                                                                                                               |                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                             |                 |                                             |             |            |              |                       |                |                   |             |                   |               |                  |                |
|                                             | <p><b>Provide clarification and reconciliation to address the noted discrepancies</b></p>                                                                                                                                                    |                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                             |                 |                                             |             |            |              |                       |                |                   |             |                   |               |                  |                |

| COMPONENTS OF FINANCIAL STATEMENTS                                    | BRIEF DESCRIPTION OF NON- COMPLIANCE                                                                                                                                                                                                                                                                                                                                                                                                         | BASIS/ REFERENCE   | RESPONSE OF COMPANY                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                   |                |                                                                       |             |                                           |            |                                                         |            |                                                              |               |                                        |               |                                  |             |                                            |               |                           |               |                                               |              |                |              |
|-----------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|----------------|-----------------------------------------------------------------------|-------------|-------------------------------------------|------------|---------------------------------------------------------|------------|--------------------------------------------------------------|---------------|----------------------------------------|---------------|----------------------------------|-------------|--------------------------------------------|---------------|---------------------------|---------------|-----------------------------------------------|--------------|----------------|--------------|
|                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                              |                    | expense and accounts payable amounting to Php390,540 is equivalent to 0.015% of net cashflows from operating activities.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                   |                |                                                                       |             |                                           |            |                                                         |            |                                                              |               |                                        |               |                                  |             |                                            |               |                           |               |                                               |              |                |              |
|                                                                       | 2. We noted that the amount of cash proceeds from sale of property and equipment disclosed in the 2025 Consolidated Statement of Cash Flows amounting to P56.02 million appears inconsistent with the computed proceeds based on the carrying value of property and equipment disposed of and the corresponding gain on sale disclosed in Notes 13 and 26.<br><br><b>Provide clarifications and reconciliation on the discrepancy noted.</b> | PAS 1<br><br>PAS 7 | <p>The proceeds from sale of property and equipment is calculated as follows:</p> <table><tr><td>Cost of disposed property and equipment (Note 13)</td><td>Php129,803,044</td></tr><tr><td>Accumulated depreciation of disposed property and equipment (Note 13)</td><td>119,719,086</td></tr><tr><td>Carrying value of property and equipment*</td><td>10,083,958</td></tr><tr><td>Gain on sale of property and equipment (see next table)</td><td>45,937,984</td></tr><tr><td>Proceeds from disposal of property and equipment (cashflows)</td><td>Php56,021,942</td></tr></table> <p>The net gain on sale of property and equipment as presented in the statement of cashflows consists of the following:</p> <table><tr><td>Gain on sale of property and equipment</td><td>Php45,937,984</td></tr><tr><td>Loss on retirement of ROU assets</td><td>(2,691,409)</td></tr><tr><td>Net gain on sale of property and equipment</td><td>Php43,246,575</td></tr></table> <p>The carrying value of retired ROU asset was disclosed in Note 28 (page 50) of the consolidated FS is as follows:</p> <table><tr><td>Cost of ROU asset retired</td><td>Php92,317,721</td></tr><tr><td>Accumulated depreciation of ROU asset retired</td><td>(89,626,312)</td></tr><tr><td>Carrying value</td><td>Php2,691,409</td></tr></table> | Cost of disposed property and equipment (Note 13) | Php129,803,044 | Accumulated depreciation of disposed property and equipment (Note 13) | 119,719,086 | Carrying value of property and equipment* | 10,083,958 | Gain on sale of property and equipment (see next table) | 45,937,984 | Proceeds from disposal of property and equipment (cashflows) | Php56,021,942 | Gain on sale of property and equipment | Php45,937,984 | Loss on retirement of ROU assets | (2,691,409) | Net gain on sale of property and equipment | Php43,246,575 | Cost of ROU asset retired | Php92,317,721 | Accumulated depreciation of ROU asset retired | (89,626,312) | Carrying value | Php2,691,409 |
| Cost of disposed property and equipment (Note 13)                     | Php129,803,044                                                                                                                                                                                                                                                                                                                                                                                                                               |                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                   |                |                                                                       |             |                                           |            |                                                         |            |                                                              |               |                                        |               |                                  |             |                                            |               |                           |               |                                               |              |                |              |
| Accumulated depreciation of disposed property and equipment (Note 13) | 119,719,086                                                                                                                                                                                                                                                                                                                                                                                                                                  |                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                   |                |                                                                       |             |                                           |            |                                                         |            |                                                              |               |                                        |               |                                  |             |                                            |               |                           |               |                                               |              |                |              |
| Carrying value of property and equipment*                             | 10,083,958                                                                                                                                                                                                                                                                                                                                                                                                                                   |                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                   |                |                                                                       |             |                                           |            |                                                         |            |                                                              |               |                                        |               |                                  |             |                                            |               |                           |               |                                               |              |                |              |
| Gain on sale of property and equipment (see next table)               | 45,937,984                                                                                                                                                                                                                                                                                                                                                                                                                                   |                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                   |                |                                                                       |             |                                           |            |                                                         |            |                                                              |               |                                        |               |                                  |             |                                            |               |                           |               |                                               |              |                |              |
| Proceeds from disposal of property and equipment (cashflows)          | Php56,021,942                                                                                                                                                                                                                                                                                                                                                                                                                                |                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                   |                |                                                                       |             |                                           |            |                                                         |            |                                                              |               |                                        |               |                                  |             |                                            |               |                           |               |                                               |              |                |              |
| Gain on sale of property and equipment                                | Php45,937,984                                                                                                                                                                                                                                                                                                                                                                                                                                |                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                   |                |                                                                       |             |                                           |            |                                                         |            |                                                              |               |                                        |               |                                  |             |                                            |               |                           |               |                                               |              |                |              |
| Loss on retirement of ROU assets                                      | (2,691,409)                                                                                                                                                                                                                                                                                                                                                                                                                                  |                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                   |                |                                                                       |             |                                           |            |                                                         |            |                                                              |               |                                        |               |                                  |             |                                            |               |                           |               |                                               |              |                |              |
| Net gain on sale of property and equipment                            | Php43,246,575                                                                                                                                                                                                                                                                                                                                                                                                                                |                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                   |                |                                                                       |             |                                           |            |                                                         |            |                                                              |               |                                        |               |                                  |             |                                            |               |                           |               |                                               |              |                |              |
| Cost of ROU asset retired                                             | Php92,317,721                                                                                                                                                                                                                                                                                                                                                                                                                                |                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                   |                |                                                                       |             |                                           |            |                                                         |            |                                                              |               |                                        |               |                                  |             |                                            |               |                           |               |                                               |              |                |              |
| Accumulated depreciation of ROU asset retired                         | (89,626,312)                                                                                                                                                                                                                                                                                                                                                                                                                                 |                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                   |                |                                                                       |             |                                           |            |                                                         |            |                                                              |               |                                        |               |                                  |             |                                            |               |                           |               |                                               |              |                |              |
| Carrying value                                                        | Php2,691,409                                                                                                                                                                                                                                                                                                                                                                                                                                 |                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                   |                |                                                                       |             |                                           |            |                                                         |            |                                                              |               |                                        |               |                                  |             |                                            |               |                           |               |                                               |              |                |              |

