

# COVER SHEET

SEC Registration Number

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**COMPANY NAME**

[illegible]**PRINCIPAL OFFICE** ( No. / Street / Barangay / City / Town / Province )[illegible]

Form Type

17	A		
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Department requiring the report

<b>M</b>	<b>S</b>	<b>R</b>	<b>D</b>
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Secondary License Type, If Applicable

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## COMPANY INFORMATION

Company's Email Address

**mail@bgepal.com**

Company's Telephone Number

88163716

Mobile Number

\_\_\_\_\_

## CONTACT PERSON INFORMATION

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

Name of Contact Person

**Atty. Anna Teresa M. Gozon-Valdes**

Email Address

[annettegozon@yahoo.com](mailto:annettegozon@yahoo.com);  
[rbarles@yahoo.com](mailto:rbarles@yahoo.com); mail@  
bgepal.com

Telephone Number/s

**88163716**

Mobile Number

**09278021064**

### CONTACT PERSON'S ADDRESS

**15 F Sagittarius Building, 111 H.V. Dela Costa Street, Salcedo Village, Makati 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.

**SECURITIES AND EXCHANGE COMMISSION**

**SEC FORM 17-A**

**ANNUAL REPORT PURSUANT TO SECTION 17  
OF THE SECURITIES REGULATION CODE AND SECTION 177  
OF THE REVISED CORPORATION CODE OF THE PHILIPPINES**

**OF**

**GMA NETWORK, INC.**

1. For the fiscal year ended: **December 31, 2021**

2. SEC Identification Number: **5213**      3. BIR Tax Identification No. 000-917-916-000

4. Exact name of issuer as specified in its charter: **GMA NETWORK, INC.**

5. **PHILIPPINES**

6.  (SEC Use Only)

Province, Country or other jurisdiction of

Industry Classification Code:

Incorporation or organization

7. **GMA NETWORK CENTER, EDSA CORNER TIMOG AVENUE, DILIMAN, QUEZON CITY**

Address of principal office

Postal Code **1103**

8. **(632) 8982 7777**

Issuer's telephone number, including area code

9. **NOT APPLICABLE**

Former name, former address, and former fiscal year, if changed since last report.

10. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sec. 4 and 8 of the RSA

Title of Each Class

Number of Shares of Common Stock

Outstanding

Common Stock

3,364,692,000

*(Each Common Share entitles the holder to one vote)*

Preferred Stock

7,500,000,000

*(Each Preferred Shares shall be entitled to one vote and shall have the same voting rights as the Common Shares)*

11. Are any or all of these securities listed on a Stock Exchange.

Yes [ ☒ ]

No [ ☐ ]

If yes, state the name of such stock exchange and the classes of securities listed herein:

**PHILIPPINE STOCK EXCHANGE / COMMON STOCK**

12. Check whether the issuer:

(a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17.1 thereunder or Section 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 25 and 177 of The Revised Corporation Code of the Philippines during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports);

Yes [☒] No [☐]

(b) has been subject to such filing requirements for the past ninety (90) days.

Yes [☒] No [☐]

13. Aggregate market value of the voting stock held by non-affiliates of the registrant

State the aggregate market value of the voting stock held by non-affiliates of the registrant. The aggregate market value shall be computed by reference to the price at which the stock was sold, or the average bid and asked prices of such stock, as of a specified date within sixty (60) days prior to the date of filing. If a determination as to whether a particular person or entity is an affiliate cannot be made without involving unreasonable effort and expense, the aggregate market value of the common stock held by non-affiliates may be calculated on the basis of assumptions reasonable under the circumstances, provided the assumptions are set forth in this Form. (See definition of "affiliate" in "Annex B").

Aggregate Market Value of Voting Stock held by Non-affiliates<sup>1</sup> = P6.467 Billion (as of Mar 31, 2022)

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<sup>1</sup> Based on the cited definition of an affiliate: "Affiliate of, or a person affiliated with, a specified person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified", the Gozon, Duavit and Jimenez families singly or collectively are deemed to have control of GMA Network, Inc. pursuant to MC No. 15 Series of 2019 by being: Natural person(s) owning, directly or indirectly through a chain of ownership, at least twenty-five (25%) of the voting rights, voting shares or capital of the reporting corporation. Hence, the shareholdings of the corporations affiliated with these families, the shareholdings of the members thereof who are holding directorship or officership positions in the Company and of those affiliated with the said members, are excluded from the aggregate market value of the voting stock held by non-affiliates.

**APPLICABLE ONLY TO ISSUERS INVOLVED IN INSOLVENCY/SUSPENSION OF PAYMENTS  
PROCEEDINGS DURING THE PRECEDING FIVE YEARS:**

14. Check whether the issuer has filed all documents and reports required to be filed by Section 17 of the SRC subsequent to the distribution of securities under a plan confirmed by a court or the Commission.

**NOT APPLICABLE**

15. The Company's Information Statements as filed pursuant to SRC Rule 20 are mentioned by reference in this report, particularly the Definitive Information Statement for the Company's Special Stockholders' Meeting held last December 9, 2021 under Item 4 (Submission of Matters to a Vote of Security Holders) of this Report and the Company's Information Statement for its 2022 Annual Stockholders' Meeting scheduled on May 18, 2022 under item I4 (Exhibits) of this Report.

**PART I - BUSINESS AND GENERAL INFORMATION**

**Item 1. Business**

GMA Network, Inc. (GMA) is the Philippines' leading media and broadcast network reaching over 83 million Filipinos across the country with 46 percent people audience share in Total Philippines for the year 2021\*.

With 92 TV stations and 23 radio stations nationwide, GMA is the country's largest broadcasting network.

Also known as the Kapuso (One in Heart) Network, GMA brings superior Entertainment and the responsible, unbiased, and timely delivery of accurate News and Information to Filipinos worldwide. Its flagship channel, GMA, broadcasts free-to-air via VHF channel 7 and its permanent digital TV signal on UHF channel 15.

Apart from its television and radio businesses, GMA also owns a wide array of media-related entities engaged in film production, music publishing and distribution, set design and implementation, audio-visual production, and new media.

With over seven decades of dedication and genuine public service, GMA Network has won an award that tops all else - the hearts of Filipino audiences here and abroad.

*\*Based on the January to December 2021 data from Nielsen Phils*

## **GMA SUBSIDIARIES, JOINT VENTURE AND AFFILIATES**

The Company's subsidiaries and affiliates are involved in media-related services such as movie making, sets and props construction, film syndication, music and video recording, new media, online gaming post-production services, and marketing, which complement the Company's core television and radio broadcasting business.

The following table shows the Company's holdings in its principal subsidiaries, joint ventures, and affiliates as of December 31, 2021:

<b>COMPANY</b>	<b>OWNERSHIP</b>	<b>PRINCIPAL ACTIVITIES</b>
<b>Subsidiaries</b>		
GMA New Media, Inc. (NMI) (registered with the SEC on July 5, 2000)	100%	Converging Technology
Citynet Network Marketing and Productions, Inc. (registered with the SEC on Sept. 23, 1994)	100%	Television entertainment production
GMA Network Films, Inc. (registered with the SEC on August 5, 1995)	100%	Film production
GMA Worldwide (Philippines), Inc. (registered with the SEC on February 8, 1996)	100%	International marketing and syndication of the Parent Company's programs
RGMA Marketing and Productions, Inc. (GMA Music) (registered with the SEC on Sept. 3, 1997)	100%	Music recording, publishing and video distribution
Scenarios, Inc.* (registered with the SEC on July 11, 1996)	100%	Design, construction, maintenance and storage of sets for TV, stage plays and concerts; transportation services
Script2010, Inc.** (registered with the SEC on Sept. 3, 1997)	100%	Design, construction and maintenance of sets for TV, stage plays and concerts; transportation and manpower services

Alta Productions Group, Inc. (registered with the SEC on October 1, 1988)	100%	Pre- and post-production services
GMA Marketing & Productions, Inc. (GMPI)* (registered with the SEC on August 6, 1980)	100%	Exclusive marketing and sales arm of GMA's airtime; events management; sales implementation; traffic services and monitoring
Mediamerge Corporation*** (registered with the SEC on August 15, 2002)	100%	Business development and operations for the Company's online publishing/advertising initiatives
Digify, Inc. (Digify)*** (registered with the SEC on Dec 26, 2011)	100%	Crafting, planning and handling advertising and other forms of promotion including multi-media productions
GMA Ventures, Inc. (registered with the SEC on July 7, 2021)	100%	GMA's investment and diversification arm
<b>Joint Ventures</b>		
INQ7 Interactive, Inc.* (registered with the SEC on Feb. 20, 2001)	50%	Internet publishing
Philippine Entertainment Portal, Inc. (PEP)*** (registered with the SEC on April 16, 2008)	50%	Internet publishing
<b>Affiliates</b>		
Mont-Aire Realty and Development Corp. (registered with the SEC on August 8, 1983)	49%	Real estate
RGMA Network, Inc. (registered with the SEC on September 27, 1995)	49%	Radio broadcasting and management

**Notes:**

\* Not operational

\*\* Indirectly owned through Citynet Network Marketing and Productions, Inc.

\*\*\* Indirectly owned through GMA New Media, Inc.

\*\*\*\* Ceased commercial operation in 2020

## **PUBLICLY ANNOUNCED NEW PRODUCT OR SERVICE**

To streamline GMA Group's investment and diversification efforts, GMA Ventures, Inc. (GVI), was formed. GVI will lead the GMA Group in identifying, investing in, and/or building strong and sustainable businesses. As a champion for innovative business models, GVI will focus on sunrise industries such as tech start-ups with substantial growth horizons and industries that continue to expand.

GMA Network continues to provide top-notch entertainment to every Filipino household with the launch of its new digital TV channel, I Heart Movies. The channel introduces four movie blocks: Timeless Telesine presents various GMA Telesine stories that are engaging and top-notch quality movies that were made for television. Meanwhile, Takilya Throwback features local classics from the '70s to early 2000s. In Block Screening, hit foreign movies await viewers. Lastly, widely-followed contemporary Filipino movies will air on the Pinoy Movie Date block.

In the same year, GMA Music announced the launch of the GMA Playlist as its new sub-label, offering fresh music for the new generation of listeners. The concert scene took a new form with 'Limitless: A Musical Trilogy' where Asia's Limitless Star Julie Anne San Jose showcased her musical talent as she tours the hidden gems of Mindanao and the beautiful island of Siquijor in Visayas.

The year 2021 was a period of partnerships: National Collegiate Athletic Association (NCAA), Regal Entertainment, iQiyi, among others. At the height of the pandemic, GMA Regional TV launched 'Balitang Bicolandia' delivering relevant local news, stories, and issues to Bicol viewers. The Network also launched two GMA Regional TV stations: GMA Bicol which services the Bicol region including Camarines Sur, Albay, Sorsogon, Catanduanes, Masbate, and Daet; GMA Zamboanga services Western Mindanao including Zamboanga del Norte, Zamboanga del Sur, Jolo, Sulu.

## **Competition**

The Company currently competes for audiences and advertising revenues directly with other broadcast stations, radio stations, newspapers, magazines, cable televisions, and outdoor advertising within their respective markets.

The following table presents major broadcasting networks in the country

Network	Description	Household Ratings and Audience Share (%)	January – December 2021 Ratings & Audience Share		
			(Total day; 6AM-12MN)		
			Mega Manila	Urban Luzon	Urban National
GMA		Household Ratings	11.4	11.6	11.4
		Audience Share	46.2	46.9	45.7



GTV	<p>GTV is GMA Network's sister channel. It is programmed by GMA.</p> <p>GTV is the revamp of GMA News TV (GNTV) which offers a variety of program genres, both news and entertainment shows. It was launched on February 22, 2021. [1]</p> <p>GMA News TV (GNTV) was launched on February 28, 2011. On June 5, 2019, GNTV's analog signal on Channel 11 was transferred to Channel 27 upon the expiration of GMA's block time agreement with Zoe Broadcasting Network which owns Channel 11.</p>	Household Ratings	2.7	2.6	2.4
		Audience Share	10.8	10.4	9.7
Heart of Asia	<p>Heart of Asia is one of the digital channels of GMA Network launched on June 29, 2020 offering K-drama titles, Asianovela series, GMA series and local/foreign movies. [2]</p>	Household Ratings	1.3	1.2	0.9
		Audience Share	5.4	4.9	3.8
I Heart Movies*	<p>I Heart Movies is one of the digital channels of GMA Network launched on April 5, 2021 which features both local and international films. [3]</p>	Household Ratings	1.5	1.5	1.2
		Audience Share	6.2	6.0	4.9
Hallypop	<p>Hallypop is one of the digital channels of GMA Network launched on September 20, 2020 offering Asian pop culture and music programs. [4]</p>	Household Ratings	0.0	0.0	0.0
		Audience Share	0.2	0.2	0.2
TV5	<p>Third-oldest TV network in the country, with main broadcast facilities in Novaliches, Quezon City. On March 2, 2010, Mediaquest acquired 100 percent ownership of the Associated Broadcasting Company and Primedia</p>	Household Ratings	1.7	1.7	2.5

	<p>Inc., the broadcasting firm's major block airtimer.</p> <p>On March 8, 2021, through an expanded partnership between TV5/Cignal and ABS-CBN, TV5 started to air some of ABS-CBN entertainment shows. [5] This is after the denial of ABS-CBN's application for renewal of broadcast franchise on July 10, 2020.</p>	Audience Share	7.0	6.8	9.9
A2Z	<p>A2Z is the rebranding of Channel 11 following the partnership of Zoe Broadcasting Network with ABS-CBN. It was launched on October 10, 2020 and will air some of ABS-CBN's shows. [6] This is after the denial of ABS-CBN's application for renewal of broadcast franchise on July 10, 2020.</p> <p>A2Z Channel 11 was initially seen via analog broadcast in Metro Manila and nearby provinces and on cable/satellite TV. On November 12, 2020, A2Z announced its availability on digital TV boxes in Metro Manila and parts of Bulacan, Batangas, Cavite, Laguna and Pampanga. [7] On September 18, 2021, Zoe Broadcasting Network and Philippine Collective Media Corporation signed a partnership wherein some of A2Z's programs will be aired thru PRTV Channel 12 in Tacloban and other parts of Eastern Visayas. [8]</p>	Household Ratings	2.2	1.9	1.4
		Audience Share	8.9	7.5	5.6
CNN PHILIPPINES	CNN Philippines is owned and operated by Nine Media Corporation. It airs news-and-current affairs programs that are mostly in English.	Household Ratings	0.1	0.1	0.1

	CNN Philippines airs in what used to be RPN 9. RPN or Radio Philippines Network (RPN 9) formerly a Philippine VHF television network of the Government Communications Group. It was privatized in 2011 but the Philippine government retained 20-percent ownership of the channel. [9]	Audience Share	0.3	0.3	0.2
PTV	Official government TV, formerly called Maharlika Broadcasting System, Inc. and later the People's Television Network, Inc. (PTV).	Household Ratings	0.1	0.1	0.1
		Audience Share	0.3	0.3	0.5
IBC	Intercontinental Broadcasting Corporation (IBC-13) is a VHF TV station of the Government Communications Group launched in 1975 by Roberto Benedicto.  IBC-13 started in 1960 as Inter-Island Broadcasting Corporation owned by then owner of San Miguel Corporation, Andres Soriano Sr. [10]	Household Ratings	0.0	0.0	0.0
		Audience Share	0.0	0.0	0.0
ETC	ETC is a digital free TV channel that is also available in pay TV and is one of the channels owned by Solar Entertainment Corporation through its wholly-owned subsidiary Southern Broadcasting Network. [11]	Household Ratings	0.2	0.2	0.1
		Audience Share	0.8	0.7	0.5
RJTV	RJTV is a digital free to air television channel owned and operated by Rajah Broadcasting Network, Inc. owned by Ramon "RJ" Jacinto. RJTV is previously in a blocktime agreement with Solar Entertainment Corporation's 2nd Avenue. However, 2nd Avenue ceased	Household Ratings	0.0	0.0	0.0

	its broadcast on June 5, 2018 after a 12-year run on cable and free-to-air and a decade of blocktime agreement with RJTV.	Audience Share	0.1	0.1	0.1
Kapamilya Channel	Kapamilya Channel is a cable/satellite channel programmed by ABS-CBN launched on June 13, 2020. [12] This is following the expiration of ABS-CBN's broadcast franchise on May 4, 2020 and went off-the-air starting May 5, 2020 at 7:52 PM in compliance with the cease and desist order issued by the National Telecommunications Commission (NTC). On July 10, 2020, ABS-CBN's application for renewal of broadcast franchise was denied keeping ABS-CBN off-the-air along with ABS-CBN Sports + Action and ABS-CBN's digital channels on TV Plus and SkyDirect (satellite). [13]	Household Ratings	0.3	0.5	0.7
		Audience Share	1.4	2.1	2.8

NOTE: Ratings data are based on Nielsen Television Audience Measurement (TAM).

\* Ratings and Audience Shares shown for I Heart Movies covers July-December 2021 only (Nielsen started releasing I Heart Movies ratings data on July 1, 2021).

#### Sources:

[1] <https://www.gmanetwork.com/news/showbiz/chikamminute/776662/gma-news-tv-is-now-gtv/story/>

[2] <https://www.gmanetwork.com/news/showbiz/content/744301/gma-network-launches-new-digital-channel-heart-of-asia/story/>

[3] <https://www.gmanetwork.com/news/lifestyle/hobbiesandactivities/781660/watch-your-favorite-local-international-movies-for-free-through-this-digital-channel/story/>

[4] <https://www.gmanetwork.com/news/showbiz/chikamminute/755384/gma-network-launches-new-asian-pop-culture-digital-channel/story/>

[5] <https://news.abs-cbn.com/entertainment/03/05/21/tv5-to-simulcast-abs-cbns-primetime-bida-starting-march-8>

[6] <https://news.abs-cbn.com/entertainment/10/07/20/what-abs-cbn-shows-are-coming-to-a2z-channel-11>

[7] <https://news.abs-cbn.com/entertainment/11/12/20/a2z-now-available-on-digital-tv-boxes>

[8] <https://www.facebook.com/OfficialA2ZPH/photos/a.119133753285588/357505229448438/?type=3>

[9] <https://philippines.mom-rsf.org/en/media/detail/outlet/cnn-philippines/>

[10] <https://philippines.mom-rsf.org/en/media/detail/outlet/ibc-13/>

[11] <https://philippines.mom-rsf.org/en/media/detail/outlet/etc/>

[12] <https://ent.abs-cbn.com/articles-news/how-loyal-viewers-love-and-support-fuel-abs-cbns-commitment-to-serve-via-kapamilya-channel-15054>

[13] <https://news.abs-cbn.com/spotlight/multimedia/slideshow/07/09/21/abs-cbn-franchise-rejection-timeline>

## RELATIVE SIZE AND FINANCIAL AND MARKET STRENGTH OF COMPETITORS

For the longest time, the Company considers ABS-CBN as its prime competitor in free-to-air (FTA) broadcasting, which is the core business of GMA. However, it can be recalled that ABS-CBN lost its franchise when the National Telecommunications Commission issued a cease-and-desist order against ABS-CBN's broadcast operations on May 5, 2020. Subsequently, on July 10 of the same year, the House Committee on Legislative Franchises adopted a resolution denying the media company's franchise application. Voting 70 to 11, the House committee rejected the application for a franchise renewal of ABS-CBN. Since then, ABS-CBN's content was no longer seen on Channel 2's free-to-air frequency. Nonetheless, ABS-CBN continued to operate and produce content, strengthening its presence in the digital landscape. It also forged partnerships with TV5 and Zoe Broadcasting Network. With this development, GMA's immediate competitors in FTA broadcasting remains to be TV5 plus newly rebranded Channel 11 - A2Z.

TV5 which was formerly known as ABC 5 rose to second place in the FTA broadcast industry with the absence of ABS's broadcasting franchise. The channel was re-launched in 2008 as TV5 after reaching a partnership with MPB Primedia, Inc. (MPB), a local company backed by Media Prima Berhad of Malaysia – with MPB producing and sourcing most of the entertainment programs of the channel. On October 20, 2009, Media Prima divested its share in TV5, selling it to Mediaquest Holdings Inc., the broadcasting division owned by the Beneficial Trust Fund of the Philippine Long Distance Telephone Company (PLDT). In the first half of 2010, along with dramatic changes in programming, TV 5 branded itself as the “Kapatid” network parallel to ABS-CBN's “Kapamilya” and GMA's “Kapuso” brands. In the same year, TV5 took over the management of MediaQuest's Nation Broadcasting Corporation stations; DWFM was re-launched as a TV5-branded news radio station on November 8, 2010, Radyo5 92.3 News FM, and DWNB-TV was re-launched as AksyonTV on February 21, 2011, a news channel based on TV5's newscast Aksyon. By December 23, 2013, the network began broadcasting from its new headquarters, the 6,000-square meter TV5 Media Center located in Reliance, Mandaluyong. In October 2017, TV5 partnered with international sports organization ESPN to form ESPN5. Their expanded sports programming aims to establish and solidify their identity as a sports network. On August 15, 2020, the network announced its partnership with sister company, Signal TV as TV5's main content provider to handle its programming in order to bring back the glory days of TV5 to compete again with its rival TV network, GMA Network and other TV networks in the Philippines. In addition, shows from the foreclosed ABS-CBN were announced to be transferred to TV5 as the former implemented retrenchments following the non-renewal of the former's broadcast franchise. Since January 2021, TV5 carried selected programming produced by its former rival ABS-CBN. A few months later, after the network's programming revamp, according to the AGB-Nielsen survey, TV5 became number 2 most-watched TV network in primetime TV ratings due to a stronger ABS-CBN Entertainment primetime programs as well as the strengthened Signal Entertainment primetime programs on the network. In terms of asset base, TV5 is about less than half that of GMA's. In terms of profitability, TV5 has been beset with net losses throughout the years accumulating to billions of Philippine pesos. In the same manner, a retained earnings deficit is reflected in TV's equity.

Third player in the recent years was A2Z which is a free-to-air blocktime broadcast television network that serves as a flagship property of ZOE Broadcasting Network in partnership with ABS-CBN

Corporation through a blocktime agreement. A2Z's flagship television station is DZOE-TV which carries the VHF Channel 11 (analog broadcast) and UHF Channel 20 (digital broadcast; since November 12, 2020). As reported, the network's name is an abbreviation derived from the first letter of the names of two parent companies, ABS-CBN and ZOE, the number of the now-recalled channel frequency of the former, and the Latin alphabet letters from the first letter A to the last letter Z. Both TV5 and A2Z have enjoyed an uptick in their viewership shares with the ties forged with ABS-CBN.

GMA has proven its supremacy, emerging as the biggest and longest-running broadcasting company in the region. In terms of financial profitability, GMA has proven time and again its strength and consistency in providing the optimum results to its shareholders. In terms of ratings competitiveness, the Network grabbed the number one spot in nationwide TV ratings even when ABS-CBN was still operating with a franchise. To this day, the Company maintained its very significant lead in nationwide viewership, thus, providing the much-needed leverage to generate advertising revenues.

### **International Distribution: Optimizing revenue opportunities amid changing TV landscape**

The Company's television programs are distributed outside the Philippines in a number of ways. Through GMA International, the Network distributes subscription-based international linear channels – GMA Pinoy TV, GMA Life TV, and GMA News TV, alongside the associated catch-up Video on Demand (CVOD) and subscription Video on Demand (SVOD). Meanwhile, GMA New Media Inc. (a wholly-owned subsidiary of the Company) and GMA Worldwide Division also distribute non-linear content through Advertising Video On Demand (AVOD) service and syndication, respectively.

GMA International continues to establish global and multi-platform exposure and presence for the Network that brings the company's programs to Filipino communities around the world. Live linear channels and video on-demand services are all distributed both through the traditional (DTH, cable, IPTV) and digital Over The Top platforms, with TV Everywhere distribution where available. GMA International's distribution footprint covers various territories in North America (US & Canada), APAC, MENA, Europe, the Caribbean Islands and South Pacific islands. Meanwhile, through GMA Worldwide Division, GMA Network's locally produced programs are distributed on all platforms through worldwide syndication sales to broadcasters/companies in China, Southeast Asia, Africa, and Europe.

Under the carriage and licensing agreements with international payTV operators, GMA International receives license fees from linear channel and VOD subscriptions. It is also allocated a certain number of advertising minutes where advertising spots are sold through GMA Sales and Marketing Group (SMG). Aside from these, GMA International's revenue stream also includes advertising from digital/social media outlets, pay-per-view, sponsorships from events and ticket sales.

### **GMA PINOY TV**

Launched in 2005, GMA Pinoy TV delivers to an international audience the Company's most popular news and public affairs and general entertainment programs. The Company operates GMA Pinoy TV through which it offers subscription-based programs internationally.

### **GMA LIFE TV**

GMA Life TV, GMA Network's second international channel, was launched three years after the success of GMA Pinoy TV. More than just offering mainstream entertainment, GMA Life TV engages more viewers

with its exciting line-up of heart-warming and innovative programs that feature the Filipinos' lifestyle and interests. Given the unique features of GMA Life TV and the availability of English-dubbed and English-subtitled programs, its viewership has expanded beyond the Filipino market to a wider, non-Filipino speaking audience.

## **GMA NEWS TV**

In September 2011, GMA Network began distributing GMA News TV in order to provide overseas Filipinos with the latest, most comprehensive, and most credible news coverage from the Philippines. It offers internationally-acclaimed and award-winning news and public affairs programs with 7 to 8 hours of original content daily.

## **GMA On Demand**

A collection of the best of the best, GMA Network's video on demand products are a mix of top-rating dramas, blockbuster movies from mainstream and internationally-acclaimed independent filmmakers, award-winning public affairs programs, and well-loved lifestyle shows. These products are available as standalone products or as a complement to GMA International's linear channels.

## **GMA New Media Inc.**

GMA New Media, Inc. is GMA Network's digital media and technology arm in charge of R&D, Software Design and Development, Systems Integration and Quality Assurance.

As GMA Network's innovation center and future-proofing agent, GMA NMI spearheads the design and implementation of the media giant's grand digital blueprint aimed to ensure the company's leadership in the digital era.

## **INTERACTIVE TV**

Since its inception in July 2000, it has launched category-breaking projects in web, mobile, digital television, and other new and emerging platforms. Back in the days when traditional and new media had clear boundaries, GMA NMI was the first to enable mobile and TV to talk to each other, ushering in the era of SMS-TV.

## **WEB DEVELOPMENT**

Their first foray into web development, the President on Trial microsite, was but the beginning. NMI applied its web development and systems expertise to the creation of all GMA-related sites, including the GMANetwork portal, and GMA News Online.