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| COMPONENTS OF FINANCIAL STATEMENTS | BRIEF DESCRIPTION OF NON- COMPLIANCE                                                                                                                                                                                                                                                                                                                   | BASIS/ REFERENCE                                  | RESPONSE OF COMPANY                                                                                                                                                                                                                      |
|------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                    |                                                                                                                                                                                                                                                                                                                                                        |                                                   | There are no changes in the net cashflows from operating activities and investing activities as a result of the presentation of loss on retirement of ROU assets as part of net gain on sale of property and equipment.                  |
|                                    | <p>3. The amount of increases in <b>program and other rights</b> for the years 2025, 2024 and 2023 cannot be reconciled with the information disclosed in Note 8, even after considering "additions on account" disclosed in Note 33.</p> <p><b>Provide clarification and reconciliation of the noted discrepancies.</b></p>                           | PAS 7                                             | Refer to <b>Annex A</b> for the reconciliation of increase in program and other rights for the years 2025, 2024 and 2023. The movement of obligations for program and other rights includes unrealized foreign exchange gains or losses. |
| <b>Land - at revalued amounts</b>  | <p>1. Note 4 indicates that the Group engages an accredited appraiser to determine the fair value of the land used in operation. To determine compliance with SEC Memorandum Circular (MC) No. 2, Series of 2014, <b>please provide the date of latest appraisal of the land and the name of the independent appraiser engaged by the Company.</b></p> | <p>PAS 16</p> <p>SEC MC No. 2, Series of 2014</p> | The name of the Group's appraiser is Crown Property Appraisal Corporation. The latest appraisal report of the land at revalued amounts are as of December 31, 2025 and 2023.                                                             |
|                                    | <p>2. In relation to the above finding, Note 4 further indicates that certain land properties were not appraised as</p>                                                                                                                                                                                                                                |                                                   | The land at revalued amounts were all measured at fair value.                                                                                                                                                                            |

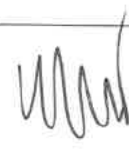
| COMPONENTS OF FINANCIAL STATEMENTS | BRIEF DESCRIPTION OF NON- COMPLIANCE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | BASIS/ REFERENCE | RESPONSE OF COMPANY                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                    | <p>of December 31, 2025, 2024, and 2023. Par. 36 of PAS 16 provides that if an item of property, plant and equipment is revalued, the entire class to which that asset belongs should be revalued. Further, Par. 38 of PAS 16 requires that the items within a class of property, plant and equipment are revalued simultaneously to avoid selective revaluation of assets and the reporting of amounts in the financial statements that are a mixture of costs and values as at different dates. In this regard, the Company is directed to provide the following:</p> <ul style="list-style-type: none"> <li>• List of properties that were appraised as of December 31, 2025, including the corresponding cost, revalued amount and latest appraisal date;</li> <li>• List of properties that were not appraised as of December 31, 2025, including the corresponding cost, latest revalued amount, and date of last</li> </ul> |                  | <p>A. Refer to <b>Annex B.1</b> for the list of properties that were revalued as of December 31, 2025; and</p> <p>B. <b>Annex B.2</b> for the properties not revalued as of December 31, 2025 since management believes that the carrying values approximates their fair values as of December 31, 2025.</p> <p>C. The latest appraisal of land is as of December 31, 2025 and 2023. The land at revalued amounts were all measured at fair value as of December 31, 2025. In accordance with paragraph 36 of PAS 16, "...a class of assets may be revalued on a rolling basis provided revaluation of the class of assets is completed within a short period and provided the revaluations are kept up to date."</p> <p>Further, in accordance with paragraph 31 of PAS 16, "Revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period." As discussed in paragraph 34 of PAS 16, "frequent revaluations are unnecessary for items of property, plant and equipment with only insignificant changes in fair value. Instead, it may be necessary to revalue the item only every <b>three or five years.</b>"</p> <p>As disclosed in the Group's accounting policy (page 10), "Valuations are generally performed <b>every three to five years</b> or more frequently as deemed necessary to ensure that the fair value of a revalued asset does not differ materially from its carrying amount."</p> |

| COMPONENTS OF FINANCIAL STATEMENTS      | BRIEF DESCRIPTION OF NON- COMPLIANCE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | BASIS/ REFERENCE            | RESPONSE OF COMPANY                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-----------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                         | <p>appraisal; and</p> <ul style="list-style-type: none"> <li>• Explanation and Justification why not all properties under land account were revalued, considering the requirements of PAS 16.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Property and equipment - at cost</b> | <p>The Company disclosed in its Material Accounting Policy that its Property and equipment, except for land, are stated at cost, net of accumulated depreciation and amortization and impairment losses, if any. The policy further states that such cost includes the cost of replacing part of the property and equipment and <b>borrowing costs for long-term construction projects if the recognition criteria are met.</b></p> <p>It was also noted in Note 13 that the Company recognized construction in progress (CIP) amounting to P49 million and P245 million in 2025 and 2024, respectively. Furthermore, the Company obtained short-term loans amounting to P1.80</p> | <p>PAS 16</p> <p>PAS 23</p> | <ol style="list-style-type: none"> <li>1. Short-term loans were obtained to finance working capital requirements. There are no borrowing costs that were capitalized as part of the construction-in-progress or other capital expenditures. All interest costs for short-term loans, lease liabilities and accrued dismantling costs as disclosed in Notes 18 and 28 were recognized in the consolidated statements of comprehensive income.</li> <li>2. Not applicable. There are no borrowing costs capitalized.</li> </ol> |