Their know-how in big data and systems integration comes to the fore during Election coverages for GMA News. For the Eleksyon 2013 coverage, NMI spearheaded the Count operations in PPCRV, providing the most comprehensive election count data across all platforms-from television, mobile and the internet. For Eleksyon 2016, GNO was the go-to news source of netizens with GMA News Online registering an unprecedented 34 million page views on election day. NMI also powered GMA Network's first ever 360-degree livestream of the PiliPinas Debates 2016. For the Eleksyon 2019 website, new features were

introduced, such as Heat Maps, which gave users a breakdown of which areas that aspirant fared well, and Vote Graphs, which showed the voting performance for each candidate over time as election returns were processed.

To keep their edge over the competition, NMI focused on elevating their products to the next level, upgrading web technologies for online GMA, the digitization of sites, and server migration to the cloud with Amazon Web Services.

## **VIDEO-ON-DEMAND**

NMI forged strategic partnerships, with the likes of Hooq, iFlix, and Daily Motion, to put us in the digital content game, making GMA content available locally on leading video-on-demand platforms. The partnerships with YouTube under the Player for Publishers program in 2017 has shown impressive growth in the Advertising Video-on-Demand(AVOD) channel. With NMI's efforts focused on growing the subscriber base and increasing watch time, we have seen revenues follow and show exponential growth year-on-year. GMA Network Creator Awards received as of 2021 are as follows:

- Diamond – GMA Public Affairs YT Channel
- Gold – GMA Playground YT Channel
- Silver – My Guitar Princess YT Channel
- Silver – YouLOL YT Channel
- Silver – GMA Regional TV YT Channel

Diamond = 10M subscribers

Gold = 1M subscribers

Silver = 100k subscribers

## **DIGITAL TV**

In line with its thrust to help GMA traverse the gap between analog and digital, NMI launched GMA Now in February 2021. It is a mobile digital terrestrial television (DTT) receiver that can be plugged into an Android phone. It allows users to watch live TV on the go for free, and enjoy interactive features such as video-on-demand, Groupee, a messaging service, and interactive promos and quizzes.

## **EMERGING TECHNOLOGIES**

NMI also set its sights on emerging technologies through wholly-owned subsidiary Digify. In 2011, they did their very first Augmented Reality executions on the covers of Top Gear and Preview in collaboration with Summit Publishing. In 2014, through a partnership with Samsung, they powered Relative Realities, an AR exhibit at the Yuchengco Museum, and Propaganda, an immersive exhibit at the Lopez museum in 2015. They broadened their development expertise to mobile applications, working closely with SMG on sponsored apps such as Kapuso Milyonaryo and Del Monte Kitchenomics.



Although the Digify business was no longer pursued, NMI continues to service Micro, Small and Medium Enterprises (MSMEs) in their digital transformation by providing end-to-end solutions for their marketing, productivity and operations automation as NMI Solutions. Our client roster also includes more established companies, such as SM Prime, SM Cares, Crate and Barrel, and Ayala Group of Companies.

Below are a few services that NMI Solutions provides:

### **Application Development**

NMI Solutions' in-house team of developers create interactive and user-friendly applications suited to the client's organizational needs and processes.

### **Managed Tech Services**

With expertise in cloud services, keeping systems up-to-date, and solving complex technical issues, the team is able to help companies run their organizations with no downtime.

### **Systems Integrations**

As a certified partner of AWS, with Amazon certified network specialists, we can fast track the digital growth of MSMEs by leveraging cloud technologies, predictive analytics, and IOT. With expertise with Odoo, NMI Solutions can customize and design unique ERP platforms to accelerate a company's digital transformation.

### **MOVIE PRODUCTION**

GMA Network Films, Inc. is a wholly owned subsidiary of GMA Network, Inc. that produces movies catering to both local and international markets. Its productions have reaped both critical acclaim and commercial success, foremost among them the Philippine Centennial offering "Jose Rizal" and "Muro Ami," the biggest blockbuster movies of 1998 and 1999. Repositioned as an entity that complements GMA Network's talent development initiatives, GMA Films was reactivated in late 2004, with its initial offering "Let the Love Begin" followed by the blockbuster hits "I Will Always Love You" and "Till I Met You." It went on to produce more commercial movies such as Lovestruck, Ouija, The Promise, My Bestfriend's Girlfriend, I.T.A.L.Y., One True Love, When I Met You, Working Girls, Temptation Island, The Road, Of All The Things, My Lady Boss, and more.

In 2019, after a five-year hiatus from production, GMA Network Films, Inc. is ready to make its presence felt again to a new audience, this time under two distinct brands - GMA Pictures, which will produce major studio-scale movies for the broad Filipino movie-going market; and Backyard Productions, which aims to target younger audiences looking for an alternative, unconventional stories that offer a fresh, out of the box movie experience, as well as mainstream audiences looking for movies that offer quirky new spins on life.

### **Music and Video Recording**

**RGMA Marketing and Productions, Inc. (GMA Music)** was incorporated in September 1997 and became operational in 2004 after the Company decided to reactivate its musical recording business through the "GMA Records" label. Since resuming operations, GMA Records has leveraged the Company's talent and media resources, releasing music albums of various artists.

GMA Music works with GMA New Media, local and international content providers and aggregators to take advantage of new revenue streams, particularly in the market of digital music streaming.

In order to further boost content, GMA Music has re-activated its AltG Records sub-label and introduced GMA Playlist as a new sub-label being supervised by GMA Post Productions.

GMA Music publishes music and administers copyrights on behalf of composers. GMA Music is also actively pursuing publishing deals, building on its current catalog of original compositions. GMA Music serves as a clearing house and a source of music for the Company's television and film productions. It is also a member of FILSCAP, the Filipino Society of Composers, Authors and Publishers, Philippine Association of the Recording Industry, and SoundsRight.

## **STAGE DESIGN**

**Script2010, Inc.** was formally established in April 2010 as a subsidiary of Citynet Network Marketing and Productions, Inc. It engages in conceptual design and design execution through fabrication, construction, set-up and dismantling of sets, and creation of props. It also provides other related services such as live performances and events management, sales activation and promotion, and tradeshow exhibits.

**Script2010, Inc.** is also engaged in transportation, hauling and trucking services to further fulfill the needs of its clients. Other business units of **Script2010, Inc.** are video wall, light and sound equipment rental and mobile LED and robotics truck rental, and facility support services to various GMA Network departments.

## **POST PRODUCTION**

**Alta Productions Group, Inc.** was established in 1988 as a production house primarily to provide production services for the Network. Until the late 1990s, it operated a satellite studio in Makati, producing award-winning News and Public Affairs Programs for GMA Channel 7.

Today, Alta Productions Group's core business is audio dubbing and mixing for broadcast. Its fully digital audio recording and mixing studios is in sync with the Network's production requirements and broadcast standards. Aside from dubbing foreign content into the local vernacular for airing on the Network, Alta Productions Group also dubs station-produced content into English for international consumption. Its audio studio has now also included closed-captioning as new service.

In addition, Alta Productions Group's shoot and video post-production department produces TVCs, broadcast content, and documentaries for both local and international clients. It has also become a prominent player in the conceptualization, design, and staging of corporate events, conferences, exhibits, and other on-ground activations.

Alta Productions Group is proud to be one of the few production houses capable of servicing the complete spectrum of production requirements all under one roof. From conceptualization, creatives, shoot, post-production, all the way to execution. It finds solutions for any kind of corporate event or on-ground activity requirement.

## **NO DEPENDENCE UPON ONE OR LIMITED NUMBER OF SUPPLIERS**

The Company is not dependent upon a single or a few suppliers. The supply requirements of the Company are being bid out. Seventy-seven percent (77%) of GMA Network's accredited suppliers are Philippine-based (local), with headquarters located across the archipelago—from the Cordillera Administrative Region to Zamboanga City. Purchases from our local suppliers are mostly for production tapings, supplies requirements, repairs and maintenance, professional services, turnkey projects, and construction projects

## **DEPENDENCE UPON CUSTOMERS**

The broadcasting business of the Company generates revenues mainly from the sale of national, and regional advertising time and space to agencies/advertisers and other block time producers. No single customer accounts for twenty (20%) percent or more of the Company's total consolidated revenues. The top 20 agencies and advertisers comprise more than 70% of the Company's business. The Company is not critically dependent upon a single or few customers to provide and ensure sustainability of its operations and financial viability. Major existing contracts include airtime sales with regular agencies and advertisers such as Nestle Group, Unilever Group, Procter & Gamble Philippines, Inc., Reckitt Benckiser/Mead Johnson Nutrition (Philippines), Inc., JG Summit Group, Abbott Laboratories, United Laboratories, Colgate Palmolive Phils., Mondelez Philippines, Inc., and the Ayala Group, to name a few.

## **TRANSACTIONS WITH AND/OR DEPENDENCE ON RELATED PARTIES**

Kindly refer to **Item 12** of the report (page 97).

## **FRANCHISE, LICENSES AND GOVERNMENT APPROVALS**

The Company is a grantee of a congressional franchise to construct, install, operate and maintain radio and television broadcasting stations in the Philippines. Republic Act No. 10925 (An Act Renewing for Another Twenty-Five (25) Years the Franchise Granted to Republic Broadcasting System, Inc., Presently Known As GMA Network, Inc., Amending For the Purpose Republic Act No. 7252 Entitled An Act Granting the Republic Broadcasting System Inc. A Franchise to Construct, Install, Operate and Maintain Radio and Television Broadcasting Stations in the Philippines) was approved by both chambers of Congress and was subsequently signed into law on April 21, 2017 by President Rodrigo R. Duterte. The Company also operates and maintains various radio and TV stations nationwide under licenses/permits issued by the National Telecommunications Commission.

The Company has also applied for registration of its service marks (visible signs capable of distinguishing its services) with the Intellectual Property Office (IPO) and has complied with the provisions of Republic Act No. 8293 on the law on service marks for this purpose. A Certificate of Registration of Service Marks granted in favour of the Company remains in force for 20 years.

Similarly, the Company has applied for copyright registration with the IPO of its (a) published and (b) unpublished works under Republic Act No. 8294 and Presidential Decree No. 49. A Certificate of Copyright Registration has a term of protection of fifty (50) years from publication of the work.

The Company has also entered into several license agreements for its business of producing television

programs aired over its local and international channels and producing television series based on a licensed property. The said license agreements are for periods between three to five years.

The Company broadcasts its television programs and series with the proper licenses and permits from the Movie and Television Review and Classification Board.

## **EFFECT OF GOVERNMENT REGULATIONS ON BUSINESS**

The foregoing franchise, licenses or permits, service marks, copyright registration and government approvals were obtained by the Company in accordance with the requirements of applicable laws and pertinent rules and regulations of regulatory agencies.

The Company's compliance with the above-mentioned laws and government regulations are indispensable to its businesses, which are primarily, radio and television broadcasting, recording, film production and other information and entertainment business.

## **AMOUNT SPENT ON DEVELOPMENT ACTIVITIES**

### ***In 2021***

- Completed the Project "MAMS Apple ProRes 422 HQ 4K video format support" to enable Ingest, Editing, Publishing and Archiving of ProRes 4K video materials in MAMS – Engineering side" with actual cost of P28.71M
- Completed the Project "MAMS XAVC 4K and H.264 video format support" to enable Ingest, Editing, Publishing and Archiving of XAVC 4K and H.264 video materials in MAMS – Engineering side" with an actual cost of P10.73M
- Completed the Project "NAS Low-Res Storage Expansion" to store News Programs new Low-Res video contents for search/browsing and preview – Engineering side" with an actual cost of P3.56M
- Completed the Project "BAS Ingest server software and hardware upgrade" to upgrade BAS ingest system due to hardware and software end of life – Engineering side" with an actual cost of P3.67M
- Completed the Project "MAMS Firewall hardware replacement and security feature improvement" to replace end of life Firewall and improve MAMS network security with the implementation latest Next Generation Firewall – Engineering side" with an actual cost of P6M
- Completed the Project "NAS Firewall security feature upgrade" to improve NAS VPN network security – Engineering side" with an actual cost of P584K

- Completed the Project “MAMS VXRail hardware node expansion and memory upgrade” to handle migration of VM servers from end of life server hardware to the new VXRail cluster and enable resources for staging/development system – Engineering side” with an actual cost of P3.78M
- Completed the Project “MAMS Viz One and VSN integration” that provided MAMS the capability to automatically transfer airing materials to the DTT Channels VSN Channel In A Box playout system based on playlist schedule – Engineering side” with an actual cost of P3.53M
- Completed the Project “Disaster Recovery (DR) on-air playout expansion” to support DR on-air playout of four (4) additional DTT channels (HOA, HallyPop, DepEd1 and DepEd2) – Engineering side” with an actual cost of P2.05M
- Completed the “Relocation of the Master Control System for the Test Channel” to ensure proper manning of master control system for on-air broadcast operations. The project has a budget amount of P316K and completed on March 5, 2021.
- Acquisition of HD production equipment use for the live sports coverage of the National Collegiate Athletic Association [NCAA] Season '96 - Php 54, 686,167.99 completed April 2021
- Completed the Project “NCAA On-air Graphics for Studio” with the budget amount of PHP 5.6 M on April 13, 2021
- Completed the Project “Disaster Recovery (DR) Extension for the DTT Headend” which was installed at the DR facility for on-air recovery of the DTT Headend – with the budget amount of P732K and was completed on November 9, 2021
- Completed the Project “TOA Recording System” with the budget amount of P954K – completed on December 7, 2021.

Completed the upgrade of the following GTV stations in 2021:

<b>GTV Station Upgrade</b>		
<b>Station</b>	<b>Completed Date</b>	<b>Actual Cost</b>
TV-27 Metro Manila	06/11/2021	Php 19,968, 056.56
TV-22 Mt. Santo Tomas, Benguet	07/07/2021	Php 34,289,171.09
TV-26 Mt. Banoy, Batangas	7/14/2021	Php 21,535,316.80
TV-27 Legaspi	8/29/2021	Php 29,052, 568.31
TV-28 Naga	08/03/2021	Php 29,331,572.63
TV-26 Tacloban	12/23/2021	Php 37,365,683.71
TV-26 General Santos	12/21/2021	Php 31,545,038.58
TV-21 Zamboanga	12/22/2021	Php 37, 909,624.08

Commissioned the following DTT Stations in 2021:

DTT	Completed Date	
TV-15 Mt. Caniao	2/5/2021	Php 18,568,654.54
TV-44 Bacolod	5/11/2021	Php 6,110,950.06
TV-29 Guimaras	8/2/2021	Php 8,002,248.41
TV-38 Naga	11/7/2021	Php 26, 200,021.42
TV-34 Gensan	12/2021	Php 19, 202,175.40
TV-34 Tacloban	12/2021	Php 17, 927,540.56

### ***In 2020***

- Completed the Project “Infrastructure Upgrade to Allow for HD Streaming and Clipping of non-MAMS Hosted Content – Engineering side” with an approved budget of P1.06M-completed last January 2020;
- Completed the Project “Jungo IP Feed Ingest Requirements” with an approved budget of P3.73M-completed last January 2020;
- 15KW Davao DTTB Station Upgrade (P7.56M) - completed last March 15, 2020;
- In December 2019, a budget of P24.58M was approved to replace the IOT transmitter of GMA News TV Ch.27 in Cebu with a solid-state UHF transmitter that is capable of broadcasting analog TV (29KW NTSC) or digital TV (15KW ISDB-T) on-air broadcast started on September 3, 2020;
- Started the acquisition and installation of equipment for a 5G Broadcast Trial Facility in Tandang Sora, Quezon City with an approved budget of P17.51M- 5G transmitter installation and commissioning was completed last November 7, 2020; Targeted to conduct scheduled 5G test broadcast starting April 2021;
- On Air broadcast of 10KW Cagayan de Oro City DTT Station (P68.73M) on December 15, 2020;

### ***In 2019***

- Completed in July 2019 the upgrade of three field production vans from high-definition (HD) 1080i to 1080p/2K Full HD and up to 4K Ultra HD resolution image capture with an approved budget of P76.17M;

- Completed in September 2019 the upgrade of News live remote facilities (ENG/SNG/DMNG) from standard-definition (SD) to high-definition (HD) video capture and transmission of the same to the studio with an approved budget of P7.77M;
- Completed the Project “Additional 3 Master Controls Capable of Full Ad-Insertions and Graphic Intrusions” with approved budget of P23.43M;
- Completed the Project “MAMS’ Upgrade to support Apple ProRes 422HQ Format” with approved budget of P49.12M;
- Completed the Project “BAS Upgrade to support Apple ProRes 422HQ Format” with approved budget of P25.92M;
- Completed the Project “NAS Shift to HD” with approved budget of P4.6M;
- Completed the Project “Infrastructure Upgrade to Allow for HD Streaming and Clipping of non-MAMS Hosted Content – Engineering side” with approved budget of P1.06M;
- Completed the Project “Jungo IP Feed Ingest Requirements” with approved budget of P3.73M;
- Completed the change of Mega Manila DTTB frequency from Ch.27 to Ch.15 and GMA NewsTV channel switch to Ch.27 with an approved budget of P25.58M;
- Completed the installation and commissioning of the 5KW Digital Terrestrial Television Broadcast (DTTB) station in Mt. Banoy, Batangas (P37.73M);
- Started the construction of a 3KW Digital Terrestrial Television Broadcast (DTTB) Gap Filler Station at PBCom Tower in Makati with an approved budget of P38.12M;
- Started the acquisition and installation of equipment for a 5G Broadcast Trial Facility in Tandang Sora, Quezon City with an approved budget of P17.51M;
- Last September 2019, Top Management approved the following additional regional Digital Terrestrial Television Broadcast (DTTB) stations and upgrade:
  - 10KW Cagayan de Oro City (P68.73M)
  - 15KW Guimaras (P63.79M)

- 10KW Bacolod City (P57.21M)
- 5KW Mt. Caniao, Bantay, Ilocos Sur (P49.24M)
- 15KW Davao DTTB Station Upgrade (P7.56M)
- In December 2019, a budget of P24.58M was approved to replace the IOT transmitter of GMA News TV Ch.27 in Cebu with a solid-state UHF transmitter that is capable of broadcasting analog TV (29KW NTSC) or digital TV (15KW ISDB-T);

***In 2018***

- Completed the installation and commissioning of the following regional Digital Terrestrial Television Broadcast (DTTB) stations in the regions:
  - 15KW Mt. Sto. Tomas, Benguet (P60.55M)
  - 15KW Bonbon, Cebu City (P87.66M)
  - 5KW Matina, Davao City (P32.98M);
- Completed the reinforcement of the 250ft. high self-supporting tower at Matina, Davao City with a total budget of P20.94M in order for the structure to comply with the 7th Edition of the National Structural Code of the Philippines (NSCP) in connection with the installation of additional DTTB antenna for TV-37 DTT Davao;
- Completed the erection of new 90ft. high self-supporting antenna tower for TV-4 Dipolog for a total contract cost of P8.9M;
- Completed the signal coverage improvement project of TV-6 Guimaras with an approved budget of P20.7M;
- Last December 15, 2018, the Executive Committee approved the acquisition of two (2) new Master Control Systems capable of full ad insertions and graphic intrusion in the total amount of P23.43M in addition to the existing Master Control System at the Engineering's Technical Operating Center for three (3) digital channels of the Mega Manila Digital Terrestrial Television Broadcast (DTTB). The cost of P29.47M was also approved for the aggregated digital channels (multiplex distribution) to be carried over the regional DTTB stations in Mt. Sto. Tomas, Benguet (Dagupan originating), Cebu and Davao via satellite;



## **COSTS AND EFFECTS OF COMPLIANCE WITH ENVIRONMENTAL LAWS**

The Company complies with various environmental laws such as R.A. 8749 (Philippine Clean Air Act of 1999), R.A. 6969 (Toxic Substance and Hazardous Wastes) under DENR, R.A. 9275 (Philippine Clean Water Act) under the Laguna Lake Development Authority and R.A. 9003 (Ecological Solid Waste Management Act) as follows:

1. R.A. 8749 – The Company has a DENR Permit to Operate for the generator sets installed in the GMA Network Center. The permit was renewed last March 29, 2017 and received dated May 9, 2017 and costs around P 15,125.00 and is valid for five (5) years or until April 28, 2022. As a requirement in the permit, the Company submits quarterly self-monitoring reports on the consumed fuel of the generator sets. Also, all generator sets undergo annual emission tests conducted by DENR's accredited 3rd party group. The **2022** budget for the emission tests cost **P96,000.00** for the 5 units.
2. R.A. 6969 – All generated hazardous wastes such as tapes, used engine oils, busted fluorescent lamp (BFL), empty paint cans, contaminated rags and others are treated, recycled and appropriately disposed of with the DENR's accredited 3rd party hazardous waste treatment group. The **2022** budget for the disposal of hazardous waste is **P108,000.00**. HazWaste ID was updated last 2021 as a requirement for the new rules and transferring to an online request for disposal of Hazardous Waste. New Hazardous Waste like grease, defective LED, used vegetable oil, expired pharmaceutical drugs and used personal protective equipment i.e. face masks, disposable PPEs and other COVID-19 prevention related kits were also included in the revision of the updated HazWaste ID.
3. R.A. 9275 – The Company has a Discharge Permit from the Laguna Lake Development Authority (LLDA) to operate its Sewage Treatment Facility (STP) in the GMA Network Center. In 2021 GMA Network reconnected with the sewer line of the Manila Water Company. The permit is set for renewal in **August 2022** and the processing fee of **P5,000.00** will be paid to the LLDA. Laboratory testing of wastewater was also performed as a requirement for SMR and CMR submission. The 2021 budget for the siphoning of sludge of the STP is **P170,000.00**
4. R.A. 9003 - The Company applied for an Environmental Permit to Operate (Environmental Clearance) to the Quezon City Environmental Protection and Waste Management Department pursuant to City Ordinance No. 1729 Series of 2006. The budget for the annual permit for **2022** is **P3,300.00**.

In addition, the Company incurred approximately P126,190 in costs for other permits and licenses required by government regulations such as, but not limited to, special land use permits, DENR-EMB permits, etc.

## **EMPLOYEES**

As of December 31, 2021, the Company has 2,821 regular and probationary employees. The Company also engaged 927 talents (on-cam and off-cam) in 2021. The Company recognizes one labor union, the GMA Network, Inc. Employees Union. The Collective Bargaining Agreement (CBA) for the cycle 2019-2024 took effect in July 2019.

The classification of the Company's employees, including the number of employees it anticipates to have in the ensuing twelve (12) months, is presented below:

	<b>AS OF DEC. 31, 2021</b>	<b>**2022 ESTIMATED ADDITIONAL</b>	<b>TOTAL</b>
<b>Rank &amp; File *</b>	1,255	29	1,284
<b>Non-Rank and File &amp; Managers</b>	1,482	43	1,525
<b>Officers</b>	84	1	85
<b>Total</b>	<b>2,821</b>	<b>73</b>	<b>2,894</b>
<b>* Covered by Collective Bargaining Agreement (CBA)</b>			
<b>** Based on approved MRF and hired EEs as of January 31, 2021.</b>			

## LABOR DISPUTES

There were no strikes nor observed strikes and disputes between the labor and management in the past three (3) years.

## Risk Management

Operating in a complex and dynamic business environment, the Company believes that effective risk management is crucial in the attainment of its operational and financial targets. To protect and enhance shareholder value, a comprehensive and integrated enterprise-wide risk management program is implemented, guided by internationally accepted standards, and closely monitored by the Company's executive management and Board of Directors. As a result of such a program, the Company's risk exposure is managed at an acceptable level—effectively reducing threats, creating opportunities for continued growth, and strategically gaining a competitive advantage.

### Our commitment to effective risk management

All risk management-related activities within the Company are based on the International Organization for Standardization (ISO) 31000:2018 risk management guidelines.

As mandated by executive management, it is the policy of the Company to:

- Integrate risk management into its culture and operations
- Incorporate risk management into strategic planning, activity planning, performance management, and resource allocation decisions
- Manage risk in accordance with the adopted standard
- Periodically revisit and re-assess its risk profile and the effectiveness of risk treatments

The Head of Corporate Strategic Planning and Business Development (CSPBD) functions as the Chief Risk Officer (CRO), and spearheads the risk management process in the Company. The CRO is part of the Audit and Risk Management Committee, which assists the Board in performing its oversight functions.

### **Major risks relating to our operations**

Among the risks that may impact the sustained profitability and resilience of the Company, the most crucial are:

- Intense industry competition amplified by globalization, rapid technological advancements, and new entrants
- Impact of the new normal presented as a result of COVID-19 on the media and entertainment industry
- Changing consumer habits driven primarily by innovations in content distribution platforms
- Failure to sustain lead in audience and market shares
- Decline in advertising revenues and loss of significant advertisers
- Damages and attacks to the Company brand and its representing entities
- On-air and other operational disruptions brought about by equipment failures, pandemics, natural disasters, cyberattacks, malicious parties, and other threats
- Loss of key personnel or failure to attract and retain highly qualified personnel
- Unfavorable and volatile political and economic conditions in the Philippines and in territories where the Company and its subsidiaries operate

With the coordinated efforts of the Company's risk management champions, risk owners, assurance providers, and support team, a systematic approach is in place to proactively respond to these risks. Mitigating controls are identified and periodically evaluated to ensure that they are operating satisfactorily to address the risks.

## **Item 2. Properties**

As of December 31, 2021, the Company's total property and equipment and real property amounted to P5,930.80 million. The property and equipment had a book value of P2,985.50 million, while its real property had a fair market value of P2,945.30 million (based on an Independent appraisal report as of November 19, 2018).

The Company also leases land, building and studio/office space in various locations around the Philippines under lease agreements for periods of between three and 25 years. The lease agreements may be cancelled at the Company's option. Rental expense of the Company related to this amounted to P29.59 million for the year ended December 31, 2021.

The following are the principal properties of the Company:

- The GMA Network compound located in Barangay South Triangle, Diliman, Quezon City with a lot area of 13,131 square meters, which contains several buildings, including the GMA Network Center;

- The GMA Network Center Studios, a four-storey building with an area of 4,053 square meter property adjacent to the GMA Network Center at GMA Network Drive cor. EDSA, Diliman Quezon City which houses two state-of-the-art studios, technical facilities and offices;
- The GMA Transmitter complex in Tandang Sora Avenue, Barangay Culiati, Diliman Quezon City with a total land area of 27,228 square meter property , which houses the 777 ft. Tower, tallest broadcast tower in the Philippines, TV and FM Transmitter building and Sets & Props storage and construction facility;
- The GMA Fleet Center located on the east corner of Mother Ignacia Avenue and Sergeant Esguerra Avenue, Barangay South Triangle, Diliman Quezon City; and
- Properties in the key areas across different regions:

#### ***Luzon:***

- A 51,135 square meter property in Panghulo, Obando, Bulacan, where an AM transmitter site, a two-storey building, a genset house, and an AM tower are situated;
- A 2,289 square meter property in Barangay Malued, Dagupan City, where the Regional radio and television studios are located;
- A 2,000 square meter property in Barangay Concepcion Pequena City, where a two-storey building which houses TV & Radio Studio and Offices, TV & FM transmitter building are situated;
- A 10,000 square meter property in La Trinidad, Benguet where an FM transmitter site and a one storey building are situated;
- A 2000 square meter property in Bayubay Sur, San Vicente, Ilocos Sur where a Regional TV studio is located;
- A 2,611 square meter property in San Lorenzo, San Nicolas, Ilocos Norte where a TV relay facility is situated;
- A 2,486 square meter property in Brgy. Lusuac, Penarrubia, Abra where a TV Relay facility is located; and
- A 1,000 square meter property in Santa Monica, Puerto Princesa City where a TV Relay facility is located and
- An 800 square meter land in Poblacion, Brooke's Point, Palawan where a TV Relay facility.
- A 1,340 square meter land in Brgy. Sta. Cruz, Antipolo, Rizal where a TV relay station will be constructed

#### ***Visayas:***

- A 23,176 square meters property located in Nivel Hills, Barangay Lahug, Cebu City, containing a multilevel building which houses radio and television operation facilities;
- A 12,798 square meters property located in Mambaling, Cebu where a transmitter is situated;
- A 3,713 square meters property in Alta Tierra, Jaro, Iloilo City where radio and television studios are located;
- Land in Barangay Tamborong, Jordan, Guimaras where an FM radio and television transmitter is located;
- A 1,000 square meters property in Barangay Bulwang, Numancia, Aklan where a television relay transmitter site and a building are located; and
- A 2,000 square meters property in Sibulan, Negros Oriental where a transmitter is located.

#### ***Mindanao:***

- A 2,000 square meters property in Bo. Matina Hills, Davao City where an FM and television

- transmitter building and studio complex are located;
- A 1,000 square meters property in Barangay San Isidro, General Santos City where a television relay transmitter site and a building are located;
- A 23,154 square meters property in Barangay Cabatangan, Zamboanga City where a television relay transmitter site and a building are located.
- A 1,000 square meters property in Lipata, Surigao City where a transmitter site is located.

The properties owned by the Company are currently unencumbered and are free from any existing liens.

### **Regional Broadcast Stations**

The Company owns regional broadcast stations in various parts of the country. Originating TV stations are stand-alone transmitter, studio and production facilities capable of producing and airing live and/or taped programs as well as plugs and advertising within their (local) service area/s independent of, or in conjunction with the national feed. Satellite TV stations are similar to originating TV stations except that they are not equipped with live production capability outside of news bulletins. Satellite TV stations are also capable of broadcasting local plugs or advertising within their respective (local) service areas either independent of, or in conjunction with national program feeds. TV relay stations are limited to transmitter and signal receiving facilities and only re-broadcast programs/content received from originating or satellite TV stations with which they are associated; either via satellite or other receiving methods.

The following are the Company's television and radio stations throughout the Philippines:

### **LIST OF GMA's OPERATING TV STATIONS**

<b>NO.</b>	<b>STATION</b>	<b>ADDRESS</b>	<b>CONTACT NUMBER</b>
1	<b>LUZON</b>		
	TV-7 Metro Manila (GMA)	Brgy. Culiat, Tandang Sora, Quezon City	(02) 8 931-9183
	TV-27 Metro Manila (GTV)	Brgy. Culiat, Tandang Sora, Quezon City	(02) 8 931-9183
	DTT- Ch.15 Metro Manila	Brgy. Culiat, Tandang Sora, Quezon City	(02) 8 931-9183

2	TV-5 Ilocos Norte (GMA)	Brgy. San Lorenzo, San Nicolas, Ilocos Norte	0916-6715439
3	TV-27 Ilocos Norte (GTV)	Brgy. San Lorenzo, San Nicolas, Ilocos Norte	0916-6715439
	TV-48 Ilocos Sur (GMA)	Mt. Caniao, Bantay, Ilocos Sur	0915-8632841
	DTT- Ch.15 Ilocos Sur	Mt. Caniao, Bantay, Ilocos Sur	0915-8632841
4	TV-7 Batanes (GMA)	Brgy. Kayvaluganan, Basco, Batanes	0915-6127197
5	TV-13 Aparri, Cagayan (GMA)	Hi-Class Bldg., De Rivera St., Aparri, Cagayan	0915-6130530
	TV-26 Aparri, Cagayan (GTV)	Hi-Class Bldg., De Rivera St., Aparri, Cagayan	0915-6130530
6	TV-7 Tuguegarao, Cagayan (GMA)	No. 91 Mabini St., Tuguegarao City, Cagayan	0915-6127263
	TV-27 Tuguegarao, Cagayan (GTV)	No. 91 Mabini St., Tuguegarao City, Cagayan	0915-6127263

7	TV-7 Santiago City (GMA)	Heritage Commercial Complex, Maharlika Hi-way, Brgy. Malvar, Santiago City, Isabela	0915-2700063
8	TV-5 Baler (GMA)	Purok 3, Brgy. Buhangin, Baler, Aurora	0915-6127194
9	TV-10 Olongapo (GMA)	Upper Mabayuhan, Olongapo City	0915-6127265
	TV-26 Olongapo (GTV)	Upper Mabayuhan, Olongapo City	0915-6127265
10	TV-12 Batangas (GMA)	Mt. Banoy, Bo. Talumpok East, Batangas City	0915-8632860
	TV-26 Batangas (GTV)	Mt. Banoy, Bo. Talumpok East, Batangas City	0915-8632860
	DTT- Ch.32 Batangas	Mt. Banoy, Bo. Talumpok East, Batangas City	0915-8632860
11	TV-44 Jalajala, Rizal (GMA)	Mt. Landing, Jalajala, Rizal	0915-8632874
12	TV-13 Occidental Mindoro (GMA)	Bonifacio St., San Jose, Occidental Mindoro	0915-6127199
	TV-26 Occidental Mindoro (GTV)	Bonifacio St., San Jose, Occidental Mindoro	0915-6127199

13	TV-6 Brooke's Point, Palawan (GMA)	Poblacion, Brooke's Point, Palawan	0915-6127181
14	TV-8 Coron, Palawan (GMA)	Tapias Hill, Coron, Palawan	0915-6127178
15	TV-12 Puerto Princesa, Palawan (GMA)	Mitra Rd., Brgy. Sta. Monica, Puerto Princesa, Palawan	0915-6127185
	TV-27 Puerto Princesa, Palawan (GTV)	Mitra Rd., Brgy. Sta. Monica, Puerto Princesa, Palawan	0915-6127185
16	TV-7 Romblon (GMA)	Triple Peak, Sta. Maria, Tablas, Romblon	0915-6127225
17	TV-12 Legaspi (GMA)	Mt. Bariw, Estanza, Legaspi City	0915-8632867
	TV-27 Legaspi (GTV)	Mt. Bariw, Estanza, Legaspi City	0915-8632867
18	TV-8 Daet (GMA)	Purok 2, Brgy. Mancruz, Daet, Camarines Norte	0915-2700056
19	TV-7 Naga (GMA)	Brgy. Concepcion Pequeña, Naga City	0915-4417071
	TV-28 Naga (GTV)	Brgy. Concepcion Pequeña, Naga City	0915-4417071



20	TV-13 Catanduanes (GMA)	Brgy. Sto. Niño, Virac, Catanduanes	0915-6127174
21	TV-7 Masbate (GMA)	Brgy. Pinamurbuhan, Mobo, Masbate	0915-6127175
	TV-27 Masbate (GTV)	Brgy. Pinamurbuhan, Mobo, Masbate	0915-6127175
22	TV-2 Sorsogon (GMA)	Mt. Bintacan, Brgy. Maalo, Juban, Sorsogon	0915-2700192
23	TV-7 Abra (GMA)	Brgy. Lusuac, Peñarrubia, Abra	0915-6130512
24	TV-10 Benguet (GMA)	Mt. Sto. Tomas, Tuba, Benguet	0915-4417080
	TV-22 Benguet (GTV)	Mt. Sto. Tomas, Tuba, Benguet	0915-4417080
	DTT- Ch.38 Benguet	Mt. Sto. Tomas, Tuba, Benguet	0915-4417080
25	TV-5 Mountain Province (GMA)	Mt Amuyao, Barlig, Mountain Province	0915-2700124
<b>VISAYAS</b>			
26	TV-2 Kalibo (GMA)	Brgy Bulwang, Numancia, Aklan	0915-6127216
	TV-27 Kalibo (GTV)	Brgy Bulwang, Numancia, Aklan	0915-6127216
27	TV-5 Roxas (GMA)	Mission Hills, Brgy. Milibili, Roxas City, Capiz	0915-6127217

	TV-27 Roxas (GTV)	Mission Hills, Brgy. Milibili, Roxas City, Capiz	0915-6127217
28	TV-6 Guimaras (GMA)	Brgy. Tamborong, San Lorenzo, Guimaras	0915-4417084
	TV-28 Iloilo (GTV)	Phase 5, Alta Tierra Subdivision, Jaro, Iloilo	0915-4417084
	DTT-Ch 29 Guimaras	Brgy. Tamborong, San Lorenzo, Guimaras	0915-4417084
29	TV-13 Bacolod (GMA)	Isecure Bldg., Rizal St. cor. Locsin St., Bacolod City	0915-8632864
	DTT-Ch44 Bacolod	Isecure Bldg., Rizal St. cor. Locsin St., Bacolod City	0915-8632864
30	TV-30 Murcia, Negros Occidental (GMA)	Mt. Kanlandog, Brgy. Canlandog, Murcia, Negros Occidental	0915-2700132
31	TV-10 Sipalay (GMA)	Sipalay Old Municipal Building, Sipalay, Negros Occidental	0915-6127219
32	TV-11 Bohol (GMA)	Banat-I Hills, Bool District, Tagbilaran City	0915-6127214

33	TV-7 Cebu (GMA)	Bonbon, Cebu City	0915-4417075
	TV-27 Cebu (GTV)	Bonbon, Cebu City	0915-4417075
	DTT- Ch.26 Cebu	Bonbon, Cebu City	0915-4417075
34	TV-5 Dumaguete (GMA)	Pancil Looc, Sibulan, Negros Oriental	0915-6131185
	TV-28 Dumaguete (GTV)	Pancil Looc, Sibulan, Negros Oriental	0915-6131185
35	TV-8 Borongan (GMA)	Songco, Borongan City, Eastern Samar	0915-6127177
36	TV-12 Ormoc (GMA)	Purok 1 Brgy. Alta Vista, Ormoc City	0915-6127213
37	TV-10 Tacloban (GMA)	Mt. Canlais, Brgy. Basper, Tacloban City	0915-6127208
	TV-26 Tacloban (GTV)	Mt. Canlais, Brgy. Basper, Tacloban City	0915-6127208
38	TV-5 Calbayog (GMA)	Purok 2 San Mateo St. Brgy. Matobato, Calbayog City, Western Samar	0915-6127176
<b>MINDANAO</b>			

39	TV-4 Dipolog (GMA)	Linabo Peak, Dipolog City, Zamboanga Del Norte	0915-6127247
	TV-26 Dipolog (GTV)	Linabo Peak, Dipolog City, Zamboanga Del Norte	0915-6127247
40	TV-3 Pagadian (GMA)	Mt. Palpalan, Pagadian City, Zamboanga del Sur	0915-6127245
	TV-26 Pagadian (GTV)	Mt. Palpalan, Pagadian City, Zamboanga del Sur	0915-6127245
41	TV-9 Zamboanga (GMA)	Brgy. Cabatangan, Zamboanga City	0915-8632870
	TV-21 Zamboanga (GTV)	Brgy. Cabatangan, Zamboanga City	0915-8632870
42	TV-12 Mt. Kitanglad, Bukidnon (GMA)	Mt. Kitanglad, Bukidnon	0915-8632863
43	TV-5 Ozamis, Misamis Occidental (GMA)	Bo. Malaubang, Ozamis City, Misamis Occidental	0915-6127220
	TV-22 Ozamis, Misamis Occidental (GTV)	Bo. Malaubang, Ozamis City, Misamis Occidental	0915-6127220

44	TV-11 Iligan City (GMA)	Brgy. Del Carmen, Iligan City, Lanao del Norte	0915-6131202
45	TV-35 Cagayan de Oro (GMA)	Malasag Heights, Brgy. Cugman, Cagayan de Oro City	0915-8632875
	DTT- Ch.47 Cagayan De Oro	Malasag Heights, Brgy. Cugman, Cagayan de Oro City	0915-8632875
46	TV-26 Butuan (GMA)	Brgy. Bonbon, Butuan City, Agusan del Norte	0916-3178470
47	TV-5 Davao (GMA)	Shrine Hills, Matina, Davao City	0915-4417082
	TV-27 Davao (GTV)	Shrine Hills, Matina, Davao City	0915-4417082
	DTT-Ch.37 Davao	Shrine Hills, Matina, Davao City	0915-4417082
48	TV-12 Cotabato (GMA)	Regional Government Center, Cotabato City	0915-6131170
	TV-27 Cotabato (GTV)	Regional Government Center, Cotabato City	0915-6131170

49	TV-8 General Santos (GMA)	Nuñez St., Brgy. San Isidro, General Santos City	0915-8632871
	TV-26 General Santos (GTV)	Nuñez St., Brgy. San Isidro, General Santos City	0915-8632871
50	TV-10 Surigao (GMA)	Lipata Hills, Surigao City, Surigao del Norte	0915-6131227
	TV-27 Surigao (GTV)	Lipata Hills, Surigao City, Surigao del Norte	0915-6131227
51	TV-2 Tandag (GMA)	Capitol Hill, Brgy. Telaje, Tandag, Surigao del Sur	0915-6127248
52	TV-12 Jolo, Sulu (GMA)	Ynawat Bldg., Hadji Butu St., Jolo, Sulu	0915-6131182
	TV-26 Jolo, Sulu (GTV)	Ynawat Bldg., Hadji Butu St., Jolo, Sulu	0915-6131182

#### **GMA's RADIO STATIONS**

AREA	FREQ.	CALL SIGN	AM / FM	POWER	ADDRESS
<b>LUZON</b>					

METRO MANILA	594 kHz	DZBB	AM	50kW	GMA Network Center, EDSA cor. Timog Ave., Diliman, Quezon City
	97.1 MHz	DWLS	FM	25kW	
BAGUIO	92.7 MHz	DWRA	FM	10kW	2/F Baguio Midland Courier Bldg.,Kisad Road, Baguio City
DAGUPAN	1548 kHz	DZSD	AM	10kW	GMA TV 10 Compound, Claveria Road, Malued District, Dagupan City
	93.5 MHz	DWTL	FM	10kW	
LEGAZPI	96.3 MHz	DWCW	FM	10kW	3/L A. Bichara Silverscreen Entertainment Center, Magallanes St., Legazpi City
LUCENA	91.1 MHz	DWQL	FM	10kW	3/F Ancon Bldg., Merchan St., Lucena City
NAGA	101.5 MHz	DWQW	FM	5kW	GMA Complex (Beside Mother Seton Hospital), Diversion Road (Roxas Ave.), Naga City
PALAWAN	909 kHz	DYSP	AM	5kW	Solid Road, San Manuel, Puerto Princesa City, Palawan
	97.5 MHz	DYHY	FM	5kW	
TUGUEGARAO	89.3 MHz	DWWQ	FM	10kW	4/F Villablanca Hotel, Pattau St. cor, Pallua Rd., Ugac Norte, Tuguegarao City, Cagayan

VISAYAS					
BACOLOD	1179 kHz	DYSB	AM	3kW	3/F Centroplex Mall, Gonzaga-Locsin St., Bacolod City
	107.1 MHz	DYEN	FM	10kW	
CEBU	999 kHz	DYSS	AM	10kW	GMA Skyview Complex, Nivel Hills, Lahug, Cebu City
	99.5 MHz	DYRT	FM	25kW	
ILOILO	1323 kHz	DYSI	AM	10kW	GMA Broadcast Complex Phase 5, Alta Tierra Village, Jaro, Iloilo City
	93.5 MHz	DYMK	FM	10kW	
KALIBO	92.9 MHz	DYRU	FM	5kW	Torres-Olivia Bldg., Roxas Ave. Extension, Kalibo, Aklan
MINDANAO					
CAGAYAN DE ORO	100.7 MHz	DXLX	FM	10kW	2/F Centro Mariano Bldg., Osmena St., Cagayan De Oro City
DAVAO	1125 kHz	DXGM	AM	10kW	GMA Network Complex, Shrine Hills, Matina, Davao City
	103.5 MHz	DXRV	FM	10kW	
GENERAL SANTOS	102.3 MHz	DXCJ	FM	10kW	3/F PBC Bldg., Cagampang St., General Santos City
	1107 kHz (leased)	DXBB	AM	5KW	



ILIGAN (RGMA)	90.1 MHz	DXND	FM	10kW	5/F Norpen Building, Roxas Ave., Poblacion, Iligan City
ZAMBOANGA	1287 kHz	DXRC	AM	5KW	Logoy Duitay, Talon-Talon, Zamboanga City

### **PROPERTIES INTENDED FOR ACQUISITION**

As of the present, the Company does not intend to acquire any predetermined real property within the next twelve (12) months.

### **Item 3. Legal Proceedings**

The Company and its subsidiaries are involved, from time to time, as plaintiff or defendant in litigation arising from transactions undertaken in the ordinary course of its business. Described below are the pending material litigations of which the Company and its subsidiaries or their properties are involved. The Company believes that a judgment rendered against it in the cases indicated below will not have a material adverse effect on its operations or financial condition.

The Company's affiliate, Philippine Entertainment Portal, Inc. is not involved in any material pending litigation as of December 31, 2019.

In the case of Isabel Cojuangco Suntay v. Emilio A.M. Suntay III, Nenita Sunday Tanedo, Civil Case No. R-QZN-15-06204 which involves a nullification of affidavits of settlement of the estate of Frederico Suntay, plaintiff Suntay caused the annotation of notice of lis pendens upon Mont-Aire Realty and Development Corporation's (Mont-Aire Realty's) TCT No. T-29046, whose parent title is subject of the affidavits sought to be nullified. Mont-Aire Realty then filed a motion to cancel the notice of lis pendens upon its title. The trial court in its Order dated August 30, 2019 granted Mont-Aire Realty's motion to cancel the notice of lis pendens and ordered the Register of Deeds of Tagaytay to cancel and delete such notice. The plaintiff filed a motion for reconsideration of the Order dated August 30, 2019. Mont-Aire Realty filed its comment to the motion for reconsideration. Upon motion by plaintiff, the Judge inhibited from the case. The case was re-raffled to Branch 85. Mont-Aire Realty filed its Memorandum as ordered in the clarificatory hearing on December 9, 2020. Plaintiff's motion for reconsideration remains pending.

#### **Labor Cases**

There is a case for illegal dismissal filed against GMA Marketing and Productions, Inc. ("GMPI"), then a wholly-owned subsidiary of GMA Network, and its officers, Lizelle Maralag and Leah Nuyda initiated by Corazon Guison, a former Sales Director of GMPI. The complainant claimed that she was unceremoniously

terminated from her employment sometime in May 2010 and is entitled to reinstatement as well as payment of full backwages, unpaid commissions and salaries, moral and exemplary damages and attorney's fees. On January 31, 2011, the Labor Arbiter rendered a decision finding for complainant Guison and ordered the respondents to pay P807,007.50 as backwages and P1,691,000.00 as separation pay, as well as attorney's fees. On appeal, the National Labor Relations Commission (NLRC) reversed the decision of the Labor Arbiter and ordered the dismissal of complainant's complaint. Complainant filed a Petition with the Court of Appeals (CA) but the latter denied the same. Her motion for reconsideration was likewise denied.

There is a case for regularization and illegal dismissal (NLRC NCR Case No. 04-05664-13[22]) filed by Henry T. Paragele, Roland Elly C. Jaso, et al. against GMA Network. Complainants are relievers/pinch hitters whose services were no longer availed of by GMA Network. The Labor Arbiter rendered a decision dismissing the complaint. Complainants filed an appeal to the NLRC. The NLRC rendered a decision dismissing the appeal. Complainants filed a motion for reconsideration which was also denied by the NLRC. Complainants filed a Petition with the CA and GMA Network filed its Comment/Opposition and Memorandum. The CA rendered the Decision dated March 3, 2017, denying complainants' Petition for Certiorari. Complainants filed a motion for reconsideration, which was also denied by the CA. Complainants filed a petition for review with the Supreme Court (SC), to which GMA Network filed its Comment/Opposition. The Petition was granted by the SC and reversed the decision of the CA affirming the decisions of the Labor Arbiter and the NLRC. GMA filed a motion for reconsideration but the same was also denied by the SC. The complainants have filed with the Labor Arbiter a motion for issuance of writ of execution. Seventeen (17) complainants agreed to settle the judgment award. They executed a Release, Waiver and Quitclaim and signed a Compromise Agreement with the assistance of counsel and in the presence of the Labor Arbiter.

There is a case for regularization (NLRC NCR Case No. 06-06683-14) filed by Christian Bochee M. Cabaluna et al. (142 total), against GMA Network. Complainants are creative talents of GMA. The Labor Arbiter rendered a decision finding the complainants as regular employees of GMA entitled to the benefits as such. GMA filed an appeal to the NLRC. The NLRC rendered a decision affirming the decision of the labor arbiter. GMA filed a motion for reconsideration which was also denied by the NLRC. GMA filed a Petition for Certiorari with the CA. The CA rendered the Decision dated February 20, 2019, denying GMA's Petition. GMA filed a motion for reconsideration, which was also denied by the CA. GMA filed a Petition for Review with the SC. The SC has consolidated this regularization case with the illegal dismissal case likewise filed before it. No other incidents have occurred after the consolidation.

There is also a case for illegal dismissal (NLRC NCR Case No. 08-09480-15, 08-09499-15 and 08-09558-15) filed by Christian Bochee M. Cabaluna et al., against GMA Network. The Labor Arbiter rendered a decision declaring valid the termination as against the 15 complainants but held that the rest of the complainants were illegally dismissed and awarded backwages with reinstatement. GMA Network filed a Notice of Appeal with Memorandum of Appeal and posted a bond. Subsequently, GMA Network filed a Supplemental Memorandum of Appeal. The NLRC affirmed the valid dismissal of the 15 complainants but modified the Labor Arbiter's decision as to the rest of the 35 complainants dismissing their complaints for illegal dismissal. Complainants filed a motion for reconsideration but the same was denied by the NLRC for lack of merit. Cabaluna et al. filed a Petition for Certiorari with the CA and GMA Network already filed its comment. The CA reversed the NLRC and ruled that Cabaluna et al were illegally dismissed and reinstated the Decision of the Labor Arbiter with regard to the 35 complainants while also declaring the 15 complainants as illegally dismissed and entitled to reinstatement and backwages. GMA filed a motion for

reconsideration but was denied. GMA thus filed a Petition for Review with the SC. The regularization case has been consolidated with this case likewise pending before it. No other incidents have occurred after the consolidation.

There is a case involving a complaint filed against GMA Network by Alfredo Lubrica Enoce for alleged illegal dismissal with a prayer for separation pay, backwages, moral and exemplary damages and attorney's fees. The Labor Arbiter rendered a decision finding illegal dismissal. However, the decision was reversed on appeal by the NLRC. Enoce's motion for reconsideration was likewise denied. Enoce filed a Petition for Certiorari with the CA, to which GMA Network filed its comment and memorandum as well. The CA dismissed the Petition for Certiorari. Enoce filed a motion for reconsideration with the CA but was also denied by the CA. Enoce filed a Petition for Review with the SC which has yet to issue a resolution requiring us to file comment.

There is a case for illegal dismissal, underpayment of benefits, damages and attorney's fees filed against GMA Network et al. by Jocelyn Bautista Pacleb. The Labor Arbiter rendered a Decision dated December 18, 2018 dismissing Pacleb's complaint except the claim for payment of midyear bonus. On appeal by Pacleb and partial appeal by GMA Network, the NLRC rendered a Decision dated March 28, 2019. GMA Network filed a motion for reconsideration dated April 20, 2019, which was granted by the NLRC in a Resolution dated May 25, 2019. Pacleb filed a Petition for Certiorari to the CA for which GMA Network filed its Comment while Pacleb filed her Reply. The CA rendered a Decision dated December 3, 2020, granting Pacleb P30,000.00 nominal damages. We filed a motion for partial reconsideration. Pacleb also filed a motion for partial reconsideration which we received on February 1, 2021. We filed our Comment dated February 16, 2021. We received a Resolution dated May 20, 2021 denying Pacleb's motion for partial reconsideration for lack of merit. Pacleb then filed with the SC a Petition for Review on Certiorari dated July 5, 2021 and was received by us on July 8, 2021. We have not received any Resolution from the SC requiring us to file comment.

There is a case against GMA Network filed by Junie D. Sioson et al., for regularization of employment, increase in salary and other monetary benefits. The case was dismissed for lack of merit by the Labor Arbiter. In reaching its Decision, the Labor Arbiter found overwhelming evidence supporting GMA Network's assertion that complainants were regular employees of RGMA Network Inc, (RGMA) as a legitimate independent contractor. The claim of complainants for regularization and monetary benefits were also denied for lack of legal basis. Dissatisfied with the Labor Arbiter's Decision, Complainants filed an appeal to the NLRC which was subsequently dismissed and their motion for reconsideration likewise denied. Complainants then filed a Petition with the CA to which GMA Network filed its comment. The Petition is now submitted for decision.

There is a case filed by Jose G. Nacionales et al. against GMA Network and RGMA for regularization with monetary claims before the NLRC Regional Arbitration Branch VIII in Tacloban City. Since no settlement was reached, the mandatory conference was terminated and the parties were directed to file their respective position papers. On October 15, 2018, GMA Network received a copy of the Labor Arbiter's Decision declaring complainants its regular employees and granted monetary award in their favor. Upon appeal, the NLRC partially granted GMA Network's appeal by deleting the monetary award but affirming the decision insofar as it found that complainants are regular employees of GMA Network. GMA Network filed a motion for partial reconsideration. RGMA filed its motion for reconsideration. Complainants also filed their motion for reconsideration with respect to the deletion of the monetary award.

On April 2, 2019, GMA received the Resolution dated March 15, 2019 of the Seventh Division of the NLRC of Cebu City: 1) denying GMA Network's motion for partial reconsideration; 2) denying RGMA's motion for reconsideration; and 3) partially granting complainants' motion for reconsideration. On June 3, 2019, GMA Network filed a Petition for Certiorari with the CA and it is now submitted for resolution.

There is a case filed by Relly C. David et al. against GMA Network and RGMA for regularization with monetary claims before the NLRC Sub-regional Arbitration Branch VI in Iloilo City. On December 11, 2019, GMA Network received the Labor Arbiter's Decision dated October 8, 2019 declaring complainants as its regular employees, and directing both GMA Network and RGMA solidarily liable to pay complainants Php597,843.89, representing complainants' backwages, among others. On December 18, 2019, GMA Network filed its Memorandum of Appeal of the said decision with the NLRC. The appeal is pending resolution by the NLRC.