| COMPONENTS OF FINANCIAL STATEMENTS | BRIEF DESCRIPTION OF NON- COMPLIANCE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | BASIS/ REFERENCE | RESPONSE OF COMPANY                                                                                                                                                                                                                                                                                                                      |
|------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                    | <p>billion and P4.02 billion in 2025 and 2024, respectively. However, there are no disclosures in the Notes to CAFS whether any borrowing costs were capitalized during the reporting periods pursuant to the requirements of PAS 23.</p> <p><b>In view of the foregoing, the Company is requested to provide the following:</b></p> <p><b>1. Clarification on whether or not borrowing costs were capitalized in relation to the construction of qualifying assets during each reporting period;</b></p> <p><b>2. If applicable, the amount of borrowing costs capitalized and the capitalization rate used for each reporting period, in accordance with PAS 23.</b></p> |                  |                                                                                                                                                                                                                                                                                                                                          |
| <b>Investment Properties</b>       | The Company disclosed in its Material Accounting Policy that its Investment Properties consist of real estate held for capital appreciation and rental. However, Note 15 indicates that the                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | PAS 40<br>PAS 16 | <p>Land, presented as investment properties, are held for either capital appreciation or rental. These are not used for operations. The disclosure will be updated in the next financial statements.</p> <p>Land presented as investment properties amounting to Php23.76 million is equivalent to 0.17% of total noncurrent assets.</p> |




| COMPONENTS OF FINANCIAL STATEMENTS | BRIEF DESCRIPTION OF NON- COMPLIANCE                                                                                                                                                                                                                                                                                                                                                                                                                | BASIS/ REFERENCE | RESPONSE OF COMPANY                                                                                                                                        |
|------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                    | <p>land classified under Investment Properties are being used in the Company's operations.</p> <p><b>Considering the disclosed nature and use of the land, the Company is requested to clarify the basis for classifying such properties as Investment Properties instead of Property, Plant and Equipment, taking into consideration the classification requirements under PAS 40 and PAS 16.</b></p>                                              |                  |                                                                                                                                                            |
| Short-term loans                   | <p>The Company disclosed in Note 18 that it obtained unsecured short-term loans from local banks. The Company's loan availments amounted to P1.8 billion in 2025, and P4.02 billion in 2024, while repayments amounted to P4.04 billion in 2025 and P1.83 billion in 2024. However, the Note does not provide information on the nature, purpose, or utilization of these short- term borrowings.</p> <p><b>For better understanding of the</b></p> | PAS 1            | Short-term loans were obtained to finance working capital requirements. There are no borrowing cost that were capitalized as part of capital expenditures. |




| COMPONENTS OF FINANCIAL STATEMENTS                | BRIEF DESCRIPTION OF NON- COMPLIANCE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | BASIS/ REFERENCE | RESPONSE OF COMPANY                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|---------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                   | <p>Company's financing activities, it is requested to clarify the purpose and intended utilization of the short-term loans obtained during the reporting period. If applicable, kindly indicate whether the borrowings were used for working capital requirements, capital expenditures, refinancing activities, or other specific purposes.</p>                                                                                                                                                                                                                                       |                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <p><b>Pension and Other Employee Benefits</b></p> | <p>It was noted that a significant portion of the Company's plan assets consists of investments in equity instruments of GMA Network, Inc. and GMA PDRs amounting to P481.3 million and P6.2 million, respectively.</p> <p><b>While the Company disclosed that plan assets are exposed to price risks arising from market movements of equity securities and described general risk management practices, the disclosure does not provide sufficient explanation on the investment rationale and concentration risk arising from the significant allocation to a single equity</b></p> | <p>PAS 19</p>    | <p>a) As disclosed in Note 27, <i>"The funds are managed and supervised by trustee banks for the benefit of the members. However, the general administration of the funds is vested in a Retirement Committee"</i>. As further disclosed in Note 27, <i>"the person who exercises voting rights over shares is within the powers of the Trustee, who do not have any relationship with the directors or officers of the Group."</i></p> <p>The GMA Network, Inc. shares and GMA PDRs are either coming from contribution of the Company or direct investment placed by the Trustee. In the administration of the fund, the Trustee has the power to hold, place, invest and reinvest the fund, which include the GMA Network, Inc. shares and PDRs.</p> <p>Basis for investing in the equity of the Company is anchored on the strong belief in the company's proven track record of performance and future growth and profitability and its dividend policy of distributing at least 50% of net income after tax. Since IPO,</p> |

| COMPONENTS OF FINANCIAL STATEMENTS | BRIEF DESCRIPTION OF NON- COMPLIANCE                                                                                                                                                                                                                                                                                                                                                                                                                                                         | BASIS/ REFERENCE | RESPONSE OF COMPANY                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                      |                |                   |             |  |                |
|------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|----------------|-------------------|-------------|--|----------------|
|                                    | <p>exposure.</p> <p>In accordance with PAS 19, the Company is requested to provide the following additional information:</p> <p>1. The basis for allocating/investing a significant portion of plan assets in equity instruments of GMA Network, Inc. and related PDRs; and</p> <p>2. Clarification on how concentration risk is managed, including the policies and controls in place to address the risks arising from material exposure of plan assets to a single equity instrument.</p> |                  | <p>GMA's dividend yield averaged at 7%, above market and dividend payout ratio to net income after tax is at above 90%.</p> <p>Based on the transaction history of equity investment in the retirement fund, the shares were purchased when stock prices were at the lower range and sold when prices are high resulting in realized gains.</p> <p>b) To manage the concentration risk that may arise from the equity investment, which comprise of 29% of the total plan assets, the Group performs asset-liability matching study. As disclosed in Note 27, "The Group performs an Asset-Liability Matching Study (ALM) annually. The principal technique of the Group's ALM in order to minimize the portfolio liquidation risk is to ensure that the expected return on assets will be sufficient to support the desired level of funding arising from the defined benefit plans."</p> |                      |                |                   |             |  |                |
| Pension Benefit                    | <p>The Company disclosed in Note 27 that the <b>current service cost and net interest cost</b> recognized as pension benefits expense in the 2025 consolidated Statement of Comprehensive Income amounted to <b>P515.07 million and P199.53 million</b>, respectively. However, these amounts appear inconsistent with the components presented in the reconciliation of the</p>                                                                                                             | PAS 1            | <p>The components of pension benefits in 2025 should have been as follows, which can be referred in the disclosure of the movement of defined benefit obligation and fair value of plan asset:</p> <table><tr><td>Current service cost</td><td>Php443,994,078</td></tr><tr><td>Net interest cost</td><td>270,611,807</td></tr><tr><td></td><td>Php714,605,885</td></tr></table> <p>The difference in the current service cost and net interest cost as disclosed in Note 27 amounting to Php71 million consists of 1% of the pension liability. The difference did not have an impact on the pension benefits recognized in the statement of comprehensive income.</p>                                                                                                                                                                                                                     | Current service cost | Php443,994,078 | Net interest cost | 270,611,807 |  | Php714,605,885 |
| Current service cost               | Php443,994,078                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                      |                |                   |             |  |                |
| Net interest cost                  | 270,611,807                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                      |                |                   |             |  |                |
|                                    | Php714,605,885                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                      |                |                   |             |  |                |



| COMPONENTS OF FINANCIAL STATEMENTS | BRIEF DESCRIPTION OF NON- COMPLIANCE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | BASIS/ REFERENCE                         | RESPONSE OF COMPANY                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                    | <p>present value of defined benefit obligation (PVDBO) and fair value of plan assets (FVPA) in the same note.</p> <p>Specifically, the reconciliation of the PVDBO reflects current service cost of <b>P443.99 million and interest cost on defined benefit obligation of P359.86 million</b>, while the reconciliation of the FVPA reflects <b>interest income on plan assets of P89.25 million</b>. Based on these amounts, the resulting <b>net interest cost</b> would amount to <b>P270.61 million</b>. <b>The Company is requested to clarify and reconcile the differences noted.</b></p> |                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Equity                             | <p>It was disclosed in Note 20 that, in prior years, the Company has acquired 750,000 Philippine Depositary Receipts (PDRs) issued by GMA Holdings, Inc.</p> <p>The Company accounted these PDRs similar to treasury shares on the basis that each PDRs grants the holder the right to receive shares of the Company. The same Note further indicates that these PDRs were</p>                                                                                                                                                                                                                   | <p>PAS 1</p> <p>PAS 32</p> <p>PFRS 9</p> | <p>The 750,000 PDRs costing Php5,790,016 were derecognized in the balance sheet in 2021 after contribution to the plan asset. As of December 31, 2025, carrying value of PDR in the books is zero.</p> <p>GMA Holdings, Inc. (GHI) previously acquired common shares of stocks of GMA Network, Inc. (GNI). GHI subsequently sold and issued PDRs equivalent to the number of GNI common shares it owns. Each PDR grants the holder the right to the delivery or sale of one GNI common share under the name of GHI at a minimal option price of Php0.05 per share.</p> <p>Even prior to the exercise of the option to</p> |