There is a case filed by Ronald C. Avelino for monetary claims with issuance of Certificate of Employment on August 30, 2018. On January 7, 2020, GMA Network received the Decision dated December 13, 2019, dismissing the complaint against it for lack of merit.

There is also a case filed by Regile C. Enrile et al. against GMA and RGMA for regularization. On May 28, 2019, GMA received the Labor Arbiter's Decision dated April 30, 2019 declaring RGMA as a labor only contractor and complainants as regular employees of GMA Network. On May 31, 2019, complainants filed their Memorandum of Appeal. On June 7 and June 10, 2019, GMA Network and RGMA filed their respective separate Memorandum of Appeal. On September 27, 2019, GMA Network received the Decision of NLRC Cebu dated August 30, 2019 affirming the Decision of the Labor Arbiter and further declaring complainants as automatically covered by and entitled to the benefits in GMA Network's Collective Bargaining Agreement. GMA Network and RGMA were solidarily ordered to pay complainants the total amount of Php3,664,650.00. GMA Network filed its motion for reconsideration on October 3, 2019 while complainants filed their motion for partial reconsideration and manifestation on September 26, 2019. On January 22, 2020, GMA Network received the NLRC Decision dated December 20, 2019 denying GMA Network's motion for reconsideration but granting complainants' motion for partial reconsideration. GMA Network and RGMA were ordered to pay complainants the total amount of Php6,917,344.88. Thereafter, GMA filed a Petition for Certiorari with the CA questioning the Resolution dated December 20, 2019 and Decision dated August 30, 2019 both of the NLRC. On October 1, 2020, the Court of Appeals of Cebu issued a Resolution dismissing the Petition for an alleged "infirmary" in the verification page. On December 3, 2020, GMA and RGMA filed a motion for reconsideration of said Resolution. On November 16, 2021, GMA Network received a Resolution dated September 27, 2021 granting the motion for reconsideration and reinstating GMA Network's Petition for Certiorari. On November 22, 2021, GMA Network received complainants' Comment to the Petition for Certiorari dated November 9, 2021 to which the former filed a Reply on December 1, 2021.

There are cases filed by Rudy Mariano et al., Jameson B. Rieta et al., and Christian V. Panlilio et al. against GMA and RGMA for regularization. On September 27, 2019, the Labor Arbiter promulgated a decision: 1) declaring GMA Network and RGMA to be engaged in labor only contracting; and 2) ordering GMA Network to pay complainants the monetary benefits under its 2009-2014 and 2017-2019 Collective Bargaining Agreements. GMA Network and RGMA filed their respective Memorandum of Appeal. On March 2, 2020, GMA Network received the Decision of NLRC Quezon City dated February 12, 2020 reversing the Decision of the Labor Arbiter and dismissing the complaints for lack of merit.

On March 12, 2020, complainants filed a motion for reconsideration of the Decision dated February 12,

2020. On November 26, 2020, the NLRC issued a Resolution denying complainants' motion for reconsideration. On March 24, 2021, complainants filed a Petition for Certiorari with the CA. On August 27, 2021, we filed our Comment. The Petition is pending resolution by the CA.

There are cases filed by Rodvillo R. Villarin et al., and Virgilio G. Abud et al., for regularization against GMA Network and RGMA. On July 25, 2019, a decision was promulgated declaring complainants as regular employees of GMA Network and entitled to the salaries and benefits as such. On September 9, 2019, GMA Network filed its Memorandum of Appeal. On August 26, 2020, NLRC issued a Decision dismissing the appeals filed by GMA and RGMA and affirming the decision of the Labor Arbiter. On November 5, 2020, GMA filed a motion for reconsideration. The NLRC issued a Resolution dated February 24, 2021 denying the motion for reconsideration. On May 24, 2021, GMA Network filed with the CA a Petition for Certiorari which is now pending resolution.

There is a case filed by Vivian Alojano Tubice against GMA Network for illegal dismissal and payment of money claims. The Labor Arbiter dismissed the complaint in its Decision dated July 16, 2020. Complainant filed her appeal, which was denied in the Decision of the NLRC dated July 27, 2021. The complainant filed a motion for reconsideration. The respondents filed their comment on October 4, 2021. The motion for reconsideration was denied by the NLRC in a Resolution dated November 8, 2021.

There was a DOLE investigation on the incident involving the death of Eddie Garcia. In the Order dated December 2, 2019, GMA Network and some members of its Management were ordered to pay the administrative fine of Php890,000.00. GMA Network filed a Memorandum of Appeal with the Office of the Secretary of Labor and Employment on December 13, 2019 which remains pending.

There was a case filed by Carmelo R. Dizon for "Illegal Dismissal-Constructive, Non-payment-13th Month Pay-Prorated, Illegal suspension, moral and exemplary damages, attorney's fees, and Re-instatement with full backwages." GMA Network filed its Position Paper last August 6, 2019 and the complainant filed his Reply on August 23, 2019. In a Decision dated March 11, 2020, the LA dismissed the complaint for illegal for lack of merit. However, GMA Network was directed to pay complainant Dizon his pro-rated 13th month pay for the year 2019 in the amount of P7,490.00. Dizon filed an appeal to the NLRC. GMA Network filed its Answer Memorandum to which Dizon filed a Reply. The NLRC in its Decision dated 26 March 2021 granted Dizon's partial appeal. The NLRC modified the arbiter's decision and declared Dizon to have been illegally dismissed by GMA. GMA was ordered to reinstate Dizon without backwages. GMA's MR was

denied by the NLRC Second Division in a Resolution dated 14 June 2021, which became final and executory on 16 July 2021. We filed a Petition for Certiorari with the CA on 02 September 2021.

There was a case filed by Ruby Gruezo Bautista who questioned the cessation of her employment arising from the expiration of her Project Employment Contract. In a Decision dated February 27, 2020, the LA found for illegal dismissal and directed GMA Network to reinstate the complainant to her former position without loss of seniority and other privileges and ordered GMA Network to pay complainant the aggregate amount of P80,949,50. GMA Network filed a Notice of Appeal and Appeal-Memorandum on August 24, 2020. Thereafter, respondent filed her answer to the appeal. In a Decision dated December 29, 2020, GMA's appeal was denied by the NLRC and further affirmed it in a Resolution dated 31 May 2021. GMA filed a Petition for Certiorari with the CA on 02 September 2021. On 15 October 2021, the NLRC issued the Entry of Judgment stating that its Resolution dated 31 May 2021 became final and executory.

There is a case filed by Jeoboy C. Enong et al., against GMA Network for regularization. Since no settlement was reached, complainants filed their formal complaint and the mandatory conference was set on December 13, 2018. On March 20, 2019, a decision was promulgated by the LA dismissing the complaints for lack of merit. Without actually receiving complainants' Memorandum of Appeal, GMA Network received the Decision dated October 23, 2019 granting said appeal and setting aside the Decision dated March 20, 2019. GMA Network filed its motion for reconsideration which was denied in a Resolution dated February 27, 2020. GMA did not file a Petition with the CA while RGMA filed a Petition for Certiorari under Rule 65.

There was also a case filed by Dexter Delgado et al. for constructive dismissal, illegal dismissal, regularization and payment of money claims. This case consolidates 5 complaints by more than 40 complainants who are crew members of respondents CMB and Shoot Digital Video Company. On March 5, 2020, GMA Network received the Decision dated February 27, 2020 dismissing the complaint. The complainants filed their appeal, which was denied by the NLRC in the Decision dated December 29, 2020. The complainants then filed their motion for reconsideration, which was also denied for lack of merit in a Resolution dated May 31, 2021. An Entry of Judgment dated September 7, 2021 was issued certifying that the Resolution dated May 31, 2021 became final and executory on July 4, 2021.

There was also a case filed by Ely B. Selincio et al. for regularization and payment of money claims against GMA Network and RGMA. Since GMA Network was not willing to settle, the SENA was terminated and the records were referred for the filing of the appropriate complaint with the Labor Arbiter. On August 13, 2019, complainants filed their formal complaint. The conciliation and mediation failed, and hence, the parties were directed to file their position papers. GMA Network filed its position paper. RGMA also filed its separate position paper. The Labor Arbiter has yet to rule on complainants' Motion for Production of Documents, which motion was opposed by respondent GMA. On January 29, 2021, a Decision was rendered by the Labor Arbiter finding RGMA a labor only contractor and declaring complainants regular employees of GMA Network. On March 1, 2021, GMA Network and RGMA filed their Memorandum of Appeal, which is now pending resolution.

There is a complaint for regularization with money claims filed by Peter R. Cueno et al. against RGMA and GMA Network. In a Decision dated August 13, 2020, the Labor Arbiter dismissed the complaint. Complainants filed their Appeal Memorandum. GMA Network and RGMA, in turn, filed their respective Answer Memorandum. In the Decision dated May 21, 2021, the NLRC granted the appeal of complainants and reversed and set aside the Labor Arbiter's Decision dated August 13, 2020. GMA filed its Motion for Reconsideration dated July 5, 2021. On the other hand, the complainants filed a motion for partial reconsideration, which was granted by the NLRC in the Resolution dated September 14, 2021. The respondents then filed on December 6, 2021 their Petition for Certiorari with the CA praying for the reversal of the Resolution dated September 14, 2021. Acting on GMA's Motion for Reconsideration dated July 5, 2021, the NLRC issued another Resolution on October 12, 2021 dismissing the motion for lack of merit. It found that all conditions to be considered as labor-only contractor are present in this arrangement of RGMA with GMA. GMA filed its Petition for Certiorari with the CA on February 2, 2022.

There is a complaint for regularization filed by Menandro A. Bantoto et al. for regularization with money claims against GMA Network and RGMA. On October 28, 2019, GMA Network filed its opposition to complainant's Motion for Inhibition. On December 5, 2019, respondents received the Order denying complainants' Motion for Inhibition and directing the parties to file their respective Position Papers. Thus, both GMA Network and RGMA filed their respective Position Paper. On June 2, 2020, respondents received

the Decision dated February 28, 2020 by the Labor Arbiter dismissing the case. On August 19, 2020, complainants filed an appeal to the NLRC. GMA Network filed its Answer Memorandum on September 1, 2020.

In a Decision dated November 13, 2020, the NLRC granted complainants' appeal and declaring RGMA as labor only contractor and complainants as regular employees of GMA. On December 26, 2020, GMA Network filed a motion for reconsideration. Thereafter, complainants filed a Motion to Clarify Decision to which GMA Network filed a Comment and/or Opposition on February 15, 2021. In a Resolution dated May 14, 2021, the NLRC denied GMA's motion for reconsideration and partly granting complainants' Motion to Clarify Decision. On August 5, 2021, GMA Network filed with the CA a Petition for Certiorari. The NLRC Decision dated 13 November 2020 and Resolution dated 14 May 2021 became final and executory on 21 July 2021.

There were complaints for regularization with money claims filed against GMA Network and RGMA by Pelagio A. Jumawan et al. and Premier D. Nayon before the NLRC Cotabato City and NLRC Dipolog City, respectively. Under the Decision dated March 6, 2019 the complaint filed by Jumawan et al. was dismissed. Similarly, under the Decision dated March 20, 2019, the complaint of Nayon was likewise dismissed.

There was also a complaint for regularization filed against GMA Network and RGMA by Noel V. Gagante et al. The labor arbiter rendered a decision adverse to the respondents by ruling that the Provincial TV Relay Management Agreement between GMA and RGMA "is an illicit form of employment arrangement" and that "RGMA merely served as an agent of GMA and complainants are in reality the employees of GMA". Complainants were also awarded entitlement to salary increases and benefits under the CBA. On June 28, 2019, the NLRC rendered a Decision granting complainants' motion for correction in the computation of wage increases, longevity pay, among others. GMA Network and RGMA filed their separate motions for reconsideration. The NLRC denied both motions for reconsideration by GMA Network and RGMA. On July 1, 2020, GMA Network and RGMA filed with the CA separate Petitions for Certiorari which are now pending resolution.

There is also a complaint for regularization filed by Eldrin S. Padillo et al. against GMA Network and RGMA. On October 16, 2019, the Labor Arbiter issued a Decision declaring complainants as regular employees of GMA Network and ordering the latter to pay complainants all salaries and benefits granted to regular employees. On December 5, 2019, GMA Network filed its Memorandum of Appeal. RGMA also filed its Memorandum of Appeal. On August 26, 2020, NLRC issued a Decision dismissing the appeal filed by GMA Network. On November 5, 2020, GMA Network filed a motion for reconsideration. In a Resolution dated April 29, 2021, the NLRC denied the motion for reconsideration. On July 25, 2021, GMA Network filed with the CA a Petition for Certiorari which is now pending resolution.

There is also a case filed by Alan J. Atenta et al. against GMA Network and RGMA for regularization. In a Decision dated October 16, 2019, the Labor Arbiter declared complainants as regular employees of GMA Network and ordered the latter to pay complainants salaries and benefits granted to regular employees. GMA Network filed its Memorandum of Appeal on December 5, 2019. RGMA filed also its Memorandum of Appeal. On August 26, 2020, NLRC issued a Decision denying GMA Network's appeal and affirming the Decision dated October 16, 2019. On November 5, 2020, GMA Network filed a motion for reconsideration, which was denied in a Resolution dated April 29, 2021 by the NLRC. On July 25, 2021, GMA Network filed with the CA a Petition for Certiorari which is now pending resolution.

There is a complaint for regularization and payment for salaries, overtime pay, rice allowance and bonuses filed by Roosevelt P. Calleja et al. against GMA Network and RGMA before NLRC Zamboanga City. On August 9, 2019, the Labor Arbiter promulgated a Decision dismissing the complaints.

Finally, there is a complaint for illegal suspension by Roland Crisostomo Manipon. The complaint was dismissed by the Labor Arbiter in the Decision dated February 28, 2020. The decision was affirmed by the NLRC with modification awarding the complainant nominal damages of Php30,000.00. Both complainant and GMA Network filed their own motion for partial reconsideration. In the Resolution dated April 30, 2021, the NLRC granted GMA's motion for partial reconsideration and modified the Decision dated December 29, 2020 to delete the award of nominal damages. Manipon filed a Petition for Certiorari with the CA, which is pending resolution.

### **Infringement Cases**

The Company's officers, Felipe L. Gozon, Gilberto R. Duavit, Jr., Marissa L. Flores, Jessica A. Soho, Grace dela Peña-Reyes, John Oliver Manalastas, John Does and Jane Does were named as respondents in a criminal case initiated by ABS CBN in June 2004 for copyright infringement before the City Prosecutor's Office of Quezon City and the Department of Justice ("DOJ"). The case was subsequently consolidated with the Company's countercharge for libel.

The respondents were charged in their capacities as corporate officers and employees of the Company responsible for the alleged unauthorized airing of ABS-CBN's exclusive live coverage of the arrival in the Philippines of Angelo dela Cruz, a Filipino overseas worker previously held hostage in Iraq. Aside from seeking to hold the named respondents criminally liable for infringement and unfair competition, ABS-CBN sought damages from the respondents jointly and severally in the aggregate amount of P200 million.

On July 27, 2004, the Company and certain of its officers filed a case for libel against certain officers of ABS-CBN for statements made in their programs Insider and Magandang Umaga Bayan relative to the incident involving the Angelo dela Cruz feed. The Company also seeks damages in the aggregate amount of P100 million.

In the Resolution dated December 3, 2004, the DOJ dismissed the complaint for libel against the ABS-CBN officers and employees and dropped the charges against the Company's officers except for Ms. Dela Peña-Reyes and Mr. Manalastas against whom the DOJ found probable cause for violation of the Intellectual Property Code. ABS-CBN filed a motion for partial reconsideration of the resolution on the ground that the other named respondents were erroneously exonerated. The Company filed a petition for review with the DOJ with respect to the finding of probable cause against Ms. Dela Peña-Reyes and Mr. Manalastas and the dismissal of the case for libel which was denied. On August 1, 2005, the DOJ reversed the fiscal's resolution finding probable cause against Ms. Dela Peña-Reyes and Mr. Manalastas and directed the fiscal to withdraw the Information. ABS-CBN filed a motion for reconsideration. Meanwhile, the DOJ issued the Resolution dated September 15, 2005 denying the Company's Petition for Review and ruling that ABS-CBN's officers and employees did not commit libel. The Company filed a motion for reconsideration.

On June 29, 2010, the DOJ issued a resolution granting both the Company's and ABS-CBN's motions for reconsideration and directing among others the filing of Information against ABS-CBN's officers and employees for libel. ABS-CBN moved for reconsideration, which motion was denied. ABS-CBN then filed a petition for certiorari with the Court of Appeals (CA). In the meantime, an Information for libel was filed



by the Quezon City Prosecutor with the Regional Trial Court of Quezon City, Branch 88 which was later re-raffled to Branch 104. The prosecution has completed the presentation of its evidence and the defense has filed a motion for leave to file demurrer to evidence which was granted over the Company's opposition. In an Order dated February 10, 2022, the court granted the accused's demurrer to evidence upon its conclusion that there was no element of identification and that the utterances are a fair report of what transpired on July 22, 2004. We filed a motion for reconsideration prior to filing a Petition for Certiorari with the CA.

With respect to the granting of the motion for reconsideration of ABS-CBN, the Company elevated the DOJ's June 29, 2010 Resolution directly to the CA via a petition for certiorari docketed as CA-G.R. SP No. 115751. On November 9, 2010, the CA issued a decision granting the Company's petition for certiorari and reversing the DOJ Resolution dated June 29, 2010 and reinstating the DOJ Resolution dated August 1, 2005 which ordered the withdrawal of Information for copyright infringement. ABS-CBN's petition with the Supreme Court (SC) was partially granted reversing the DOJ Resolution ordering the withdrawal of the Information for copyright infringement and sustaining the finding of probable cause for copyright infringement only as against Ms. Dela Peña-Reyes and Mr. Manalastas.

Trial ensued for the charge of copyright infringement against Ms. Dela Peña-Reyes and Mr. Manalastas. In the Decision dated September 29, 2021, the Regional Trial Court of Quezon City, Branch 93 acquitted both Ms. Dela Peña-Reyes and Mr. Manalastas from the charge of copyright infringement.

There is a complaint filed by Gary Granada against GMA Network and Rosario Unite with the Intellectual Property Office (IPO) for copyright infringement and damages. The said complaint stemmed from an alleged unauthorized use of complainant's musical work entitled "Tipid Handog Edukasyon jingle". In a Decision dated November 25, 2020 the IPO dismissed the complaint of Gary Granada. Complainant Gary Granada appealed to the IPO-Office of the Director General Taguig City.

### **Civil Cases**

Another case involving the Company and members of the show Imbestigador stemmed from a story involving police officer Police Chief Inspector Arwen De Silva Nacional for allegedly extorting money from arrested drug dependents, which ultimately led to his arrest. On September 4, 2008, the complainant sought to enjoin the airing of the story relating to his arrest by filing a case for injunction. However, the plaintiff's application for restraining order was denied by the RTC of Quezon City. Plaintiff then filed an amended complaint to include a claim for damages. The RTC of Quezon City, Branch 91 dismissed plaintiff's complaint for damages. On appeal, the CA denied plaintiff's appeal and affirmed the trial court's decision dismissing the complaint. On October 29, 2020, plaintiff filed a Petition for Review on Certiorari with the Supreme Court, where it is pending to date.

There is a case for libel filed by Andrea Gorriceta against GMA Iloilo Manager Jonathan Cabillon and News Anchor Charlene Belvis-Gador arising from the news reports made in GMA news programs Ratsada and Arangkada on the progress of the criminal cases against Gorriceta before MCTC of Iloilo City. GMA completed the presentation of evidence for the defense and filed its formal offer, the documentary exhibits of which were admitted by the Court in an Order dated February 28, 2019. On June 30, 2020, GMA filed its Memorandum for accused Belvis and Cabillon. On November 20, 2020, the trial court promulgated judgment finding accused Belvis and Cabillon guilty beyond reasonable doubt of Libel. On December 4, 2020, GMA filed a Notice of Appeal which was granted by the trial court.

#### **Item 4. Submission of Matters to a Vote of Security Holders**

During the Special Stockholders' Meeting held on December 9, 2021, 96.04% or 10,430,742,109 of the Company's total issued and outstanding shares present and represented approved the resolution authorizing the Company to approve the subscription to the increase in the authorized capital stock of its wholly-owned subsidiary GMA Ventures, Inc. from Fifty Million Philippine Pesos (PhP50,000,000.00) to One Billion Philippine Pesos (PhP1,000,000,000.00), which subscription shall initially be in the amount of Two Hundred Fifty Million Philippine Pesos (PhP250,000,000.00), and the payment of One Hundred Million Philippine Pesos (PhP100,000,000.00) for the said subscription, including the grant of authority to the Company's Executive Committee to make additional payment for the said subscription and, if necessary, to increase the subscription of the Company to the authorized capital stock of GVI. Stockholder/s representing 824,500 shares indicated a vote against the approval of the foregoing resolutions. No stockholder abstained from voting on the matter. The Definitive Information Statement dated November 4, 2021 relating to this matter may be viewed in the Company's website through: [https://aphrodite.gmanetwork.com/corporate/disclosures/1-gma\\_-\\_definitive\\_information\\_statement\\_ssm\\_2021\\_1636344496.pdf](https://aphrodite.gmanetwork.com/corporate/disclosures/1-gma_-_definitive_information_statement_ssm_2021_1636344496.pdf)

## **PART II - OPERATIONAL AND FINANCIAL INFORMATION**

#### **Item 5. Market Price of and Dividend on Registrant's Equity and Related Stockholders Matters**

##### **Market Information**

Average market prices per share for each quarter within the last two years and subsequent interim periods were as follows:

##### *Stock Prices GMA7*

Period in 2022.	Highest Closing	Lowest Closing
1Q	15.90	13.66
Period in 2021	Highest Closing	Lowest Closing
1Q	8.95	5.82
2Q	14.60	7.70
3Q	15.96	11.42
4Q	16.06	13.40
Period in 2020	Highest Closing	Lowest Closing
1Q	5.50	4.50

2Q	5.90	4.70
3Q	6.65	4.91
4Q	6.09	4.94

#### *Stock Prices GMAP*

Period in 2022	Highest Closing	Lowest Closing
1Q	15.00	13.10

Period in 2021	Highest Closing	Lowest Closing
1Q	8.49	5.76
2Q	13.00	7.34
3Q	15.04	10.24
4Q	15.00	13.00

Period in 2020	Highest Closing	Lowest Closing
1Q	5.49	4.80
2Q	5.29	4.52
3Q	5.50	4.42
4Q	5.95	4.75

The Company's common shares and GMA Holdings, Inc.'s (GHI) Philippine Deposit Receipts (PDRs) have been listed with the Philippine Stock Exchange since 2007. The price information as of the close of the latest practicable trading date April 13, 2022 are 15.92 for the Company's GMA7 common shares and 15.00 for GHI GMAP (PDRs).

#### Holders

There are 1,653 holders of common equity and 37 holders of preferred equity as of March 30, 2022.

The following are the top 20 holders of the common equity of the Company as of March 30, 2022 based on the records of the Company's stock transfer agent, Stock Transfer Services, Inc.:

Name of Shareholders	No. of Common Shares	Percentage of Ownership of Total Common Shares
Group Management Development Inc.	789,821,734	23.47%
FLG Management & Development Corporation	844,434,742	25.09%
PCD Nominee Corp. (for the benefit of several qualified Philippine national stockholders holding the scripless shares of the Company )	456,995,034	13.58%
M.A. Jimenez Enterprises, Inc.	453,882,095	13.49%
GMA Holdings, Inc.	411,590,049	12.23%
Television International Corporation	338,243,037	10.06%
James L. Go	17,988,100	00.53%
Gozon Development Corp	14,033,954	00.42%
Gozon Foundation, Inc.	5,644,361	00.17%
Gilberto R. Duavit, Jr.	4,007,005	00.12%
Miguel Enrique Singson Roa	3,036,400	00.09%
Ismael Gozon	2,814,900	00.08%
Jose Mari L. Chan	2,092,900	00.06%
Felipe S. Yalong	1,025,002	0.03%
Alberto Tio Ong	1,000,000	0.03%
Vitezon, Inc.	942,725	0.03%
Judith Duavit Vazquez	588,000	00.02%
Jose P. Marcelo	501,498	00.01%
Jose C. Laurel V	346,127	00.01%
Nita Laurel Yupangco	346,127	00.01%

The following are the top 20 holders of the Company's preferred shares as of March 30, 2022:

Name of Shareholders	No. of Preferred Shares	Percentage of Ownership of Total Preferred Shares
Group Management & Development Inc.	2,625,825,336	35.01%
FLG Management & Development Corp.	2,181,898,644	29.09%
M.A. Jimenez Enterprises	1,508,978,826	20.12%
Television International Corp.	1,111,661,610	14.82%
Gozon Development Corp.	46,245,306	0.62%
Gozon Foundation Inc.	15,020,670	0.20%
Alegria F. Sibal	2,623,806	0.03%
Jose P. Marcelo	1,203,594	0.02%
Sarah L. Lopez	830,706	0.01%
Nita Laurel Yupangco	830,706	0.01%
Jose C. Laurel V	830,706	0.01%
Juan Miguel Laurel	830,706	0.01%
Susana Laurel-Delgado	830,706	0.01%
Ma. Asuncion Laurel-Uichico	830,706	0.01%
Horacio P. Borromeo	784,164	0.01%
Francis F. Obana	105,120	0.00%
Eduardo Morato	38,028	0.00%
Antonio Gomez	30,420	0.00%
Jose N. Morales	30,420	0.00%
Paul Sim	30,420	0.00%

The information presented does not relate to an acquisition, business combination or other reorganization.

#### Dividend Information

Dividends shall be declared only from the surplus profits of the Company and shall be payable at such times and in such amounts as the Board of Directors shall determine, either in cash, shares or property of the Company, or a combination of the three, as said Board of Directors shall determine. The declaration of stock dividends, however, is subject to the approval of at least two-thirds of the outstanding capital stock. No dividend which will impair the capital of the Company shall be declared. The Company has no contractual restrictions which would limit its ability to declare any dividend.

On March 25, 2022, the Company's Board of Directors declared cash dividends amounting to Php 1.45 on all common and preferred shares issued and outstanding of stockholders of record as of April 25, 2022.

On March 26, 2021, the Company's Board of Directors declared cash dividends amounting to Php 1.35 on all common and preferred shares issued and outstanding of stockholders of record as of April 22, 2021.

On June 15, 2020, the Company's Board of Directors affirmed and ratified the cash dividend declaration of the Executive Committee on June 8, 2020 amounting to Php 0.30 per share on all common and preferred shares issued and outstanding of stockholders of record as of June 24, 2020.

On March 29, 2019, the Company declared cash dividends amounting to Php 0.45 per share on all common and preferred shares issued and outstanding stockholders of record as of April 22, 2019.

On April 5, 2018, the Company declared cash dividends in amounting to Php 0.50 per share on all common and preferred shares issued and outstanding on stockholders of record as of April 23, 2018.

#### *Dividend History of the Company*

<u>Year</u>	<u>Amount</u>	<u>Date Declared</u>	<u>Type of Dividend</u>
2011	P 2,187,089,297	March 11, 2011	Cash
2012	P 1,944,079,375	April 16, 2012	Cash
2012	P 1,264,794,293	August 22, 2012	Cash
2013	P 1,215,049,609	March 21, 2013	Cash
2014	P 1,312,253,578	April 2, 2014	Cash
2015	P 1,215,049,609	March 30, 2015	Cash
2016	P 1,944,079,375	April 8, 2016	Cash
2017	P 3,547,944,859	March 27, 2017	Cash

2018	P 2,430,099,218	April 5, 2018	Cash
2019	P 2,187,089,297	March 29, 2019	Cash
2020	P 1,458,059,531	June 15, 2020	Cash
2021	P 6,561,267,890	March 26, 2021	Cash
2022	P 7,053,803,400	March 25, 2022	Cash

The Company's Board of Directors has approved a dividend policy which will entitle holders of the Common Shares to receive annual cash dividends equivalent to a minimum of 50% of the prior year's net income based on the recommendation of the Board of Directors. Such recommendations will take into consideration factors such as the implementation of business plans, operating expenses, budgets, funding for new investments, appropriate reserves and working capital, among others. The cash dividend policy may be changed by the Company's Board of Directors at any time.

#### Recent Sales of Unregistered or Exempt Securities

No sale of unregistered or exempt securities of the Company has occurred within the past three years.

#### *Description of Registrant's Securities*

The following is general information relating to the Company's capital stock but does not purport to be complete or to give full effect to the provisions of law and is in all respects qualified by reference to the applicable provisions of the Company's amended articles of incorporation and amended by-laws.

The Company has 3,364,692,000 common shares and 7,500,000,000 preferred shares subscribed and outstanding as of March 31, 2022.

All Common Shares of the Corporation shall enjoy the same rights and privileges. Each Common Share entitles the holder to one vote. At each meeting of the Shareholders, every Shareholder entitled to vote on a particular question or matter involved shall be entitled to one vote for each share of stock standing in his name in the books of the Company at the time of the closing of the transfer books for such meeting.

All Preferred Shares shall be of equal rank, preference and priority and shall be identical in all respects regardless of series. Preferred Shares receive dividends at a rate of one-fifth of the dividend paid to Common Shares (which rate shall be adjusted proportionately by the Board of Directors consequent to any stock split or stock dividend declaration affecting the Common Shares and the Preferred Shares). Preferred Shares shall be convertible, at the option of the shareholder, at the rate of five Preferred Shares to one Common Share based on par value subject to the approval of the Board of Directors. Preferred Shares shall enjoy priority over Common Shares in the distribution of assets of the Corporation in the event of its dissolution and liquidation, at such rates and conditions as the Board of Directors may determine. Each Preferred Share shall be entitled to one vote and shall have the same voting rights as the Common Shares. The Board of Directors 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 Article Seven of the corporation's Amended Articles of Incorporation.

Title X of the Revised Corporation Code of the Philippines grants to a shareholder the right to dissent and demand payment of the fair value of his share in certain instances, to wit: (1) in case any amendment to the corporation's articles of incorporation has the effect of changing and restricting the rights of any shareholder or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence; (2) in case of any sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property or assets; (3) in case of merger or consolidation; and (4) in case of investment corporate funds for any purpose other than the primary purpose or in another corporation or business.

Under Section 41 of the Revised Corporation Code of the Philippines, a stockholder is likewise given an appraisal right in cases where a corporation decides to invest its funds in another corporation or business or any other purpose.

The appraisal right may be exercised in accordance with Sections 81 and 82 of the Revised Corporation Code of the Philippines, viz.:

**“SEC. 81. *How Right is Exercised.*** – The dissenting stockholder who votes against a proposed corporate action may exercise the right of appraisal by making a written demand on the corporation for the payment of the fair value of shares held within thirty (30) days from the date on which the vote was taken: *Provided*, That failure to make the demand within such period shall be deemed a waiver of the appraisal right. If the proposed corporate action is implemented, the corporation shall pay the stockholder, upon surrender of the certificate or certificates of stock representing the stockholder's shares, the fair value thereof as of the day before the vote was taken, excluding any appreciation or depreciation in anticipation of such corporate action.

If, within sixty (60) days from the approval of the corporate action by the stockholders, the withdrawing stockholder and the corporation cannot agree on the fair value of the shares, it shall be determined and appraised by three (3) disinterested persons, one of whom shall be named by the stockholder, another by the corporation, and the third by the two (2) thus chosen. The findings of the majority of the appraisers shall be final, and their award shall be paid by the corporation within thirty (30) days after such award is made: *Provided*, That no payment shall be made to any dissenting stockholder unless the corporation has unrestricted retained earnings in its books to cover such payment: *Provided, further*, That upon payment by the corporation of the agreed or awarded price, the stockholder shall forthwith transfer the shares to the corporation.

**SEC. 82. *Effect of Demand and Termination of Right.*** – From the time of demand for payment of the fair value of a stockholder's shares until either the abandonment of the corporate action involved or the purchase of the said shares by the corporation, all rights accruing to such shares, including voting and dividend rights, shall be suspended in accordance with the provisions of this Code, except the right of such stockholder to receive payment of the fair value thereof: *Provided*, That if the dissenting stockholder is not paid the



value of the said shares within thirty (30) days after the award, the voting and dividend rights shall immediately be restored.”

None of the proposed corporate actions for the Company qualifies as an instance for a possible exercise by security holders of their appraisal rights under Title X of the Revised Corporation Code of the Philippines.

## **Item 6. Management Discussion and Analysis of Financial Condition and Results of Operations for the Years Ended December 31, 2021 and 2020**

The Management Discussion and Analysis provides a narrative of the Company’s financial performance and condition that should be read in conjunction with the accompanying financial statements, which have been prepared in accordance with accounting principles generally accepted in the Philippines.

As discussed below, the Company’s financial statements do not show any losses from operation and hence the Company has not taken any measures to address the same.

### **KEY PERFORMANCE INDICATORS**

The Company uses the following measures to assess its performance from period to period.

#### **Ratings**

The performance of a program and/or network as a whole with respect to household ratings is the primary consideration for an advertiser in the Philippines to determine whether to advertise on a given program and/or network. AGB Nielsen, a media research firm, provides ratings to the Company on a subscription basis.

#### **Load Factor**

Load factor refers to the amount of advertising minutes aired during the breaks in a program as a percentage of the total minutes available for advertisement. The load factor is an indication of a program’s or a timeblock’s ability to sell advertising minutes. Load factor statistics are internally generated, although certain third parties monitor such statistics.

#### **Signal reach/coverage**

The ability to reach a greater number of viewers is a part of the Company’s strategy to provide its advertisers with more value for their advertising expenditures. The Company frequently assesses its signal strength and coverage by conducting field intensity surveys and tests.

#### **Subscriber count**

Subscriber count is the key performance indicator for the Company’s initiatives in the international arena to diversify its revenue base beyond advertising revenues. The number of subscribers to the Company’s GMA Pinoy TV, GMA Life TV and GMA News TV International forms the benchmark for measuring the success of this service. The Company makes internal assessments to determine the market potential for each new initiative and sets a subscriber count target accordingly.

## **Cost control**

The Company is continuously searching for ways to control costs and to improve efficiency. The Company has established systems and procedures to monitor costs and measure efficiency and has launched various initiatives and activities in relation to these efforts.

## **FINANCIAL AND OPERATIONAL RESULTS**

### **For the Year Ended December 31, 2021**

Notwithstanding the protracted pandemic which continued to hamper the full recovery of the economy due to the country's intermittent lockdowns, limited mobility and restricted business operations, GMA Network, Inc. and Subsidiaries (GMA/the Company) remained unwavering and once again broke all financial records for the twelve months this 2021. Consolidated revenues of the Company ramped up to an all-time high of ₱22,450 million posting a double-digit growth of 16% and translating into an absolute increase of ₱3,114 million. Apart from maintaining dominance in the free-to-air broadcasting arena, this year's exceptional top line was further boosted by the presence of political advocacies amounting to more than three quarters of a billion pesos. Minus the non-recurring election-related placements, the growth in consolidated recurring sales still stood at a commendable 12%.

GMA was determined to confront the challenge ahead, unceasingly finding ways to continue its service to the Filipino audience – more so, as the Network was regarded as the primary source of news and information across the country. During the year, additional digital terrestrial television (DTT) channels saw commercial broadcasts (DepEd TV and I Heart Movies), thus bringing the DTT channels to a total of six (6). Fortifying the DTT signal and transmission across the country has likewise been the focus of the Company with additional DTT sites already commissioned and with some others for completion in 2022. Meanwhile, the Company's DTT set-top box GMA Affordabox, continued to post steady sales this year. This 2021 also saw the rebranding of the Company's UHF station Channel 27, from GMA News TV to Good TV or simply GTV. Lastly, as part of the Company's effort to expand its reach and service to our countrymen, a new regional TV (RTV) station, RTV Zamboanga, was launched in Q4 this year. This station functions as RTV's Western Mindanao hub and becomes the fourth regional station of GMA in Mindanao and the 10th overall in the country. Finally, during the year, the first ever partnership of the Company with the oldest collegiate athletic association in the country NCAA also came to fruition. The collaboration aired its maiden broadcast in GMA's Good TV (GTV) in mid-June via *Rise Up Stronger: NCAA Season 96*.

<b>Income Data</b>	<b>2021</b> <i>(in millions PhP)</i>	<b>2020</b> <i>(in millions PhP)</i>	<b>Inc/(Dec)</b> <i>(in millions PhP)</i>	<b>%</b>
Revenues				
Advertising revenue	<b>21,015.17</b>	17,727.49	3,287.67	19%
Consumer sales				
Sale of services	<b>907.13</b>	1,024.61	(117.47)	-11%
Sale of goods	<b>528.02</b>	583.79	(55.77)	-10%
	<b>22,450.32</b>	19,335.90	3,114.43	16%
Total operating expenses	<b>12,555.62</b>	10,779.37	1,776.25	16%
EBITDA	<b>11,644.48</b>	9,887.84	1,756.64	18%
Net income	<b>7,569.15</b>	6,007.33	1,561.81	26%
<i>Attributable to Equity Holders of Parent Co.</i>	<b>7,530.11</b>	5,984.58	1,545.53	26%
<i>Noncontrolling Interest</i>	<b>39.03</b>	22.75	16.28	72%

For the twelve months ended, consolidated advertising revenues (airtime, online, international) which comprised 94% of the Company's revenue pie, sealed at an unprecedented level of ₱21,015 million, overshadowing prior year's ₱17,727 million top line by a whopping ₱3,288 million or 19%. It can be recalled that it was in early May of last year when closest rival ABS-CBN's free-to-air Channel 2 went off air, following the issuance of a cease and desist order to operate by the National Telecommunications Commission (NTC) upon the expiration of ABS's 25-year franchise. From then on, the Network's revenues were buoyed by the shift in advertising placements from the defunct channel. All airtime-revenue generating platforms yielded upbeat sales versus same period last year. Even without the boost from political advocacies, GMA's regular advertising revenues still grew by 14% year-on-year. Meanwhile, Sale of services which included subscription revenues, subsidiaries' operations and others wrapped up the year with a top-line of ₱907 million, contracting by ₱117 million or 11% versus last year's ₱1,025 million. The Company's venture into the sale of merchandise also pitched in revenues of ₱528 million.

Meanwhile, the Company concluded 2021 with consolidated operating expenses (OPEX) of ₱12,556 million, 16% or ₱1,776 million greater than prior year. The increase in spending was buoyed by the Network's resumption in terms of producing fresh programs during most parts of the year in contrast to airing mostly replays in 2020 due to the onset of the COVID-19 outbreak. Thus, production-related expenses propelled this year's increase by as much as 41%. In the same manner, general and administrative expenses also climbed by 6% in between periods following increased operating activities of the Company.

With the sterling performance in the top line, partly trimmed down by the rise in expenditures, consolidated Earnings before interest, taxes, depreciation and amortization (EBITDA) ended the 12-month period this 2021 pass the ₱10-billion mark at ₱11,644 million, 18% better than last year. Similarly, YTD consolidated Net Income after Tax of the Company once again broke all records at ₱7,569 million, a huge ₱1,562 million ahead of last year.

Financial indicators remained at exceptional levels this period. Consolidated net income before tax margin stood at 44% while EBITDA margin of 52% settled a notch higher than the 51% of prior period. On the other hand, net income after tax margin for this year even grew to 34% from 31% in 2020.

## Revenues

Capping the year 2021, consolidated revenues of the Company measured at ₱22,450 million, exhibiting a noteworthy increase of 16% from ₱19,336 million a year ago. Advertising revenues propelled the growth mainly from the upbeat sales coming from almost all airtime-generating platforms. Online advertising was likewise on track, picking up its pace and cementing its presence in terms of revenue contribution. Meanwhile, sale of services made up the second largest revenue source reaching ₱907 million. Finally, sale of goods added more than half a billion to the Company's coffers this year.

<b>Revenues</b>	<b>2021</b> <i>(in millions PhP)</i>	<b>2020</b> <i>(in millions PhP)</i>	<b>Inc/(Dec)</b> <i>(in millions PhP)</i>	<b>%</b>
Advertising revenues	<b>21,015.17</b>	17,727.49	3,287.67	19%
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Sale of goods	<b>528.02</b>	583.79	(55.77)	-10%
	<b>22,450.32</b>	19,335.90	3,114.43	16%

On a per channel basis, flagship channel GMA-7 remained at the top of the sales charts, posting a huge increase of 15% with the aid of more than half a billion worth of political advocacies. Nonetheless, sans this one-time inflow, the core channel of the Company still recorded a double-digit growth of 11% from recurring sales of prior year. Ch-7 continued as the undisputed leader in the broadcast industry and the most trusted source of news and information.

Grabbing second place this year, advertising revenues from online/digital was another area that displayed upbeat sales. Twelve months into the year, online sales showed improvement of 30% from full year of 2020. With the changing landscape in consumer/viewer preferences and habits, as well as the trends in technology, this platform becomes vital in establishing the presence of the Company as an equally dominant player in this field. Both direct buys and programmatic buys posted improvements in between periods.

Radio operations settled at third spot, with sales wrapping up higher by 13% versus a year ago. The hike in revenues was primarily buoyed by flagship AM station DZBB which grew sales by 36% versus prior period. Radio's Cebu and other provincial stations also pitched in higher sales by 22% in between periods. Likewise, FM station Barangay LS 97.1 likewise held the top spot in Mega Manila up to the last month of 2021, registering better sales by 23% compared to a year ago. Total audience share of the FM station of 29.1 percent was almost double its competitor Love Radio DZMB's 15.6 percent. Minus political advocacies, Radio posted a revenue increase of 8% from 2020.

Meanwhile, Regional TV operations was in a roll throughout the entire year with sales skyrocketing by 78% from last year. Both national and local sales posted improvements in their respective top lines. Furthermore, all regional stations basked in high double-digit and even triple-digit percentage increases from an already strong performance in the prior period. Biggest top-line gainers were the stations from the Mindanao region. This laudable feat was attained despite the continued lack of on-ground events due to the restrictions brought about by the pandemic. Minus the aid from political advocacies in 2021, recurring sales of RTV was still considerably ahead by 54% in between years.

Newly rebranded UHF channel – Good TV displayed a remarkable growth in its top line this year by 34%. This year's topline was supplemented by political advertisements, without which, increase in sales still translated into a 19% hike year-on-year. More so, with some changes in the programming mix, this year's

revenue growth was also driven by rented programs – both canned series and movies. Likewise, this year also saw the comeback of original station-produced shows such as *Farm to Table*, *The Lost Recipe* and *My Fantastic Pag-ibig*. Towards the last quarter of this year, the daily news-magazine program *Dapat Alam Mo!* was successfully launched. Finally, this year also saw the maiden season of the landmark partnership of GMA with NCAA via Rise Up Stronger: NCAA Season '96 airing in Good TV.

As the Company continue to expand its reach and operations, the DTT channels comprised of Heart of Asia, Hallypop, I Heart Movies and the DepEd TV, likewise provided incremental sales for the Company with a combined top line in the hundreds of millions which was more than quadruple of prior year's sales. The considerable growth was mainly due to the timing in the launches of the four (4) DTT-exclusive channels. GMA has remained in service to our countrymen not just via the delivery of news and information but through collaboration with the government by making education more accessible to Filipino learners in the new normal. The Company via one of its DTT-channels provided free facility for the Department of Education's platform for multimedia classes and blended learning program. Finally, airtime advertising through the Company's GMA Pinoy TV platform was also able to surpass prior year's top line by more than 50%.

In other revenue streams, Subscription revenues was on the downtrend with a reduction of 14%. The drag in this platform's topline was mainly due to the churn in GMA Pinoy TV subscriber count. GMA Life TV also posted a contraction in subscriber count in between periods. These were slightly cushioned by the moderate climb in GMA News TV International. The reduction in this business segment's sales was further aggravated by the moderate drop in average forex in between years to ₱49.38 to USD1 from ₱49.49 to USD1.

Lastly, Merchandise sales this year reached ₱528 million mainly from GMA Affordabox. Entire units sold for the set-top box since it launched in May last year already reached 1.7 million units amounting to over a billion pesos.

## Expenses

After twelve months in 2021, consolidated total operating expenses (OPEX) of the Company measured at ₱12,556, escalating by 16% or ₱1,776 million versus Y2020's ₱10,779 million. Both cash and non-cash OPEX hiked by 18% and 10%, respectively compared with prior year.

<b>Operating Expenses</b>	<b>2021</b> <i>(in millions PhP)</i>	<b>2020</b> <i>(in millions PhP)</i>	<b>Inc/(Dec)</b> <i>(in millions PhP)</i>	<b>%</b>
Production costs	<b>4,876.55</b>	3,452.14	1,424.41	41%
Cost of sales	<b>418.14</b>	479.42	(61.28)	-13%
Total Direct Costs	<b>5,294.69</b>	3,931.56	1,363.14	35%
General and administrative expense	<b>7,260.93</b>	6,847.82	413.11	6%
	<b>12,555.62</b>	10,779.37	1,776.25	16%

The increase in spending in consolidated production cost by 41% or ₱1,424 million was attuned to the revival of in-house produced programs which was put on hold during most part of 2020. Even with sporadic lockdowns this 2021, the Company has managed to adjust into the new normal set up. Last year, with the

outbreak of the pandemic in late March, the Network ceased production of fresh and original episodes and aired mostly reruns except for some News programs. During the last quarter of 2020, fresh episodes were gradually introduced but only on a limited scale. In contrast, for this 2021 there were more original episodes in the programming grid with only few replays aired. As such, total production cost (cash and non-cash) amounting to ₱4,877 million grew by over a billion by the end of 2021. Cash production cost climbed by ₱1,022 million or 40% mainly from higher program cost and talent fees while non-cash direct cost hiked by ₱402 million or 46% owing to the spike in amortization of program rights following the increase in the number of rented materials shown in GTV, I Heart Movies and Heart of Asia channels. These increases were partly cushioned by the decline in cost of sales of merchandise by ₱61 million in between years.

<b>Production Costs</b>	<b>2021</b> <i>(in millions PhP)</i>	<b>2020</b> <i>(in millions PhP)</i>	<b>Inc/(Dec)</b> <i>(in millions PhP)</i>	<b>%</b>
Talent fees	<b>2,251.17</b>	1,705.67	545.50	32%
Rentals and outside services	<b>344.89</b>	210.24	134.65	64%
Other program expenses	<b>1,010.43</b>	668.18	342.26	51%
<b>Sub-total - Cash Production Costs</b>	<b>3,606.49</b>	2,584.08	1,022.41	40%
Program rights amortization	<b>1,007.35</b>	703.42	303.93	43%
Depreciation and amortization	<b>262.71</b>	164.64	98.07	60%
<b>Sub-total - Non-cash Production Costs</b>	<b>1,270.06</b>	868.05	402.00	46%
<b>Total production costs</b>	<b>4,876.55</b>	3,452.14	1,424.41	41%

Meanwhile, consolidated general and administrative expenses (GAEX) accumulated to ₱7,261 million, ahead of last year by ₱413 million or up by 6%. Personnel cost propelled the rise in this category, edging last year by ₱334 million or 7%. This was mainly due to the annual increases in salary coming from merit increases and from the collective bargaining agreement. Most overhead expenses surpassed last year's balances as operations have stabilized within the Company following a new normal set-up. Facilities cost grew by ₱115 million or by 30% as Repairs and Maintenance last year were put on hold when the pandemic struck and stricter government protocols were imposed. There were also major repairs done this year particularly in the GMA Network Center and in refurbishing the Company's broadcast facilities and equipment. Similarly, Utility charges last year were lower due to limited operations - apart from most studios not being utilized during the lockdown, the telecommuting work scheme also resulted in less office areas being used. While a work-from-home set up was still observed, more areas within the Network premises were now utilized. Apart from higher generation charges per kWh, there was also an increase in the utilities consumption in the GMA Network and Fleet Centers. Outside services climbed by 20% this year versus last year partly due to the engagement of additional consultants. Taxes and Licenses similarly outpaced last year's results by 29% due to higher franchise tax payments which was based on prior year's revenues.

<b>General and Administrative Expenses</b>	<b>2021</b> <i>(in millions PhP)</i>	<b>2020</b> <i>(in millions PhP)</i>	<b>Inc/(Dec)</b> <i>(in millions PhP)</i>	<b>%</b>
Personnel costs	<b>4,858.70</b>	4,525.10	333.60	7%
Facilities costs	<b>495.12</b>	379.84	115.28	30%
Outside services	<b>470.47</b>	390.60	79.87	20%
Taxes and licenses	<b>235.51</b>	182.10	53.40	29%
Others	<b>663.79</b>	601.78	62.01	10%
<b>Subtotal - Cash GAEX</b>	<b>6,723.58</b>	6,079.42	644.16	11%
Depreciation and amortization	<b>345.07</b>	380.94	(35.87)	-9%
Provision for doubtful accounts	<b>142.58</b>	347.20	(204.62)	-59%
Amortization of software costs	<b>49.71</b>	40.26	9.44	23%
<b>Subtotal - Non-cash GAEX</b>	<b>537.35</b>	768.40	(231.05)	-30%
<b>Total GAEX</b>	<b>7,260.93</b>	6,847.82	413.11	6%

## EBITDA

While both direct cost and general and administrative expenses registered increases, they were nonetheless much lower than the absolute improvement in the top line. Hence, after end of this year, consolidated Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA) soared to ₱11,644 million, considerably higher than year ago's ₱9,888 million by ₱1,757 million or 18%.

## Net Income

In like manner, Net Income after Tax (NIAT) finished off this year at a record-breaking ₱7,569 million, soaring by ₱1,562 million or 26% over last year's already solid bottom line of ₱6,007 million. The improvement in this year's NIAT was also buoyed by the reduction in the regular corporate income tax rate from 30% to 25% following the passing into law of the Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act last April 15, 2021.

## Balance Sheet Accounts

GMA's total assets stood at ₱24,076 million as at end-2021, a tad higher than December 31, 2020's balance of ₱23,939 million.

Cash and cash equivalents of ₱4,794 million grew by more than P1.5-billion at ₱1,579 million or 49% from 2020 peg of ₱3,215 million. This resulted from a combination of higher sales from previous months which have become due for collection this period coupled with improved collection efforts. Meanwhile, despite the increase in revenues, Trade and other receivables closed the year with a balance of ₱7,785 million, 26% or ₱2,682 million less than last year, resulting from increased collections over the recent months.

Total liabilities declined by 14% or ₱1,553 million as at end-December this year to ₱9,505 million from ₱11,058 million in 2020 mainly due to the reduction in the following accounts: (1) Pension liability as a result of recognition of remeasurement gains using the latest actuarial valuation; and (2) Income tax payable due lower rate of 25% this year vs. 30% in 2020 due to passing of CREATE Law.

Equity attributable to Parent Company stockholders amounting to ₱14,470 million as at end-December 2021 increased by 13% or ₱1,661 million in between years, as a result of ₱5,975 million net income attributable to Parent Company earned in 2021, partially reduced by the dividends declared during the first quarter of 2021 amounting to ₱6,561 million.

<b>Cash Flows</b>	<b>2021</b> <i>(in millions PhP)</i>	<b>2020</b> <i>(in millions PhP)</i>
Net cash provided by operating activities	<b>9,362.23</b>	2,506.76
Net cash used in investing activities	<b>(1,147.11)</b>	(353.62)
Net cash used in financing activities	<b>(6,678.61)</b>	(1,166.92)
Effect of exchange rate changes on cash and cash equivalents	<b>42.24</b>	(26.37)
Net increase in cash and cash equivalents	<b>1,578.75</b>	959.85
Cash and cash equivalents at beginning of year	<b>3,214.82</b>	2,254.97
Cash and cash equivalents at end of the year	<b>4,793.57</b>	3,214.82

### **Operating Activities**

Net cash from operations registered at ₱9,362 million in 2021. This stemmed from income before income tax of ₱9,947 million, adjusted mainly by Program rights usage of ₱1,007 million, Pension expense of ₱640 million, Depreciation expense of ₱608 million, Provision for doubtful accounts of ₱143 million and Amortization of software costs of ₱50 million apart from the changes in working capital. The primary component of the changes in working capital included the ₱2,564 million decrease in Trade and other receivables partially offset by increase in Inventories by ₱900 million.

### **Investing Activities**

Net cash used in investing activities amounted to ₱1,147 million, coming primarily from the acquisition of ₱999 million, ₱142 million and ₱51 million worth of Property and equipment, Land and Software costs, respectively. These were partially offset by the ₱58 million proceeds from sale of property and equipment.

### **Financing Activities**

Net cash used in financing activities amounted to ₱6,679 million due to payment of cash dividends and loans amounting to ₱6,549 million and ₱4,543 million, respectively, plus some ₱38 million in Interest expense netted by ₱4,479 million remaining proceeds from short-terms loans.

## **FINANCIAL AND OPERATIONAL RESULTS**

### **For the Year Ended December 31, 2020**

The year 2020 was a year like no other. In the midst of the global crises brought about by the COVID-19 pandemic, which nearly crippled even the strongest of nations and economies, GMA Network, Inc. and Subsidiaries (GMA/the Company) broke all records in terms of financial performance for the 12-month period ended December 31, 2020. With a very strong second half showing this year, the Company sealed full year 2020 with consolidated revenues of ₱19,336 million, ahead of year ago's top line by 17% or ₱2,842 million. The aforementioned feat was notwithstanding the impact of the world-wide pandemic which



was heavily felt towards the end of the first quarter of the year and the absence of three fourths of a billion worth of non-recurring political advocacies and advertisements coming from the 2019 mid-term national elections.