| COMPONENTS OF FINANCIAL STATEMENTS | BRIEF DESCRIPTION OF NON- COMPLIANCE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | BASIS/ REFERENCE | RESPONSE OF COMPANY                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                    | <p>subsequently contributed to the Group's retirement plan on December 20, 2022, at a transaction price of P13.02 per share, resulting in the recognition of additional paid in capital amounting to P27.52 million</p> <p><b>In view of the foregoing, the Company is requested to provide accounting bases for treating the acquired PDRs as treasury shares and for recognizing the related transaction as an equity contribution, considering that PDRs do not represent direct ownership interest in the Company's own equity instrument and are issued by a separate entity.</b></p> <p><b>Further clarification is also requested on the appropriate accounting treatment applied in accordance with PAS 32 and PFRS 9, including the assessment of whether the substance of the PDRs creates an obligation or equity interest in the Company</b></p> |                  | <p>exchange the PDR into GNI common shares, the holder of the PDR is entitled to dividends that GHI should have received for holding the common shares. Also, GHI has no obligation to the holders of PDR except for the amount it collects from GNI as dividends.</p> <p>The PDR qualifies as equity instrument in accordance with paragraph 11 of PAS 32, <i>"an equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities."</i></p> <p>Though the PDRs were issued by a separate entity, these PDRs can be converted or exchanged to fixed number of Company's own shares (i.e., one PDR share can be converted to one GNI share) for fixed amount of cash (i.e., Php0.05 per share).</p> <p>In accordance with paragraph 22 of PAS 39, a contract that will be settled by the entity (receiving or) delivering a fixed number of its own equity instruments in exchange for a fixed amount of cash or another financial asset is an equity instrument.</p> <p>As disclosed in Note 20 to the financial statements, <i>"In as much as each PDR share grants the holder, upon payment of the exercise price and subject to certain other conditions, the delivery of one (1) Parent Company share or the sale and delivery of the proceeds of such sale of Parent Company share, such PDRs held by the Parent Company was being treated similar to a treasury share."</i></p> |




| COMPONENTS OF FINANCIAL STATEMENTS | BRIEF DESCRIPTION OF NON- COMPLIANCE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | BASIS/ REFERENCE | RESPONSE OF COMPANY                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Related Party Transaction</b>   | <p>We noted that the advances to associate and joint venture disclosed in Note 12 amounting to P109.61 million in 2025 and P108.42 in 2024 are inconsistent with the amounts disclosed in Note 21 on related party transactions amounting to P121.15 million in 2025 and P119.97 million in 2024.</p> <p>The discrepancy appears to pertain to advances to INQ7 amounting to P11.54 million for both years, which based on the disclosure, were reduced to zero as a result of application of the Group's share in the losses of INQ7 in excess of carrying value of the investment.</p> <p>PAS 24 requires related party balances and transactions to be clearly and consistently disclosed in the financial statements.</p> <p><b>In this regard, the Company is requested to clarify and reconcile the noted inconsistency.</b></p> | PAS 24           | <p>The difference of advances to associate and joint venture as disclosed in Note 12 and Note 21 pertains to the receivables from INQ7 amounting to Php11.54 million. The carrying amount of the advances from INQ7 in both Note 12 and Note 21 is zero.</p> <p>As disclosed in Note 21 (under 'conditions' table), the advances from INQ7 was fully impaired. Thus, the carrying amount under Note 21 is zero. The impairment was recognized as equity in net losses in accordance with paragraph 38 of PAS 28, "If an entity's share of losses of an associate or a joint venture equals or exceeds its interest in the associate or joint venture, the entity discontinues recognizing its share of further losses. The interest in an associate or a joint venture is the carrying amount of the investment in the associate or joint venture determined using the equity method together with any long-term interests that, in substance, form part of the entity's net investment in the associate or joint venture. For example, an item for which settlement is neither planned nor likely to occur in the foreseeable future is, in substance, an extension of the entity's investment in that associate or joint venture. Such items may include preference shares and long-term receivables or loans..."</p> <p>As disclosed in Note 12 (page 34), "Losses of INQ7 recognized under the equity method in excess of the Group's carrying value of investment were applied against its advances to the Parent Company thereby reducing both advances and investments to zero as at December 31, 2025 and 2024."</p> |