<b>Income Data</b>	<b>2020</b> <i>(in millions PhP)</i>	<b>2019</b> <i>(in millions PhP)</i>	<b>Inc/(Dec)</b> <i>(in millions PhP)</i>	<b>%</b>
Revenues				
Advertising revenues	<b>17,727.49</b>	15,173.93	2,553.57	17%
Consumer sales				
Sale of services	<b>1,024.61</b>	1,319.53	(294.92)	-22%
Sale of goods	<b>583.79</b>	-	583.79	-
	<b>19,335.90</b>	16,493.45	2,842.44	17%
Total operating expenses	<b>10,779.37</b>	12,760.61	(1,981.24)	-16%
EBITDA	<b>9,887.84</b>	5,392.33	4,495.50	83%
Net income	<b>6,007.33</b>	2,639.28	3,368.06	128%
<i>Attributable to Equity Holders of Parent Co.</i>	<b>5,984.58</b>	2,618.46	3,366.12	129%
<i>Noncontrolling Interest</i>	<b>22.75</b>	20.82	1.93	9%

For the year ended December 31, 2020, consolidated advertising revenues continued to take up the lion's share in the Company's revenue pie, measuring ₱17,727 million and posting a double-digit growth compared to a year ago. Advertising revenues across all platforms exhibited better-than-last year performances in their top line. The closure of biggest rival, ABS-CBN, due to the expiration of their broadcast franchise last May 5 and the subsequent denial last July 10 by the House Committee on Legislative Franchises of ABS's new application contributed to the extraordinary increase in sales from broadcast operations due to the shift in some advertising placements. This year also saw the Company's newest venture into the Digital Terrestrial Television (DTT) landscape with the launch of the DTT channels Heart of Asia (HoA) and Hallypop. Moreover, the successful distribution of the DTT set-top boxes, which was labeled GMA Affordabox, also made a noteworthy impact on the top line. Completing this year's remarkable achievement was the commercial introduction in December of GMA Now, a digital TV receiver for Android smartphones, which allowed viewers to enjoy digital free-to-air channels on-the-go. Meanwhile, consolidated top line generated by Sale of services other than advertising exhibited a reduction, tipping at ₱1,025 million, behind last year's ₱1,320 million by 22%.

In terms of operating costs, the Company sealed 12-month period this 2020 with consolidated operating expenses (OPEX) of ₱10,779 million, contracting by a huge ₱1,981 million or 16% from last year. Due to the imposition of the quarantine and related guidelines on mass gatherings, the Company had to realign programming to replays of entertainment programs and canned materials while rationalization of station-produced programs was made to ensure a safe environment for its employees and talents. Thus, Production and other direct costs were almost cut in half but was partly offset by the increase in consolidated general and administrative expenses (GAEX) by 8%. Meanwhile, the presence of inventory cost for the sale of GMA Affordabox and GMA Now also partly cushioned the abovementioned reduction.

Consolidated Earnings before interest, taxes, depreciation and amortization (EBITDA) ended the 12-month period this 2020 at an astounding ₱9,888 million, ₱4,496 million or 83% higher than last year. This resulted from the hefty increase in revenues by ₱2,842 million heightened by considerable reduction in cash OPEX by ₱2,006 million. With similar sterling performances since middle of this year, YTD Consolidated Net Income after Tax of the Company recorded a milestone, breaching the ₱6.0-billion mark at ₱6,007 million, thus, displaying a 128% or ₱3,368 million climb from year ago's bottom line -- a fitting achievement to cap the Network's 70 years of existence, notwithstanding the challenges that beset the country and the economy this 2020.

With this year's healthy financial performance, all financial indicators recorded improvements versus a year ago. Consolidated net income margin wrapped up at 31%, double last year's 16%. EBITDA margin stood at 51% vs. 33% in 2019 while NIAT margin settled at 31%, higher by 15 percentage points against comparable period's NIAT margin of 16%. Return on asset was at 25% from 16% while return on equity ended at 47% from 28% a year ago.

## Revenues

Consolidated revenues of the Company in 2020 nearly breached the ₱20.0-billion mark at ₱19,336 million, parading a ₱2,842 million or 17% hike from a year ago. Advertising revenues remained the lifeblood of the Company, taking up 92% of the total revenue pie. Airtime revenues from free-to-air platforms as well as online advertising sales primarily comprised this segment. Meanwhile, sale of services made up the second largest revenue source reaching ₱1,025 million. Last but not the least were fresh revenues coming from sale of goods, which boosted this year's consolidated top line of the Company.

<b>Revenues</b>	<b>2020</b> <i>(in millions PhP)</i>	<b>2019</b> <i>(in millions PhP)</i>	<b>Inc/(Dec)</b> <i>(in millions PhP)</i>	<b>%</b>
Advertising revenues	<b>17,727.49</b>	15,173.93	2,553.57	17%
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Sale of goods	<b>583.79</b>	-	583.79	-
	<b>19,335.90</b>	16,493.45	2,842.44	17%

Further segmenting consolidated advertising revenues, airtime sales from television and radio broadcast operations comprised the biggest chunk of the account. Flagship channel GMA 7 led the pack, with absolute sales climbing by 16% versus full year 2019. Carving out more than half a billion worth of non-recurring political advocacies and advertisements in the previous year, revenues from regular sales grew even higher by 23%. The Network has risen to the challenge, and has remained the leading source of much needed relevant news and information especially in the midst of the virus outbreak -- a testament to its service to the Filipino people here and abroad, despite difficult times.

Radio operations followed with the next highest airtime sales contribution, capping the year with a 15% increase in its top line. Sans the impact of election-related placements during 2019, Radio business registered a sales improvement of 20%. The growth was buoyed by higher revenues from banner AM station DZBB with its unceasing advocacy to deliver up-to-date news and public information all throughout the day. Provincial radio operations' sales also grew by an aggregate of 16% from a year ago.

GMA News TV's (GNTV), the Company's UHF channel also enjoyed hefty top-line gains by the end of the 12-month period in 2020, posting an increase in sales by 20%. Driving the revenue growth for the channel were News content, which for the greater part of the year broadcasted the *teleradyo* program *Dobol B sa News TV* from morning until early evening. This ensured that timely news and public information were made available via all forms of media, at most times of the day.

Meanwhile, Regional TV (RTV) operations finished off with the highest improvement in the top line, percentage-wise. For this year, RTV revenues soared by 46% versus year ago. National airtime sales propelled the growth which more than compensated for the lack of on-ground sponsorships due to the spread of the coronavirus and consequent quarantine measures. Minus political advocacies and advertisements in 2019, recurring sales of RTV grew even higher by 58% year-on-year. On a per station

basis, Cebu emerged as the leader, followed by Davao and Dagupan. The rest of the stations nonetheless enjoyed comfortable leads from last year's top line.

During the third quarter, two DTT channels were also launched by the Network -- Heart of Asia and Hallypop. Combined incremental revenues from these channels further added to the Company's top line. Despite the growing competition in the digital arena, especially with erstwhile TV rival ABS-CBN concentrating all its efforts to boost its online presence following the denial of their free-to-air broadcast franchise, GMA's advertising revenues from online/digital sales continued to register healthy revenues from this segment. Online advertisements from the Network's various websites and social media accounts cumulatively grew by 13% from a year ago.

In other revenue streams outside advertising, Subscription revenues from International operations accounted for the largest chunk, albeit recording a drop from a year ago. The churn in subscriber count owing to shift in consumer preference especially with the emergence of alternative media sources was the main reason for the decline in subscriptions revenues. The appreciation of the PhP against the USD this year, by an average of 4% or PhP2.09 to USD1 further aggravated the said decline. Other subsidiary operations also resulted in lower top line this year due to the general economic crunch in most industries and businesses. These were slightly mitigated by this year's improvement in syndication revenues abroad which doubled from last year.

Meanwhile, yet another significant development for the Company and in support of its DTT channels, the Network also successfully brought to the public, GMA Affordabox by middle of this year and GMA Now just before the year came-to-a-close, with combined sales reaching over half a billion pesos from more than 900,000 combined units sold.

## Expenses

	<b>2020</b> <i>(in millions PhP)</i>	2019 <i>(in millions PhP)</i>	Inc/(Dec) <i>(in millions PhP)</i>	%
<b>Operating Expenses</b>				
Production costs	<b>3,452.14</b>	6,435.15	(2,983.02)	-46%
Cost of sales	<b>479.42</b>	-	479.42	-
Total Direct Costs	<b>3,931.56</b>	6,435.15	(2,503.60)	-39%
General and administrative expenses	<b>6,847.82</b>	6,325.46	522.36	8%
	<b>10,779.37</b>	12,760.61	(1,981.24)	-16%

For the year just ended, consolidated total operating expenses (OPEX) of the Company sealed at ₱10,779, dropping by a double-digit percentage of 16% or ₱1,981 million compared to full year of 2019. Cash OPEX fell by 18% to ₱9,143 million while non-cash OPEX inched up by 2% versus a year ago.

	2020 (in millions PhP)	2019 (in millions PhP)	Inc/(Dec) (in millions PhP)	%
<b>Production Costs</b>				
Talent fees	1,705.67	2,948.00	(1,242.33)	-42%
Rentals and outside services	210.24	812.01	(601.77)	-74%
Other program expenses	668.18	1,518.28	(850.10)	-56%
<b>Sub-total - Cash Production Costs</b>	<b>2,584.08</b>	<b>5,278.28</b>	<b>(2,694.20)</b>	<b>-51%</b>
Program rights amortization	703.42	988.70	(285.29)	-29%
Depreciation and amortization	164.64	168.17	(3.53)	-2%
<b>Sub-total - Non-cash Production Costs</b>	<b>868.05</b>	<b>1,156.87</b>	<b>(288.82)</b>	<b>-25%</b>
<b>Total production costs</b>	<b>3,452.14</b>	<b>6,435.15</b>	<b>(2,983.02)</b>	<b>-46%</b>

Production costs which traditionally comprised half of the Company's consolidated OPEX took a back seat this year, finishing off at ₱3,452 million, considerably lower by 46% compared with prior year's ₱6,435 million. While quarantine restrictions were eased up somehow starting the third quarter, it still proved quite difficult for the Company's in-house station produced soaps to go full blast. Hence, during most part of the period, the Network continued to air a number of replays of high-rating and well-loved Entertainment shows. Only News and some Public Affairs programs continued to air fresh episodes year-long to fulfill the Network's responsibility of delivering comprehensive news and information nationwide. It was only during the 4th quarter wherein select in-house produced programs commenced tapings in a bubble set up. With this, Talent fees declined by ₱1,242 million or 42%. Rental of facilities and equipment also contracted by ₱602 million or 74% while other cash production costs decreased by ₱850 million or 56%. In terms of non-cash Production costs, Program rights amortization also slid by P285 million or 29% due to the mix in the titles shown this period vis-à-vis a year ago.

This year saw a new component in the Company's cost structure – cost of sales – mainly from the inventory cost of DTT set-top boxes and digital TV receivers. Since its mid-year launch in 2020, consolidated cost of sales amounted to ₱479 million.

	2020 (in millions PhP)	2019 (in millions PhP)	Inc/(Dec) (in millions PhP)	%
<b>General and Administrative Expenses</b>				
Personnel costs	4,525.10	4,127.12	397.98	10%
Facilities costs	379.84	490.80	(110.96)	-23%
Outside services	390.60	459.93	(69.32)	-15%
Taxes and licenses	182.10	174.36	7.74	4%
Others	601.78	618.64	(16.86)	-3%
<b>Subtotal - Cash GAEX</b>	<b>6,079.42</b>	<b>5,870.84</b>	<b>208.58</b>	<b>4%</b>
Depreciation and amortization	380.94	409.53	(28.60)	-7%
Provision for doubtful accounts	347.20	18.30	328.90	1798%
Amortization of software costs	40.26	26.79	13.48	50%
<b>Subtotal - Non-cash GAEX</b>	<b>768.40</b>	<b>454.62</b>	<b>313.78</b>	<b>69%</b>
<b>Total GAEX</b>	<b>6,847.82</b>	<b>6,325.46</b>	<b>522.36</b>	<b>8%</b>

Meanwhile, consolidated general and administrative (GAEX) finished the year at ₱6,848 million, edging last year by ₱522 million or 8%. Personnel costs, which represents 66% of the total GAEX, climbed by ₱398

million or 10% from ₱4,127 million in 2019 to ₱4,525 million by the end of the reporting period. The said growth resulted from higher provision for retirement benefits arising from the latest actuarial valuation reports plus the annual merit and CBA salary increases for confidential and rank and file employees, respectively. Likewise, the recording of provisions for Expected Credit Losses (for receivables) which climbed by ₱329 million further drove the hike in consolidated GAEX. The increase in the provision for doubtful accounts was due to the spike in the Trade Receivables balance as at end-December 2020 resulting from the considerable growth in revenues which was aggravated by the challenges in collection efforts especially during the 2<sup>nd</sup> to 3<sup>rd</sup> quarter of the year because of strict quarantine protocols and disruption in the operations of some business partners. Nonetheless, by the last quarter of the year, collection efforts have regained some normalcy. Mitigating the impact of the above were the reduction in Facilities cost and Outside services by ₱111 million or 23% and by ₱69 million or 15%, respectively. Facilities cost, which included utilities consumption, was the main driver for the contraction in GAEX. Apart from most studios not being utilized during the lockdown, most of the employees of the Company observed a telecommuting work arrangement in compliance with the government's mandate on safety measures. This resulted in less consumption of utilities in general. There were also limited projects for repairs and maintenance during the year. For Outside services, promotional and other marketing campaigns and on-ground events were likewise put on hold due to the pandemic.

### **EBITDA**

With the remarkable top line performance this year, coupled by lower cash operating costs, Earnings before interest, taxes, depreciation and amortization (EBITDA) reached an all-time high of ₱9,888 million, ₱4,496 million or 83% higher than last year's ₱5,392 million.

### **Net Income**

In the same manner, year-to-date Net Income after Tax of GMA, recorded a first in the 70-year history of the Company, wrapping up at ₱6,007 million, more than double year ago's bottom line of ₱2,639 million and higher by ₱3,368 million or 128%.

### **Balance Sheet Accounts**

GMA's total assets stood at ₱23,939 million as at end-2020, increasing significantly by 46% from December 31, 2019's balance of ₱16,347 million.

Cash and cash equivalents of ₱3,215 million grew by almost a million pesos at ₱960 million or 43% from 2019 peg of ₱2,255 million as cash generated from operations were higher than the cash used in investing and financing activities. Meanwhile, Trade and other receivables closed the year with a balance twice of last year's at ₱10,467 million, parallel with the spike in the Company's top line.

Total liabilities also climbed by 65% or ₱4,368 million as at end-December this year to ₱11,058 million from ₱6,690 million in 2019 mainly due to the escalation in the following accounts: (1) Pension liability as a result of the latest actuarial valuation; and (2) Income tax payable due the huge hike in the Company's taxable net income.

Equity attributable to Parent Company stockholders amounting to ₱12,809 million as at end-December 2020 increased by 34% or ₱3,223 million in between years, as a result of ₱5,985 million net income attributable to Parent Company earned in 2020, partially reduced by the dividends declared during the first half of 2020 amounting to ₱1,458 million.

<b>Cash Flows</b>	<b>2020</b> <i>(in millions PhP)</i>	<b>2019</b> <i>(in millions PhP)</i>
Net cash provided by operating activities	<b>2,506.76</b>	2,884.20
Net cash used in investing activities	<b>(353.62)</b>	(796.84)
Net cash used in financing activities	<b>(1,166.92)</b>	(2,365.52)
Effect of exchange rate changes on cash and cash equivalents	<b>(26.37)</b>	(25.98)
Net increase (decrease) in cash and cash equivalents	<b>959.85</b>	(304.13)
Cash and cash equivalents at beginning of year	<b>2,254.97</b>	2,559.11
Cash and cash equivalents at end of the year	<b>3,214.82</b>	2,254.97

### Operating Activities

Net cash from operations registered at ₱2,507 million in 2020. This stemmed from income before income tax of ₱8,592 million, adjusted mainly by Program rights usage of ₱703 million, Pension expense of ₱646 million, Depreciation expense of ₱546 million, Provision for doubtful accounts of ₱347 million and Amortization of software costs of ₱40 million apart from the changes in working capital. The primary component of the changes in working capital included the ₱5,589 million and ₱1,095 million increase in Trade and other receivables and Prepaid and other current assets, respectively.

### Investing Activities

Net cash used in investing activities amounted to ₱354 million, coming primarily from the acquisition of ₱421 million and ₱11 million worth of Property and equipment and Software costs, respectively. These were partially offset by the ₱56 million change in fair market value of Financial assets at FVOCI and ₱23 million proceeds from sale of property and equipment.

### Financing Activities

Net cash used in financing activities amounted to ₱1,167 million due to payment of cash dividends and loans amounting to ₱1,475 million and ₱642 million, respectively, plus some ₱13 million in Interest expense netted by ₱984 million remaining proceeds from short-terms loans.

## FINANCIAL AND OPERATIONAL RESULTS

### For the Year Ended December 31, 2019

Buoyed by this year's extra-ordinary inflow from the mid-term elections held in May, GMA Network and Subsidiaries (GMA/the Company) sealed twelve-month consolidated revenues ahead by 8% versus a year ago. In absolute terms, consolidated top line for the full year reached ₱16,493 million, up by ₱1,257 million from 2018's ₱15,236 million. Political advocacies and advertisements during the year amounted to about three fourths of a billion pesos. Nonetheless, discounting the impact of aforesaid windfall, recurring sales for 2019 still managed to overtake last year's peg by 4% or a little over half a billion pesos.

<b>Income Data</b>	<b>2019</b> <i>(in millions PhP)</i>	<b>2018</b> <i>(in millions PhP)</i>	<b>Inc/(Dec)</b> <i>(in millions PhP)</i>	<b>%</b>
Revenues				
Advertising revenue	<b>15,173.9</b>	13,834.5	1,339.4	10%
Subscriptions and others	<b>1,319.5</b>	1,401.7	(82.1)	-6%
	<b>16,493.5</b>	15,236.2	1,257.3	8%
Total operating expenses	<b>12,760.6</b>	11,998.0	762.6	6%
EBITDA	<b>5,392.3</b>	4,823.9	568.4	12%
Net income	<b>2,639.3</b>	2,324.0	315.3	14%
<i>Attributable to Equity Holders of Parent Co.</i>	<b>2,618.5</b>	2,304.8	313.7	14%
<i>Noncontrolling Interest</i>	<b>20.8</b>	19.2	1.6	8%

For the year ended December 31, 2019, consolidated advertising revenues remained the lifeblood of the Company, wrapping up at ₱15,174 million and posting a double-digit growth compared to a year ago. Most airtime-revenue generating platforms surpassed prior year's top-line performance with the boost from this year's political advocacies and advertisements. Advertising revenues from online platforms also contributed to this year's incremental sales. Meanwhile, inflows from subscriptions, non-advertising operations and other businesses of ₱1,320 million, manifested a reduction of 6% versus a year ago.

Cost-wise, the Company continued to exercise prudent management of its operating costs. Total consolidated operating expenses (OPEX) for 2019 measured at ₱12,761 million from year ago's ₱11,998 million, translating into a single-digit hike of 6% -- or at a rate slower than the growth in its top line. Production and other direct costs in fact finished off at ₱6,435 million which was even a tad lower than prior year's ₱6,484 million by ₱49 million or 1%. This was nonetheless negated by the hike in the Company's general and administrative expenses (GAEX) by ₱811 million or 15%. Consolidated GAEX for the year 2019 stood at ₱6,325 million versus ₱5,514 million in the prior year.

With the sterling performance in this year' consolidated top line coupled with costs held at bay, consolidated Earnings before interest, taxes, depreciation and amortization (EBITDA) posted an improvement of more than half a billion ending at ₱5,392 million, or up by 12% from last year. Finally, consolidated Net Income after tax for the twelve-month period this 2019 settled at ₱2,639 million, ₱315 million or 14% better than 2018's bottom-line peg of ₱2,324 million.

## Revenues

Consolidated revenues of the Company in 2019 aggregated to ₱16,493 million, manifesting a huge increase of ₱1,257 million or 8% from year ago's ₱15,236 million. Advertising revenues comprised the lion's share in the Company's consolidated revenue pie at 92%, inching up against last year's 91% share. In absolute terms, advertising revenues grew by 10% in between periods, with incremental sales amounting to ₱1,339 million. Without the non-recurring sales from political advocacies and advertisements, advertising revenues were still better off by 5% year-on-year. Airtime revenues from free-to-air platforms as well as online advertising sales primarily comprised this segment. Meanwhile, subscriptions revenues, sales of subsidiaries and other business concluded the past twelve months of 2019 at ₱1,320 million, down 6% from last year.

<b>Revenues</b>	<b>2019</b> <i>(in millions PhP)</i>	<b>2018</b> <i>(in millions PhP)</i>	<b>Inc/(Dec)</b> <i>(in millions PhP)</i>	<b>%</b>
Advertising revenues	<b>15,173.9</b>	13,834.5	1,339.4	10%
Subscriptions and others	<b>1,319.5</b>	1,401.7	(82.1)	-6%
	<b>16,493.5</b>	15,236.2	1,257.3	8%

Further segmenting airtime sales -- GMA-7 revenues for this year contributed more than three-fourths of consolidated advertising revenues, sealing twelve-month results higher by 9% versus same period in 2018. Providing the growth impetus for the channel were the incremental advertising load from the 2019 mid-term elections. Minus the aforesaid influx, Ch-7 still managed to outshine last year's recurring sales by 3% propelled by the increase in effective rates per minute.

Ratings-wise, GMA recorded 35.5% total day people audience share, in Urban Luzon, which accounted for 72% of all urban viewers in the country -- outscoring ABS-CBN's 30.4%. Building the momentum in the morning slot with 28.1%, GMA won against rival network's 25.8%. This continued in the afternoon slot with GMA's 36.7 % versus ABS' 30.9%. GMA further toppled its competitor in the evening block with 37.7% while ABS-CBN only got 31.9%. Likewise, in Mega Manila, which accounted for 60% of all urban viewers in the country, the Network posted 36.5% total day people audience share compared to ABS-CBN's 27.9% based on official data from January to December.

Radio operations came in second in terms of airtime sales generation. The business unit bagged a 7% improvement in its top line inclusive of political advocacies and advertisements. In terms of recurring revenue growth, Radio business likewise recorded a 4% upswing in its top line. DWLS-FM was the biggest top-line gainer both percentage-wise and in absolute terms, equivalent to a 15% hike. DZBB-AM and Cebu and Provincial operations also pitched in sales increases in between years by 9% apiece.

Meanwhile, GMA News TV's (GNTV) top line was barely affected by this year's national elections with very minimal contribution from political advocacies and advertisements during the period. Compared to prior year, GNTV finished off with revenues down by 14%. Lastly, Regional TV operations sealed the twelve-month period with combined revenues from all stations up by 4%. Without the election boost, sales from Regional operations finished a hairline higher than a year ago.

Meanwhile, Advertising revenues from online sales, particularly from the websites of GMA News Online and GMA Entertainment, continued to be the catalyst for the Company in terms of revenue growth. For 2019, online advertisements grew by 78% compared to a year ago, coming from the improvements seen in both direct sales and programmatic buys. Finally, airtime advertising abroad through the Company's GMA Pinoy TV platform, sealed the period 9% more than a year ago.

In other non-advertising revenue sources, subscriptions income from international operations and other businesses which were not affected by the extraordinary influx from election placements concluded the year at ₱1,320 million, down 6% from a year ago. Taking up the biggest portion in this revenue category was GMA Pinoy TV's operations abroad. However, in terms of subscriber take up, the business unit recorded a decline in subscriber count averaging by 9% between its three channels offered internationally, thus resulting in revenue contraction by also 9%. The appreciation of the PhP against the USD by an average of 2% also influenced the aforementioned decline in Pinoy TV's top line this year. Revenues from non-linear sources abroad, albeit still at its starting stage has increased by more than three folds.



## Expenses

Consolidated Total operating expenses (OPEX) of the Company measured at ₱12,761 million in 2019, climbing by ₱763 million or 6% compared to full year of 2018. Cash OPEX sealed 2019 at ₱11,149 million escalating by ₱742 million or 7% while non-cash OPEX finished off at about the same level as last year, inching up by only 1%.

Comprising half of the Company's total OPEX, consolidated Production cost, talent fees and other direct expenses summed up to ₱6,435 million, ending a tad lower by ₱49 million or 1% than year ago. Cash Production cost dipped by ₱132 million or 2% arising from the reduction in Talent fees by ₱44 million or 1% and Rental and outside services by ₱84 million or 9%. However, this was partly offset by the climb in non-cash direct cost, mainly Program rights amortization by ₱117 million or 13% more than a year ago. The hike in the account was due to airing of more expensive foreign movies. This was partly offset by the 17% or ₱34 million contraction in Depreciation and amortization of assets related to production.

	2019 (in millions PhP)	2018 (in millions PhP)	Inc/(Dec) (in millions PhP)	%
<b>Production Costs</b>				
Talent fees	2,948.0	2,992.0	(44.0)	-1%
Rentals and outside services	812.0	895.8	(83.8)	-9%
Other program expenses	1,518.3	1,522.1	(3.8)	-0.2%
<b>Sub-total - Cash Production Costs</b>	<b>5,278.3</b>	<b>5,409.9</b>	<b>(131.6)</b>	<b>-2%</b>
Program rights amortization	988.7	871.5	117.3	13%
Depreciation and amortization	168.2	202.4	(34.2)	-17%
<b>Sub-total - Non-cash Production Costs</b>	<b>1,156.9</b>	<b>1,073.8</b>	<b>83.1</b>	<b>8%</b>
<b>Total production costs</b>	<b>6,435.2</b>	<b>6,483.7</b>	<b>(48.5)</b>	<b>-1%</b>

On the other hand, consolidated General and Administrative Expenses (GAEX) for the Company sealed the year 2019 at ₱6,325 million, higher by ₱811 million or 15% than last year. Personnel costs drove this year's growth, wrapping up at ₱4,127 million, up 26% and comprising 32% of total consolidated OPEX. The non-recurring/one-time signing and appreciation bonuses to rank and file and confidential employees this year significantly influenced the upturn in this expenditure. This year was also saddled by the surge in provisions for pension liabilities and long-term employee benefit (SL/VL), resulting from the latest actuarial valuations. The hike in the account was partly cushioned by the reduction in other GAEX accounts coming from Taxes and Licenses, which ended lower by ₱18 million or 10%. Non-cash GAEX netted a ₱62 million or 12% decline, mainly from the presence of some ₱110 million in Provision for Doubtful Accounts in 2018 versus only ₱18 million this year, resulting from the Estimated Credit Losses computation during the period. This was partly negated by the hike in Depreciation of GAEX-related assets by ₱25 million or 7% in between years.

<b>General and Administrative Expenses</b>	<b>2019</b> <i>(in millions PhP)</i>	<b>2018</b> <i>(in millions PhP)</i>	<b>Inc/(Dec)</b> <i>(in millions PhP)</i>	<b>%</b>
Personnel costs	<b>4,127.1</b>	3,284.8	842.3	26%
Outside services	<b>459.9</b>	408.2	51.7	13%
Facilities costs	<b>490.8</b>	465.7	25.1	5%
Taxes and licenses	<b>174.4</b>	192.8	(18.5)	-10%
Others	<b>618.6</b>	645.9	(27.2)	-4%
<b>Subtotal - Cash GAEX</b>	<b>5,870.8</b>	4,997.5	873.4	17%
Depreciation and amortization	<b>409.5</b>	384.1	25.4	7%
Provision for doubtful accounts	<b>18.3</b>	109.6	(91.3)	-83%
Amortization of software costs	<b>26.8</b>	23.2	3.6	16%
<b>Subtotal - Non-cash GAEX</b>	<b>454.6</b>	516.9	(62.3)	-12%
<b>Total GAEX</b>	<b>6,325.5</b>	5,514.3	811.1	15%

## EBITDA

As the top line during the year enjoyed the boost from the mid-term election placements as well as improvements in recurring sales from regular clients, coupled with cash operating costs climbing at a slower pace than the growth in revenues, the Company's consolidated Earnings before interest, taxes, depreciation and amortization (EBITDA) this 2019 wrapped up at ₱5,392 million, ₱568 million or 12% better than a year ago.

## Net Income

The Company's consolidated Net Income after Tax sealed the year ended 2019 at ₱2,639 million, recording a ₱315 million or 14% improvement vis-à-vis prior year's bottom line of ₱2,324 million.

## Balance Sheet Accounts

The Company's total assets stood at ₱16,347 million as at end-2019, increasing by 7% from December 31, 2018's balance of ₱15,293 million.

Cash and cash equivalents of ₱2,255 million decreased by ₱304 million or 12% from 2018 balance of ₱2,559 million as cash generated from operations was lower than the cash needed for investing and financing activities such as cash dividends and loans payments. Trade and other receivables closed at ₱5,257 million, 9% higher than previous year.

Total liabilities also climbed by 17% or ₱985 million as at end-December this year to ₱6,690 million from ₱5,704 million in 2018 mainly due to the spike in Pension liability partly offset by the drop in short-term loans by ₱100 million.

Equity attributable to Parent Company stockholders amounting to ₱9,586 million as at December 31, 2019 increased by 1% or ₱61 million in between years, as a result of ₱2,618 million net income attributable to Parent Company earned in 2019, subsequently reduced by the dividends declared during the first half of 2019 amounting to ₱2,187 million.

<b>Cash Flows</b>	<b>2019</b> <i>(in millions PhP)</i>	<b>2018</b> <i>(in millions PhP)</i>
Net cash provided by operating activities	<b>2,884.2</b>	3,155.6
Net cash used in investing activities	<b>(796.8)</b>	(405.9)
Net cash used in financing activities	<b>(2,365.5)</b>	(2,472.3)
Effect of exchange rate changes on cash and cash equivalents	<b>(26.0)</b>	1.8
Net increase (decrease) in cash and cash equivalents	<b>(304.1)</b>	279.3
Cash and cash equivalents at beginning of year	<b>2,559.1</b>	2,279.8
<b>Cash and cash equivalents at end of the year</b>	<b>2,255.0</b>	2,559.1

## Operating Activities

Net cash from operations registered at ₱2,884 million in 2019. This stemmed from income before income tax of ₱3,766 million, adjusted mainly by Program rights usage of ₱989 million, Depreciation expense of ₱578 million, Pension expense of ₱402 million, Interest expense and financing charges of ₱56 million, Net unrealized foreign currency exchange gain of ₱30 million, Gain on sale of property and equipment of ₱21 million and Amortization of software costs of ₱27 million apart from the changes in working capital. The primary component of the changes in working capital included the ₱493 million and ₱274 million increase in Trade and other receivables and Prepaid and other current assets, respectively.

## Investing Activities

Net cash used in investing activities amounted to ₱797 million, coming primarily from the acquisition of ₱673 million and ₱65 million worth of Property and equipment and Software costs, respectively. These were partially offset by the ₱26 million proceeds from sale of property and equipment and investment properties.

## Financing Activities

Net cash used in financing activities amounted to ₱2,366 million due to payment of cash dividends and loans amounting to ₱2,198 million and ₱1,618 million, respectively, plus some ₱46 million in Interest expense netted by ₱1,518 million remaining proceeds from short-terms loans.

## KEY VARIABLE AND OTHER QUALITATIVE OR QUANTITATIVE FACTORS

- i. Trends, demands, commitments, events or uncertainties that will have a material impact on the issuer's liquidity.  
  
As of December 31, 2021, there were no known trends, demands, commitments, events or uncertainties that will have a material impact on the issuer's liquidity.
- ii. Events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration or an obligation.  
  
As of December 31, 2021, there were no events which may trigger a direct or contingent financial obligation that is material to the Company.
- iii. Material off-balance-sheet transactions, arrangements, obligations (including contingent obligations), and other relations of the company with unconsolidated entities or other persons created during the reporting period.

There were no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relations of the company with unconsolidated entities or other persons created during the reporting period.

- iv. Material commitments for capital expenditures, the general purpose of such commitments and the expected sources of funds for such expenditures.

For 2022, the parent company has allotted ₱1,978 million for capital expenditures. This will be financed by internally-generated funds.

- v. Any known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales/revenues/income from continuing operations.

GMA Network's results of operations depend largely on the ability to sell airtime for advertising. The Company's business may be affected by the general condition of the economy of the Philippines.

- vi. Significant elements of income or loss that did not arise from the Company's continuing operations.

As of December 31, 2021, there were no significant elements of income or loss that did arise from the issuer's continuing operations.

- vii. Causes for Material Changes in the Financial Statements  
Balance Sheet (December 31, 2021 vs. December 31, 2020)

- Cash and cash equivalents of ₱4,794 million climbed by ₱1,579 million or 12% from 2020 balance of ₱3,215 million. This primarily resulted from a combination of higher sales from previous months which have become due for collection this period coupled with improved collection efforts.
- Trade and other receivables declined to ₱7,785 million as collections for the year exceed the total sales generated.
- Inventories also grew in between periods from ₱237 million in 2020 to ₱1,858 million in 2021 as a result of higher purchases Merchandise inventory for the year 2021.
- Income tax payable decreased to ₱1,076 million attributable to lower income tax rate for Y2021 due to CREATE Law.

- viii. Seasonal aspects that had a material effect on the financial condition or results of operations.

There are no seasonal aspects that had a material effect on the financial condition or results of operations.

### **Key Financial Ratios**

<b>Key Performance Indicators</b>	<b>2021</b> <i>(in millions PhP)</i>	<b>2020</b> <i>(in millions PhP)</i>	<b>Inc/(Dec)</b> <i>(in millions PhP)</i>	<b>%</b>
Revenues	<b>22,450.32</b>	19,335.90	3,114.43	16%
Advertising revenues	<b>21,015.17</b>	17,727.49	3,287.67	19%
Cash operating expenses	<b>10,748.22</b>	9,142.92	1,605.29	18%
EBITDA	<b>11,644.48</b>	9,887.84	1,756.64	18%
Net income before tax	<b>9,947.20</b>	8,591.75	1,355.44	16%
Net income after tax	<b>7,569.15</b>	6,007.33	1,561.91	26%

<b>Key Performance Indicators</b>	<b>2021</b>	<b>2020</b>	<b>Inc/(Dec)</b>	<b>%</b>
Current ratio	<b>3.42</b>	2.89	0.52	18%
Asset-to-Equity ratio	<b>1.65</b>	1.86	(0.21)	-11%
Debt-to-Equity ratio	<b>0.05</b>	0.06	(0.01)	-9%
Interest Rate Coverage Ratio	<b>204.95</b>	418.52	(213.57)	-51%
Gross Profit Margin	<b>76%</b>	80%	(0.03)	-4%
EBITDA Margin	<b>52%</b>	51%	0.01	1%
Net Income Margin	<b>34%</b>	31%	0.03	9%

### **Interim Periods**

The Company currently cannot make available the financial information for the first quarter of 2022. The Company however, undertakes to submit its SEC Form 17-Q on or before May 16, 2022 and to make the same available upon request during the Company's Annual Stockholders' Meeting.

### **Item 7. Financial Statements**

The consolidated financial statements including the attached schedules therein are filed as part of this report. The statements were audited by Sycip Gorres Velayo & Co. and signed by Belinda T. Beng Hui. Please **refer to attached copy of the Company's 2021 Audited Financial Statements.**

### **Item 8. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure**

The Audit and Risk Management Committee reviews the fee arrangements with the external auditor and recommends the same to the Board of Directors. The Company's Audit Committee (now Audit and Risk Management Committee) was formed in 2007 and was formally organized during the latter portion of that year. The members of the Audit and Risk Management Committee are as follows:

Dr. Jaime C. Laya (Chairman)

Chief Justice Artemio V. Panganiban

Anna Teresa Gozon-Valdes

Laura J. Westfall

Judith R. Duavit-Vazquez

The Audit and Risk Management Committee has recommended the appointment of Sycip Gorres Velayo and Co., as the external auditor of the Company. The Sycip Gorres Velayo & Co. has acted as the Company's external auditors since 1994. The same accounting firm is being recommended for re-election at the scheduled annual meeting.

The Company has not had any disagreements on accounting and financial disclosures with its current external auditors during the two most recent fiscal years or any subsequent interim period.

Sycip Gorres Velayo & Co. has no shareholdings in the Company nor any right, whether legally enforceable or not, to nominate persons or to subscribe for the securities in the Company. The foregoing is in accordance with the Code of Ethics for Professional Accountants in the Philippines set by the Board of Accountancy and approved by the Professional Regulation Commission.

#### AUDIT AND AUDIT RELATED FEES

The aggregate fees billed for each of the last two years for the professional services rendered by SyCip Gorres Velayo & Co. amounted to P6.5 million in 2019 and P6.6 million in 2020 these included the fees related to financial audit and services for general tax compliance).

#### TAX FEES

There was no specific engagement availed by the Company for purely tax accounting. The total audited related fees as stated above already included basic tax review.

#### ALL OTHER FEES

Other than the foregoing services, no other product or service was provided by the external auditor to the Company.

## PART III - CONTROL AND COMPENSATION INFORMATION

### Item 9. Directors and Executive Officers of the Issuer

#### Board of Directors, Officers, and Senior Management

Under the Articles of Incorporation of the Company, the Board of Directors of the Company comprises nine (9) directors, two of whom are independent. The Board is responsible for the overall management and direction of the Company and meets regularly every quarter and other times as necessary, to be provided with updates on the business of the Company and consulted on the Company's material decisions. The Directors have a term of one (1) year and are elected annually at the Company's annual stockholders meeting. A director who was elected to fill a vacancy holds the office only for the unexpired term of his predecessor. As of March 30, 2022, the Company's Board of Directors and Senior Management are composed of the following:

Board of Directors				Senior Management		
Directors and Senior Management	Nationality	Position	Year Position was Assumed	Position	Year Position was Assumed	Age
Felipe L. Gozon	Filipino	Chairman/ Director	1975	Chief Executive Officer	2000	82
Judith R. Duavit-Vazquez	Filipino	Director	2019 (1988-2015)	N/A	N/A	59
Gilberto R. Duavit, Jr.	Filipino	Director	1999	President/Chief Operating Officer	2010	58

Anna Teresa M. Gozon-Valdes	Filipino	Director/ Corporate Secretary	2000 (Director)/2021 (Corp. Sec.)	N/A	N/A	50
Joel Marcelo G. Jimenez	Filipino	Director	2002	N/A	N/A	58
Laura J. Westfall	Filipino	Director	2002	N/A	N/A	54
Felipe S. Yalong	Filipino	Director/ Corporate Treasurer	2002	Executive Vice President/Chief Financial Officer	2011	65
Eduardo P. Santos	Filipino	N/A	N/A	Internal Audit Head/ Data Protection Officer/Compliance Officer	2002 IA/2017 DPC/2021 CO	65
Marissa L. Flores	Filipino	N/A	N/A	Senior Vice President, News and Public Affairs	2004	58
Ronaldo P. Mastrili	Filipino	N/A	N/A	Senior Vice President for Finance and ICT	2013	56
Lilybeth Rasonable G.	Filipino	N/A	N/A	Senior Vice President for Entertainment Group	2013	58
Artemio Panganiban V.	Filipino	Independent Director	2007	N/A	2007	85



Jaime C. Laya	Filipino	Independent Director	2008	N/A	2007	83
Elvis B. Ancheta	Filipino	N/A	N/A	Senior Vice President and Head, Engineering Group; Head, Transmission and Regional Engineering Department	2014	55
Lizelle G. Maralag	Filipino	N/A	2016	Chief Marketing Officer	2016	56
Regie C. Bautista	Filipino	N/A	N/A	Senior Vice President, Corporate Strategic Planning and Business Development, and Concurrent Chief Risk Officer and Head, Program Support	2020	46

The members of the Board of Directors of the Corporation (including the Independent Directors) are elected at the annual stockholders' meeting to serve as such for the ensuing year and until the election and qualification of their successors. Once elected, the Independent Directors' term of office shall be deemed to be in compliance with Section 22, Title III of the Revised Corporation Code of the Philippines, in relation to SEC Memorandum Circular No. 4, Series of 2017 on the term limits for Independent Directors.

The Corporation's officers are appointed/elected by the Board of Directors to serve as such for the ensuing year and until a successor shall have been elected, appointed, or shall have qualified.

The Company's directors are expected to exercise discretion in accepting to be member of the Board of Directors of other companies. The directors notify the Company before accepting directorships in other companies.

The following are descriptions of the business experiences including board representations in other companies, of the Company's directors, officers, and senior management:



**Felipe L. Gozon**, Filipino, Filipino, 82 years old, is the Chairman of the Board of Directors and Chief Executive Officer of GMA Network, Inc.

Atty. Gozon is a Senior Partner at the Law Firm of Belo Gozon Elma Parel Asuncion & Lucila. He is also the Chairman of the Board/President/CEO of various companies including GMA Holdings, Inc., GMA Ventures, Inc., Citynet Network Marketing & Productions, Inc., RGMA Network, Inc., Alta Productions Group, Inc., GMA New Media, Inc., Media Merge Corporation, Digify, Inc., RGMA Marketing & Productions, Inc., Philippine Entertainment Portal, Inc., Script2010, Inc., GMA Ventures, Inc., FLG Management and Development Corporation,

Gozon Development Corporation, Vista Montana Realty Development, Inc., Mont-Aire Realty and Development Corporation, BGE Holdings, Inc., Kenobe, Inc., Jeata Holdings and Management, Inc., Vitezon, Inc., Palawan Power Generation, Inc., Catanduanes Power Generation, Inc., Sycamore International Shipping Corp., Lex Realty, Inc., Justitia Realty & Management Corp., Gozon Foundation, Inc., GMA Kapuso Foundation, Kapwa Ko Mahal Ko Foundation, Inc., and The Potter and Clay Christian School Foundation, Inc.

He is also a Director of GMA Network Films, Inc., Antipolo Agri-Business & Land Development Corp., and Chamber of Commerce of the Philippine Islands. He is a Trustee of the Philippine Center for Entrepreneurship Foundation, Inc., the Environmental Heroes Foundation, Inc., and the Akademyang Filipino.

Atty. Gozon is a recipient of many awards for his achievements in law, media, public service, and business, including the prestigious Chief Justice Special Award given by the Chief Justice of the Philippines (1991), Presidential Award of Merit given by the Philippine Bar Association (1990 & 1993), CEO of the Year given by Uno Magazine (2004), Master Entrepreneur–Philippines (2004) by Ernst and Young, Outstanding Citizen of Malabon Award for Legal and Business Management by the Kalipunan ng Samahan sa Malabon (KASAMA) (2005), People of the Year by People Asia Magazine (2005), Business Excellence Award given by BizNews Asia (2009), Outstanding Manilan Award in the field of Social Responsibility and Broadcasting given by the City Government of Manila (2011), Quezon City Gawad Parangal Most Outstanding Citizen given by the City Government of Quezon (2011), Tycoon of the Decade Award given by BizNews Asia (2011), Lifetime Achievement Award given by the UP Alumni Association (2012), Certificate of Recognition given by the Civil Aeronautics Board (2012), Platinum Business Icon Award given by BizNews Asia (2012), Personality of the Year for Broadcast Media given by SKAL International Makati (2013), Outstanding Member-Achiever given by Phi Kappa Phi UP Chapter (International Honor Society) (2013), Visionary Management CEO Award given by BizNews Asia (2013), Lifetime Achievement Award given by UP Preparatory High School Alumni (2014), Entrepreneurship Excellence Award and Best Broadcast CEO Award given by BizNews Asia (2014), The Rotary Golden Wheel Award for Corporate Media Management given by Rotary International District 3780 and Quezon City Government (2014), Global Leadership Award for Excellence in Media Sector (first Filipino to win the award) given by The Leaders International together with the American Leadership Development Association in Kuala Lumpur, Malaysia (2015), Visionary Management Excellence Award given by BizNews Asia (2015, 2016), Management Excellence Award given by BizNews Asia (2017, 2019), and Asia's Best Broadcast CEO given by BizNews Asia (2018). He is listed among BizNews Asia's Power 100 (2003 to 2010) and is a recipient of a Doctor of Humanities degree

(Honoris Causa) from the Angeles University Foundation (2008) and a Doctor of Laws degree (Honoris Causa) from the Wesleyan University Philippines (2022).

Atty. Gozon earned his Bachelor of Laws degree from the University of the Philippines (among the first 10 of his class) and his Master of Laws degree from Yale University Law School. He was admitted to the Bar in 1962, placing 13th in the Bar examinations.



**Gilberto R. Duavit, Jr.**, Filipino, 58 years old, is the President and Chief Operating Officer of the Network. He has been a Director of the Company since 1999 and is currently the Chairman of the Network's Executive Committee. He is also the Chairman of the Board of GMA Network Films and serves as President and CEO of GMA Holdings, Inc., RGMA Marketing and Productions, Inc., and Chairman, President, and CEO of Group Management and Development, Inc., Dual Management and Investments, Inc., and Film Experts, Inc. Duavit is the Vice Chairman of GMA Ventures, Inc.

He also serves as the President and a Trustee of GMA Kapuso Foundation, Inc. and is a Trustee of the Guronasyon Foundation, Inc. and the HERO Foundation. Duavit holds a Bachelor of Arts degree in Philosophy from the University of the Philippines.



**Joel Marcelo G. Jimenez**, Filipino, 58 years old, has been a Director of the Company since 2002. He is currently the Vice-Chairman of the Executive Committee of GMA Network, Inc., President & CEO of Menarco Holdings, and the Chief Executive Officer of Alta Productions Group, Inc. He is a Director of RGMA Network, Inc., Executive Committee Chairman and Director of GMA New Media, Inc., Scenarios, Inc., GMA Worldwide, Inc., Citynet Network Marketing and Productions, Inc., Malayan Savings and Mortgage Bank, and Nuvoland Philippines. He is also a Trustee of GMA Kapuso Foundation, Inc.

Jimenez is a graduate of Loyola Marymount University in Los Angeles, California where he obtained a Bachelor's degree in Business Administration, Major in International Marketing. He earned his Masters in Management from the Asian Institute of Management.



**Felipe S. Yalong**, Filipino, 65 years old, is the Executive Vice President and Chief Financial Officer of GMA Network, Inc. He is also the Head of the Corporate Services Group of the Network. He has been a Director of the Company since 2002. Aside from GMA Network, Inc., he also serves as Director and Corporate Treasurer of GMA Holdings, Inc., Scenarios, Inc., and GMA Network Films, Inc.; Director of Unicapital, Inc., and Unicapital Finance and Investments, Inc.; Corporate Treasurer of RGMA Network, Inc., MediaMerge Corp.; Executive Vice President of RGMA Marketing and Productions, Inc.; and Corporate Treasurer and a Trustee of GMA Kapuso Foundation, Inc.

Yalong was named CFO of the Year by ING FINEX in 2013.

He obtained a Bachelor of Science degree in Business Administration Major in Accounting from the Philippine School of Business Administration and completed the Management Development Program at the Asian Institute of Management. He is a Certified Public Accountant.



**Anna Teresa M. Gozon-Valdes**, Filipino, 50 years old, has been a Director of the Company since 2000. She graduated valedictorian from grade school and high school at Colegio San Agustin. She graduated *cum laude*, with a Bachelor of Science degree in Management Engineering from Ateneo de Manila University. She obtained her Bachelor of Laws degree from the University of the Philippines where she graduated valedictorian and *cum laude*. She later obtained her Master of Laws from Harvard University.

She is a junior partner in Belo Gozon Elma Parel Asuncion & Lucila and was an Associate Professor at the University of the Philippines, College of Law where she taught Taxation and Legal History.

She is currently the Programming Consultant to the Chairman/CEO of GMA Network, President of GMA Films, Inc., and Board Member of RGMA. Atty. Gozon-Valdes is also the Corporate Secretary of GMA Network, GMA Ventures, Inc. and Philippine Entertainment Portal, Inc. (PEP). She is also a stockholder of GMA New Media, Inc. (NMI), Treasurer of Citynet Network Marketing & Productions, Inc. and a Trustee of the GMA Kapuso Foundation.



**Judith R. Duavit-Vazquez**, Filipino, 59 years old, has been a Director of the Company since 1988. She is a member of the following special committees: Audit & Risk Committee and Compensation & Remuneration Committee. Moreover, she sits on the boards of the following GMA-7 subsidiaries: RGMA, Inc., GMA New Media, Inc., GMA Worldwide, Inc., and GMA Films, Inc.

Judith is an acknowledged visionary and industry mover in Philippine Information and Communication Technology space. In 1995, she laid the nation's first fiber in the Central Business District of Makati and developed the country's first ICT-ready 24x7x365 intelligent skyscraper - 45-story 'The Peak Tower' and location of many 'Internet Firsts'. In 2000, she founded PHCOLO INC. - the nation's pioneer neutral Telecommunications and Internet Service Provider interconnection site on four platforms: fiber, cable, wireless and satellite; respected for its 99.9999% historical 22-year record, PEZA and ISO certifications.

Her successful and visionary efforts in the field of Information and Communications Technology have earned her the moniker "Godmother of the Philippine Internet," a position in Computerworld's list of "Philippines' Most Powerful in ICT" and "IT Executive of the Year" by the Philippine Cyber Press.

Her philanthropic endeavors include the Asian Institute of Management's first Professorial Chair for Entrepreneurship and a lecture room at the University of the Philippines' School of Economics, among others. When her schedule permits, she is Senior Lecturer for Entrepreneurship at the College of Business Administration, University of the Philippines. She serves Harvard University as an alumnus interviewer of incoming freshman applicants within Washington DC, Maryland and Virginia USA.

Her international organization memberships include ICANN, APNIC, Pacific Telecommunications Council, IEEE, Young Presidents Organization (YPO) International and Washington DC-Baltimore, AFCEA, INSA, USGIF, Harvard HBS Alumni Association Washington DC, University Club Washington DC and the Washington National Cathedral Association. She has served on the Board of Trustees of the Management Association of the Philippines (MAP), Financial Executives Association of the Philippines (FINEX), YPO Gold Washington DC-Baltimore, among others.

Judith is a respected voice in Global Internet Governance circles. She was the first female Asian elected to an independent board seat at the Internet Corporation for Assigned Names and Numbers (ICANN), the only Asian female who has held this honor to this day and a lifetime member of its alumni board circle.

She holds a Bachelor of Science degree in Business Economics (with honors) from the University of the Philippines. She is an alumna of Harvard Business School, University of Michigan (Ann Arbor), and the Asian Institute of Management. She is a constant student and continuously grows her skills-base, which include SAP FICO & CRM, CISCO TCP/IP networking, CheckPoint firewall security certifications.

Today, Judith continues to vision aiming to weave geospatial and internet operational technologies with national policy for grass roots prosperity.



**Laura J. Westfall**, Filipino, 54 years old, has been a Director of the Company since 2000. She held the following positions in the Company Senior Vice President of Corporate and Strategic Planning and Senior Vice President for Finance. She has also served as Chairperson and President of GMA New Media. Before joining the Company, she worked for BDO Seidman—Los Angeles, an international audit and management consulting firm. She currently holds various positions in the Majent Menarco Group of Companies and serves as Board Member of Coffee Bean and Tea Leaf Philippines, and Museo Pambata. She is also President of the Yale Club of the Philippines.

Westfall holds a Master of Science degree in Public and Private Management from Yale University and a Bachelor of Science degree in Accounting from the University of Southern California. She is a Certified Public Accountant in the State of California.



**Chief Justice Artemio V. Panganiban**, Filipino, 85 years old, has been an Independent Director of the Company since 2007. In 1995, he was named a Justice of the Supreme Court and was appointed Chief Justice of the Philippines in 2005—a position he held until December 2006. At present, he is also an Independent Director of these listed firms: Metro Pacific Investments Corp., Meralco, GMA Holdings, Inc., PLDT, Inc., Petron Corporation, JG Summit Holdings, Inc., Asian Terminals, RL Commercial Reit, Inc., and a non-Executive Director of Jollibee Foods Corporation. He is also a Senior Adviser of Metropolitan Bank and Trust Company and a member of the Advisory Council of Bank of the Philippine Islands (BPI), Chairman, Board of Advisers of Metrobank

Foundation, Adviser of DoubleDragon Properties Corp. and MerryMart Consumer Corp., Chairman of the Board of the Foundation for Liberty and Prosperity, President of the Manila Cathedral Basilica Foundation, Chairman Emeritus of Philippine Dispute Resolution Center, Inc., and Member, Advisory Board of the World Bank (Philippines) and of the Asian Institute of Management Corporate Governance Council. He was named a Member of the Permanent Court of Arbitration based in The Hague, Netherlands, last August 2017 and is the designated Chairperson of the Philippine National Group. He also is a column writer of The Philippine Daily Inquirer.

Upon his retirement, he was unanimously conferred a Plaque of Acclamation by the Associate Justices of the Supreme Court as the “Renaissance Jurist of the 21st Century;” and an Award of Honor by the Philippine Bar Association. In recognition of his role as a jurist, lawyer, civic leader, Catholic lay worker, business entrepreneur, and youth leader, he had been the recipient of over 250 other awards from various governments, civic clubs, consumer associations, bar groups, religious movements, and other non-government organizations, both local and international.



He obtained his Associate in Arts, “With Highest Honors” and later his Bachelor of Laws, cum laude and “Most Outstanding Student” from the Far Eastern University. He placed sixth among more than 4,200 candidates who took the 1960 Bar examinations. He is likewise the recipient of several honorary doctoral degrees from various universities.