**Annex A** – Increase in program and other rights in the statement of cashflows were calculated as follows:

|                                                                                                                      | 2025             | 2024             | 2023             |
|----------------------------------------------------------------------------------------------------------------------|------------------|------------------|------------------|
| Additions to program and other rights (Note 8)                                                                       | Php1,171,797,637 | Php1,489,915,902 | Php1,931,745,469 |
| Increase in obligations for program and other rights (current and noncurrent portion as shown in the balance sheets) | (105,506,991)    | (248,393,648)    | (125,489,272)    |
| Unrealized foreign exchange loss (gain) related to obligations for program and other rights                          | 4,502,006        | 9,667,065        | (7,273,861)      |
| Increase in program and other rights (cashflows)                                                                     | Php1,070,792,652 | Php1,251,189,319 | Php1,798,982,336 |

**Annex B.1** – List of properties that were appraised as of December 31, 2025, including the corresponding cost, revalued amount and latest appraisal date

| Location                                  | Appraisal / revaluation date | Cost        | Revalued amount |
|-------------------------------------------|------------------------------|-------------|-----------------|
| SOUTH TRIANGLE, QUEZON CITY, METRO MANILA | December 31, 2025            | 325,345,774 | 6,364,665,399   |
| CABATANGAN, ZAMBOANGA CITY, MINDANAO      | November 28, 2025            | 1,505,010   | 37,050,000      |
| NAGA, CAMARINES SUR, LUZON                | December 1, 2025             | 7,923,173   | 28,000,000      |
| DAGUPAN, PANGASINAN, LUZON                | December 1, 2025             | 3,331,953   | 18,177,008      |
| SAN VICENTE, ILOCOS SUR, LUZON            | December 1, 2025             | 10,508,241  | 16,800,000      |
| GENERAL SANTOS, SOUTH COTABATO, MINDANAO  | December 1, 2025             | 900,000     | 16,000,000      |
| DAGUPAN, PANGASINAN, LUZON                | December 1, 2025             | 1,413,132   | 14,650,000      |
| ROXAS, CAPIZ, VISAYAS                     | December 31, 2025            | 405,000     | 20,776,500      |
| SAN NICOLAS, ILOCOS NORTE, LUZON          | December 31, 2025            | 1,736,926   | 15,222,130      |
| BAYOMBONG, NUEVA VIZCAYA, LUZON           | December 31, 2025            | 270,000     | 7,200,000       |
| TANDAG, SURIGAO DEL SUR, MINDANAO         | December 31, 2025            | 300,000     | 6,006,250       |
| DIPOLOG, ZAMBOANGA DEL NORTE, MINDANAO    | December 31, 2025            | 300,000     | 5,410,000       |
| PUERTO PRINCESA, PALAWAN, LUZON           | December 31, 2025            | 550,000     | 5,350,000       |
| BALER, AURORA, LUZON                      | December 31, 2025            | 409,500     | 5,111,019       |
| COTABATO, MINDANAO                        | December 31, 2025            | 12,032,76   | 4,816,917       |
| TAGAYTAY, CAVITE, LUZON                   | December 31, 2025            | 6,025,653   | 4,680,000       |
| ISABEL, LEYTE, VISAYAS                    | December 31, 2025            | 160,000     | 4,040,000       |

| Location                             | Appraisal / revaluation date | Cost               | Revalued amount      |
|--------------------------------------|------------------------------|--------------------|----------------------|
| LIPATA, SURIGAO DEL NORTE, MINDANAO  | December 31, 2025            | 4,970,902          | 2,882,500            |
| SIBULAN, NEGROS ORIENTAL, VISAYAS    | December 31, 2025            | 500,000            | 2,450,000            |
| BORONGAN, SAMAR, VISAYAS             | December 31, 2025            | 651,300            | 2,294,580            |
| BARILI, CEBU , VISAYAS               | December 31, 2025            | 600,000            | 1,538,000            |
| SAN PABLO, LAGUNA, LUZON             | December 31, 2025            | 3,697,662          | 1,346,800            |
| CALBAYOG, SAMAR, VISAYAS             | December 31, 2025            | 689,600            | 1,163,700            |
| VIRAC, CATANDUANES, LUZON            | December 31, 2025            | 1,948,002          | 819,525              |
| POLANGUI, ALBAY, LUZON               | December 31, 2025            | 1,085,995          | 788,585              |
| OZAMIS, MISAMIS OCCIDENTAL, MINDANAO | December 31, 2025            | 400,000            | 230,000              |
| BONGAO, TAWI, MINDANAO               | December 31, 2025            | 500,000            | 205,000              |
| KALIBO, AKLAN, VISAYAS               | December 31, 2025            | 400,000            | 180,000              |
| SAN JOSE, MINDORO, LUZON             | December 31, 2025            | 162,000            | 141,750              |
| CABARROGUIS, QUIRINO, LUZON          | December 31, 2025            | 435,000            | 120,000              |
| BROOKES POINT, PALAWAN, LUZON        | December 31, 2025            | 530,000            | 108,000              |
| PENARRUBIA, ABRA, LUZON              | December 31, 2025            | 390,000            | 55,935               |
| MOBO, MASBATE, LUZON                 | December 31, 2025            | 277,247            | 33,000               |
| <b>TOTAL</b>                         |                              | <b>390,354,832</b> | <b>6,588,312,598</b> |

**Annex B.2** – List of properties that were not appraised as of December 31, 2025, including the corresponding cost, latest revalued amount, and date of last appraisal

| Location                                | Appraisal / revaluation date | Cost              | Revalued amount      |
|-----------------------------------------|------------------------------|-------------------|----------------------|
| TANDANG SORA, QUEZON CITY, METRO MANILA | December 29, 2023            | 65,742,886        | 1,804,252,174        |
| LAHUG, CEBU, VISAYAS                    | December 29, 2023            | 5,891,724         | 347,640,000          |
| MAMBALING, CEBU, VISAYAS                | December 29, 2023            | 183,560           | 217,566,000          |
| JARO, ILOILO, VISAYAS                   | December 29, 2023            | 1,505,000         | 152,233,000          |
| OBANDO, BULACAN, LUZON                  | December 29, 2023            | 1,552,020         | 92,044,002           |
| GENERAL SANTOS, MINDANAO                | December 29, 2023            | 1,200,000         | 64,000,000           |
| JIBAOAN, ILOILO, VISAYAS                | December 29, 2023            | 7,122,000         | 33,236,000           |
| MATINA HILLS, DAVAO, MINDANAO           | December 29, 2023            | 1,482,157         | 27,358,801           |
| LA TRINIDAD, BENGUET, LUZON             | December 29, 2023            | 1,300,000         | 16,000,000           |
| <b>TOTAL</b>                            |                              | <b>85,979,347</b> | <b>2,754,329,977</b> |

For the following land that were acquired within the last five years, the acquisition cost, were assumed be the fair value since these were recent transactions at fair value:

| Location        | Acquisition date | Cost       | Revalued amount |
|-----------------|------------------|------------|-----------------|
| ANTIPOLO, LUZON | February 2021    | 49,691,380 | 49,691,380      |



**GMA NETWORK, INC.**  
**RESOLUTION OF THE AUDIT COMMITTEE**  
25 May 2026

The Audit Committee of GMA Network, Inc. (the Company) adopted the following resolutions:

**WHEREAS**, the Securities and Exchange Commission (SEC), through its Office of the General Accountant, issued comments and findings dated 18 May 2026 on the Consolidated Audited Financial Statements of the Company and its Subsidiaries as at 31 December 2025;

**WHEREAS**, Management presented to the Company's Board Audit Committee the SEC findings, Management's clarifications and explanations, and proposed corrective measures where necessary;

**WHEREAS**, the Audit Committee convened to review the findings of the SEC and Management's proposed response;

**WHEREAS**, to ensure full evaluation of the matter, present at the Audit Committee discussion were the Company's Senior Vice President for Finance and accounting staff members, and the Partner of the Company's External Auditors (SyCip Gorres Velayo & Co.) who headed the team that conducted the Company's 2025 External Audit;

**WHEREAS**, after extensive discussion, the Audit Committee found Management's explanations and actions taken thereon to be appropriate and satisfactory;

**NOW, THEREFORE, BE IT RESOLVED**, to note: (a) Management's explanations and proposed response to the findings of the SEC and (b) actions already taken and proposed to be taken by Management to ensure full compliance with applicable financial reporting and regulatory requirements.

**ADOPTED** this **25<sup>th</sup>** day of **May 2026**.

  
**DR. JAIME C. LAYA**  
Chairman of the Audit Committee