**Jaime C. Laya**, Filipino, 83 years old, has been an Independent Director of GMA Network, Inc. and GMA Holdings, Inc. since 2007. He is the Chairman of Philippine Trust Company (Philtrust Bank), Independent Director of Philippine AXA Life Insurance Company, Inc. and Charter Ping An Insurance Corporation. He also serves as Chairman of Don Norberto Ty Foundation, Inc.; President of Makati Sports Club, Inc.; Director of BancNet, Inc.; Trustee of the Cultural Center of the Philippines, St. Paul University - Quezon City, Metropolitan Museum of Manila, Yuchengco Museum, Museo del Galeon, Inc., Ayala Foundation, Inc., Filipinas Opera Society Foundation, Inc., Fundación Santiago, Inc., and other organizations. He writes a weekly column for the *Manila Bulletin*.

He was Minister of the Budget, 1975-1981; Minister of Education, Culture and Sports, 1984-86; Chairman of the Monetary Board and Governor, Central Bank of the Philippines, 1981-1984; Chairman, National Commission for Culture and the Arts, 1996-2001. He was a faculty member of the University of the Philippines, 1957-1978 and Dean of the College of Business Administration, 1969-1974. In 1986, he founded J.C. Laya & Co., Ltd. (Certified Public Accountants and Management Consultants) later the Philippine member firm of KPMG International; and served as the firm's Chairman until his retirement in 2004.

Laya earned his Bachelor of Science in Business Administration, *magna cum laude*, University of the Philippines, 1957; M.S. in Industrial Management, Georgia Institute of Technology, 1960; and Ph.D. in Financial Management, Stanford University, 1966. He is a Certified Public Accountant.



**Eduardo P. Santos**, Filipino, 65 years old, is a CPA with more than 20 years of experience with the media industry having served various roles in audit and finance. Concurrently, Atty. Santos is the Internal Audit Head of GMA Network, Inc. since 2002. He is responsible for providing assurance and consulting services meant to add value and improve the operations of the Network by evaluating and improving the effectiveness of its corporate governance, risk management, and internal control processes. Among other functions, he monitors compliance with the established policies, systems, controls and procedures of the Company. He also serves as the Network's Data Protection Officer since 2017.

His vast experience in audit, as well as in the media industry, best complement his role as the Compliance Officer of the Network.

Atty. Santos obtained his Bachelor of Science degree in Business Administration, Major in Accounting from the Philippine School of Business Administration, and later earned his Bachelor of Laws degree from Arellano University School of Law.



**Marissa L. Flores**, Filipino, 58 years old, is the Senior Vice President for News and Public Affairs since 2004. She joined the Company in 1987 as a researcher for public affairs documentaries and special reports and held the positions of Assistant Vice President for Public Affairs, Vice President for Production–News and Public Affairs before appointment to her current position. She is also a Trustee of the GMA Kapuso Foundation.

The Rotary Club of Manila recognized her as Television News Producer of the Year in 1996. In 2004, she was awarded the prestigious TOYM (The Outstanding Young Men) for Broadcast Management. In 2012, she received the CEO Excel Award from the International Association of Business Communicators (IABC) Philippines. Ms. Flores was recognized for her work in the field of broadcast journalism by the University of the Philippines College of Mass Communication at the first Glory Awards in 2017.

The News and Public Affairs group under Flores continues to be the recipient of international awards, notably the New York Festivals, US International Film and Video Festival Awards, Asian TV Awards. GMA News and Public Affairs remains as the only Philippine broadcast network which has won the highly-coveted Peabody Award (four Peabody awards as of 2014) –widely considered as broadcasting and cable's equivalent of the Pulitzer Prize.

Aside from overseeing news and public affairs programs in GMA Channel 7, Flores also led the creation of GMA News Online in 2007, and the launch of GMA News TV (GMA Network's news and public affairs channel on free TV) in 2011.

Flores earned her Bachelor of Arts degree in Journalism at the University of the Philippines.



**Ronaldo P. Mastrili**, Filipino, 56 years old, is the Senior Vice President of GMA's Finance and ICT Departments. He obtained his Bachelor of Science in Business and Economics, Major in Accounting from De La Salle University. He attended the Master in Business Administration Program from the same university and completed the Executive Development Program of the Asian Institute of Management.

Mr. Mastrili is a Certified Public Accountant with extensive experience in the fields of accounting, auditing, finance, taxation, and general management. He was formerly the Assistant Vice President of Controllershship of ABS-CBN and also served as its Group Internal Auditor before joining GMA Network in March 2001. He also worked with SGV and Co. for 8 years in the early part of his career. Mr. Mastrili concurrently holds key positions in GMA Subsidiaries namely: Chief Accounting Officer of GMA Holdings, Treasurer of Alta Productions, Director of Script2010, Scenarios and GMA Kapuso Foundation, and Comptroller of GMA Films, GMA Kapuso Foundation, and GMA Worldwide. He is also a Trustee of GMA Kapuso Foundation, Inc.



**Lilybeth G. Rasonable**, Filipino, 58 years old, is the Senior Vice President of the Entertainment Group of GMA Network, Inc. She heads the production of the Network's entertainment programs.

After earning her Bachelor of Arts degree in Broadcast Communication from the University of the Philippines, Ms. Rasonable immediately worked in the broadcasting industry, starting as a Production Assistant and later on, an Associate Producer of the Intercontinental Broadcasting Company. She likewise worked as Production Coordinator and Executive Producer of GMA Network, Inc.

Rasonable's work experience also included a post as Technical Consultant for Local Production with the Associated Broadcasting Company (ABC-5) and freelance Executive Producer for film and television. After a few years, she re-joined GMA as a Production Manager under its Sales and Marketing Group.

From Program Manager, she was promoted to Assistant Vice President for Drama in 2004. As AVP, she was a key figure in the growth of GMA's drama department and the creation of ground-breaking and phenomenal hits such as *Mulawin*, *Encantadia*, and *Darna*, which made the primetime block of GMA invincible. This contributed to GMA's unprecedented success in its quest for leadership in the Philippine broadcasting industry. It was also during her time as AVP for Drama when GMA produced programs that created the Network's superstars and afternoon dramas dramatically rose and established a strong presence in their time slots with breakthrough innovations.

In 2010, she was promoted to the position of Vice President, Drama Productions, and tasked with the supervision of non-primetime and primetime drama programs of GMA. By February 2012, she was Officer-in-Charge of the Entertainment TV (ETV) Group. In December 2013, she received her promotion and appointment as ETV's Senior Vice President. In 2018, Rasonable was named as the Glory Awardee for Television Arts, a recognition given to alumni by the University of the Philippines College of Mass Communication. She is also a Trustee of the GMA Kapuso Foundation.



**Elvis B. Ancheta**, Filipino, 55 years old, is GMA Network's Senior Vice President and Head of Engineering Group of the Network which is composed of the Production Engineering Department, the Content Management & On-Air Systems Department and the Transmission & Regional Engineering Department which he concurrently heads.

As head of Transmission, Engr. Ancheta oversees the operation and upkeep of GMA's existing analog TV stations nationwide and spearheads the design and ongoing migration of the Network to Digital Terrestrial Television Broadcasting across the country.

Engr. Ancheta is a Professional Electronics Engineer and is a member of the Institute of Electronics and Communications Engineers of the Philippines. He earned his Bachelor of Science degree in Electronics and Communications Engineering from Saint Louis University in Baguio City.





**Lizelle G. Maralag**, Filipino, 56 years old, is GMA Network's Chief Marketing Officer. She is responsible for driving revenue growth and marketing innovation within all media platforms of the Network, including GMA's broadcast stations, both Philippine-based and international channels, as well as the other non-broadcast platforms. Under her leadership, GMA became the only Philippine broadcast company with the most number of local and global marketing awards. She is also 2019's Hildegard Individual Awardee for Women in Media and Communication under the category of Advertising – the award aims to recognize women media practitioners who served and paved the way in improving the welfare of the youth.

She joined GMA Network in 2010, after a laudable career as an advertising media professional spanning more than two decades, where she drove to leadership position the top-ranked media agency in the market, Starcom Mediavest Group Phils. Co. Inc. as Managing Director, while concurrently serving as the Chairperson of Publicis Groupe Media Philippines and overseeing Zenith Optimedia Phils. She continues to hold the record in the media advertising industry for winning the most number of Media Agency of Record pitches when she was Managing Director of Starcom Mediavest Group Philippines, from 2000-2009.

Maralag holds a Bachelor of Science degree in Statistics from the University of the Philippines, Diliman, and took postgraduate studies at INSEAD in Singapore. She was Founding Co-Chairperson of the Media Specialists Association of the Philippines (2008-2009), Chairman of the Radio Research Council Adjudication & Review Board, Director of the TV Research Council, part-time instructor at the University of Asia and the Pacific, a global juror in the Starcom MediaVest Group Fuel Awards (2004), and a frequent jury member in local and regional advertising and marketing industry awards, the most recent of which is the Asia-Pacific Advertising Effectiveness Awards(Effies).



**Regie C. Bautista**, Filipino, 46 years old, is the President and Chief Operating Officer of GMA Ventures, Inc. and Senior Vice President for Corporate Strategic Planning and Business Development of GMA Network. She is also the Network's concurrent Chief Risk Officer, and Head of Program Support. In 2020, Bautista led the successful development and market launch of GMA Affordabox, the Network's digital TV device which sold 1 million units within only seven (7) months.

She leads the Network's corporate strategic planning and business development process which fast-tracked the Network's end-to-end digital transformation, among others. As Chief Risk Officer, Bautista established the company's enterprise-wide risk management system, increasing the Network's ability to manage uncertainty, respond to risks and opportunities, and boost organizational resilience. She also instituted the network's sustainability reporting and enabled GMA Network to be the first media and broadcast company in the Philippines to sign with the United Nations (UN) Global Compact.

Bautista, under Program Support, also manages the company's marketing communications, creative services, media and on-air continuity, and digital media divisions. Her group is responsible for managing the media and on-air continuity of several of the Network's multi-media platforms and crafting Network promotions and campaigns that have garnered multiple recognitions from local and international award-giving bodies including PromaxBDA and the New York Festivals.

She established the Network's growing online community, registering millions of fans and followers across the different social media platforms. In conjunction with GMA News Online, her team also created the Network's online portal, [GMANetwork.com](http://GMANetwork.com), one of the country's leading websites.

She joined GMA in 2002, after working at L'Oreal Philippines, Inc. Bautista earned her Bachelor of Arts in Communications from Ateneo De Manila University and completed the Senior Executive Programme from London Business School.

### Significant Employees

Although the Company and its key subsidiaries have relied on, and will continue to rely on, the individual and collective contributions of their executive officers and senior operational personnel, the Company and its key subsidiaries are not dependent on the services of any particular employee.

### Family Relationships

Gilberto R. Duavit, Jr. is the brother of Judith Duavit-Vazquez. Joel Marcelo G. Jimenez and Laura J. Westfall are siblings. Anna Teresa Gozon-Valdes is the daughter of Felipe L. Gozon. Felipe L. Gozon's sister, Carolina L. Gozon-Jimenez, is the mother of Joel Marcelo G. Jimenez and Laura J. Westfall.

### Involvement in Certain Legal Proceedings

To the best of the Company's knowledge, during the past five years and up to date, there had been no occurrence of any of the following events which are material to an evaluation of the ability or integrity of any director, person nominated to become a director, executive officer, or control person of the Company:

Any filing of an insolvency or bankruptcy petition by or against any business of which such person was a general partner or executive officer, either at the time of the insolvency or within two years prior to that time;

Any conviction by final judgment in a criminal proceeding, domestic or foreign, or any pending criminal proceeding, domestic or foreign, of any such person, excluding traffic violations and other minor offenses;

Any final and executory order, judgment, or decree of any court of competent jurisdiction, domestic or foreign, against any such person, permanently or temporarily enjoining, barring, suspending, or otherwise limiting involvement in any type of business, securities, commodities, or banking activities; and,

Any final and executory judgment of any such person by a domestic or foreign court of competent jurisdiction (in a civil action), the SEC, or comparable foreign body, or a domestic or foreign exchange or electronic marketplace or self-regulatory organization, for violation of a securities or commodities law.

### **Related Party Transactions with Subsidiaries and Affiliates**

Please refer to the disclosures on certain relationships and related transactions are set forth on under Item 12.

### **Directors' Disclosures on Self-Dealing and Related Party Transactions**

To the best of the Company's knowledge, there is no undisclosed transaction that was undertaken by the Company involving any director, executive officer, or any nominee for election as director with which such director, executive officer, or nominee for director was involved or had material interest.

Directors and members of the Management are required to disclose any business or family-related transactions with the Company to ensure that the Board of Directors and Management are apprised of any possible conflict of interest.

### **Appraisals and Performance Report of the Members of the Board of Directors**

#### **Director's Performance Evaluation Sheet**

Under a prescribed form entitled *Director's Performance Evaluation Sheet*, the Company requires every member of the Board of Directors to provide a self-assessment of his/her performance based on enumerated standards, by indicating whether or not he or she is compliant with each of the standard. In case of non-compliance to a particular standard, the director is required to disclose the same and state the reason for the non-compliance. The duly accomplished *Director's Performance Evaluation Sheet* is submitted to the Company's Executive Committee through the Corporate Secretary.

All the members of the Company's Board of Directors indicated their compliance with the following standards set forth in the Director's Performance Evaluation Sheet for 2021:

DISCHARGE OF BOARD FUNCTIONS
1. Whether he or she possesses all the qualifications required of a director and do not possess any of the permanent and/or temporary disqualifications as set forth in the Corporation's Manual on Corporate Governance
2. Whether he or she attends the special/regular meetings of the Board of Directors and/or the Stockholders regularly.
3. Whether he or she provides and/or gives due consideration to independent views during Board Meetings.
4. Whether he or she recommends sound strategic advice on programs relating to the Corporation's business plans, operating budgets, and Management's overall performance.
5. Whether he or she participates on critical matters before the Board and the Board Committees of which he or she is a member.
6. Whether he or she maintains a harmonious working relationship with the other members of the Board of Directors.
7. Whether he or she has working knowledge on the Corporation's regulatory framework.
8. Whether he or she receives appropriate training (for his or her duties as Director and how to discharge the duties) by his or her regular attendance of a seminar on corporate governance.

9. Whether he or she observes confidentiality when required on matters relating to the business of the Corporation.
10. Whether he or she appoints qualified members of the Management and monitors their efficiency based on the results of the Corporation's annual financial and operational performance.
11. Whether he or she ensures that his or her personal interest does not bias his or her vote on matters submitted for the approval of the Board.
12. Whether he or she discloses all relevant information necessary to assess any potential conflict of interest that might affect his or her judgment on board matters.
13. Whether he or she recognizes and puts importance on the promotion of a mutually beneficial relationship that allows the Corporation to grow its business while contributing to the advancement of the society where it operates.

#### Resignation of Directors

No director has resigned or declined to stand for re-election to the Board of Directors since the date of the last annual meeting of the Company because of a disagreement with the Company on matters relating to the Company's operations, policies and practices.

#### **Item 10. Executive Compensation**

##### (a) CEO and Top 4 Compensated Executive Officers:

The following are the Company's highest compensated executive officers, in order:

##### Name and Position

Felipe L. Gozon	Chairman and CEO
Gilberto R. Duavit, Jr.	President and COO
Felipe S. Yalong	Executive Vice President and Concurrent Group Head, Corporate Services Group and Chief Financial Officer
Lizelle G. Maralag	Chief Marketing Officer, Sales and Marketing Group
Marissa L. Flores	Senior Vice President, News and Public Affairs

	Year	Annual Salaries (in thousands)	13th Month and Bonuses (in thousands)	Total
CEO and Top 4 Highest Compensated Officers	2019	274,809.1	174,287.0	449,096.0
	2020	371,667.1	255,050.1	626,717.2
	2021	381,629.5	302,576.5	684,205.9
	2022 (estimate)	400,711.0	317,705.3	718,416.2
Top 4 most highly compensated officers as a group	2022 (estimate)	382,543.4	311,508.3	694,051.7
Aggregate compensation paid to all officers and directors as a group	2019	408,173.3	232,237.7	640,411.1
	2020	524,038.6	313,805.4	837,844.0
	2021	545,210.9	567,062.9	1,112,273.8
	2022 (estimate)	567,019.3	589,745.4	1,156,764.7
Aggregate compensation paid to all directors as a group	2019	-	74,650.0	74,650.0
	2020	-	183,608.9	183,608.9
	2021	-	252,377.7	252,377.7
	2022 (estimate)	-	262,472.8	262,472.8

(a) Directors and other Executive Officers

By way of compliance to Sections 29, 177(b)(1), 49(i) of the Revised Corporation Code, the Company has set forth above the aggregate compensation of the members of its Board of Directors. The annual compensation of each of the Company's directors is computed based on Section 8 of Article IV of the Company's By-Laws (adopted by the Company on April 10, 2006 and approved by the SEC on April 20, 2007) which provides that as compensation of the Directors, the Members of the Board shall receive and allocate yearly an amount of not more than two and a half percent (2.5%) of the net income after income tax of the corporation during the preceding year. Of the said 2.5%, one percent (1%) shall be allocated to the members of the Board of Directors to be distributed *share and share alike*. The remaining one and a half percent (1.5%) shall be allocated

to the members of the Executive Committee to be distributed share and share alike (emphasis supplied).

Consistent with Section 29 of the Revised Corporation Code, the total yearly compensation of the Company's directors does not exceed ten percent (10%) of the net income before tax of the corporation during the preceding year.

#### **Employee Stock Ownership Plan ("ESOP")**

The Company has no outstanding options or warrants held by its CEO, the named executive officers, and all officers and directors as a group.

#### **Item 11. Security Ownership of Certain Beneficial Owners and Management**

The security ownership of certain record and beneficial owners of more than 5% as of March 30, 2022 are as follows:

Title Of class	Name and Address of Record Owner and relationship with issuer	Citizenship	Name of Beneficial Owner and Relationship with Record Owner	No. of Shares Held	Percent Owned
Common	Group Management & Development Inc. No. 5 Wilson St., San Juan, Metro Manila – Stockholder	Filipino	Record: Group Management and Development, Inc. ("GMDI")  Gilberto R. Duavit, Jr. – relationship with record owner: 50.95% indirect equity ownership in GMDI through Dual Management Investments, Inc. and voting rights over GMDI's shares in GMA	789,821,734	23.47%

Common	FLG Management & Development Corporation 16/F Sagittarius Condo 1, HV Dela Costa Street, Salcedo Village, Makati City – Stockholder	Filipino	Felipe L. Gozon – relationship to record holder: Chairman (control and direction) over FLGMDC and voting rights over FLGMDC’s shares in GMA	844,434,742	25.09%
Common	M.A. Jimenez Enterprises, Inc. 8 <sup>th</sup> Floor The Infinity Tower, 26 <sup>th</sup> St., Bonifacio Global City, Taguig – stockholder	Filipino	Record: M. A. Jimenez Enterprises, Inc. (“M.A. Jimenez”)  Joel Marcelo G. Jimenez – relationship with record holder: 50% indirect equity ownership in MA Jimenez through Television International Corp., and through equity ownership in related corporations, and voting rights over M.A. Jimenez shares in GMA  Menardo G. Jimenez, Jr. relationship with record holder: 50% indirect equity ownership in M.A. Jimenez through Television International Corp., and through equity ownership in related corporations	453,882,095	13.49%

Common	GMA Holdings, Inc. Unit 3K, North Wing, Fairways, Tower Condominium, 5 <sup>th</sup> Avenue corner McKinley Road, Fort Bonifacio, Taguig City, Philippines) – Stockholder	Filipino	Record: GMA Holdings, Inc. (“GHI”) <p>Gilberto R. Duavit, Jr. and/or Felipe Gozon – relationship with record holder: having direct and beneficial equity ownership of 33.3% each and voting rights over GHI shares in GMA</p> <p>Joel Marcelo G. Jimenez-relationship with record holder: direct and beneficial equity ownership of 33.3%</p>	411,590,049	12.23%
Common	Television International Corporation 8 <sup>th</sup> Floor The Infinity Tower, 26 <sup>th</sup> St., Bonifacio Global City, Taguig - Stockholder	Filipino	Record: Television International Corp. <p>Joel Marcelo G. Jimenez: relationship with record owner: 50% indirect equity ownership in Television International Corp. through equity ownership in related corporations, and voting rights over Television International Corp.’s shares in GMA</p> <p>Menardo G. Jimenez, Jr.: relationship with record owner: 50% indirect equity ownership in Television International Corp. through equity ownership in related corporations</p>	338,243,037	10.06%
<p style="text-align: center;">Total Common Shares 2,837,971,657 84.34%</p>					



Preferred	Group Management & Development Inc. No. 5 Wilson St., San Juan, Metro Manila – Stockholder	Filipino	Record: Group Management and Development, Inc. (“GMDI”)  Gilberto R. Duavit, Jr. – relationship with record owner: 50.95% indirect equity ownership in GMDI through Dual Management Investments, Inc. and voting rights over GMDI’s shares in GMA	2,625,825,336	35.01%
Preferred	FLG Management & Development Corporation 16/F Sagittarius Condo 1, HV Dela Costa St., Salcedo Village, Makati City – Stockholder	Filipino	Record: FLG Management & Development Corporation (“FLGMDC”)  Felipe L. Gozon – relationship to record holder: Chairman (control and direction) over FLGMDC and voting rights over FLGMDC’s shares in GMA	2,181,898,644	29.09%
Preferred	M.A. Jimenez Enterprises, Inc. 8 <sup>th</sup> Floor The Infinity Tower, 26 <sup>th</sup> St., Bonifacio Global City, Taguig – stockholder	Filipino	Record: M. A. Jimenez Enterprises, Inc. (“M.A. Jimenez”) Joel Marcelo G. Jimenez – relationship with record holder: 50% indirect equity ownership in MA Jimenez through Television International Corp., and through equity ownership in related corporations, and voting rights over M.A. Jimenez shares in GMA	1,508,978,826	20.12%

			Menardo G. Jimenez, Jr. relationship with record holder: 50% indirect equity ownership in M.A. Jimenez through Television International Corp., and through equity ownership in related corporations		
Preferred	Television International Corporation 8 <sup>th</sup> Floor The Infinity Tower, 26 <sup>th</sup> St., Bonifacio Global City, Taguig – Stockholder	Filipino	<p>Record: Television International Corp.</p> <p>Joel Marcelo G. Jimenez: relationship with record owner: 50% indirect equity ownership in Television International Corp. through equity ownership in related corporations, and voting rights over Television International Corp.'s shares in GMA</p> <p>Menardo G. Jimenez, Jr.: relationship with record owner: 50% indirect equity ownership in Television International Corp. through equity ownership in related corporations</p>	1,111,661,610	14.82%
<p>Total Preferred Shares</p> <p>7,428,344,388</p> <p>99.04%</p>					

GMA Holdings, Inc. is 99.9% owned by Gilberto R. Duavit, Jr., Felipe L. Gozon and Joel Marcelo G. Jimenez. The shares of the Company owned by GMA Holdings, Inc. are the underlying shares of the financial instruments called Philippine Deposit Receipts (“PDRs”) which give the holder of each PDR the right to the delivery or sale of the underlying share (except to foreign nationals as prohibited by law) in accordance with the Philippine Deposit Receipt Instrument issued by GMA Holdings, Inc. as forming part of the Registration Statement filed with the Securities and Exchange Commission. The PDRs are listed with the Philippine Stock Exchange.

Group Management and Development, Inc., FLG Management and Development Corporation, M.A. Jimenez Enterprises, Inc. and Television International Corporation are significant shareholders of the Company.

## (2) Security Ownership of Management as of March 30, 2022

As of March 30, 2022, the Company’s directors and senior officers directly own an aggregate of 8,044,350 common shares of the Company based on the records of the Stock Transfer Service Inc. and/or the Corporate Secretary, equivalent to .23% of the Company’s issued and outstanding common capital stock and 46,944 preferred shares based on the records of the Corporate Secretary equivalent to 0.00% of the Company’s issued and outstanding preferred capital stock. The beneficial ownership/control (by virtue of direct, indirect/beneficial ownership/control or by having voting rights over the shares of the corporate stockholder in the Company) of the directors/senior officers represent 1,651,423,331 common shares of the Company, equivalent to 49.07% of the Company’s issued and outstanding common capital stock and 4,829,744,162 preferred shares equivalent to 64.40% of the Company’s issued and outstanding preferred capital stock.

	Position	Citizenship	Record/Beneficial Owner <sup>2</sup> (Direct/Indirect)	No. of Common Shares Held	Percentage of Common Shares	No. of Preferred Shares Held	Percentage of Preferred Shares
Anna Teresa Gozon-Valdes	Director / Corporate Secretary	Filipino	Direct	3	0.00%	6	0.00%
Gilberto R. Duavit, Jr.	Director / President / COO	Filipino	Direct	4,007,005	0.12%	12	0.00%
			Indirect beneficial (through GMDI/Dual	402,414,173	11.96%	1,337,585,008	17.83%

<sup>2</sup> as defined under SEC MC No. 15 Series of 2019

			Management Investments, Inc.)				
Felipe L. Gozon	Director / Chairman and CEO	Filipino	Direct	3,181	0.00%	26,880	0.00%
			Indirect beneficial (control and direction over FLGMDC)	844,434,742	25.10%	2,181,898,644	29.09%
Joel Marcelo G. Jimenez	Director	Filipino	Direct	325,000	0.01%	6	0.00%
			Indirect beneficial in MA Jimenez (through Television International Corp., and through equity ownership in related corporations, and voting rights over M.A. Jimenez shares in GMA)	226,941,048	6.74%	754,489,413	10.06%
			Indirect beneficial in Television International Corp. (through equity ownership in related corporations, and voting rights over Television International Corp.'s shares in GMA)	169,039,018	5.02%	555,830,805	7.41%
Judith R. Duavit Vazquez	Director	Filipino	Direct	588,158	0.02%	378	0.00%
Laura J. Westfall	Director	Filipino	Direct	2	0.00%	6	0.00%

Felipe S. Yalong	Director	Filipino	Direct	1,025,000	0.03%	6	0.00%
Jaime C. Laya	Independent Director	Filipino	Direct	294,001	0.01%	0	0.00%
			Indirect beneficial (Dynawinds, Inc.)	550,000	0.02%	0	0.01%
Artemio V. Panganiban	Independent Director	Filipino	Direct	401,000	0.01%	0	0.00%
Eduardo P. Santos	Compliance Officer	Filipino	Direct	150,000	0.00%	0	0.00%
Maria Theresa E. De Mesa	Assistant Corporate Secretary	Filipino	Direct	7,000	0.00%	0	0.00%
Marissa L. Flores	Senior Vice President-News and Public Affairs	Filipino	Direct	474,000	0.01%	0	0.00%
Ronaldo P. Mastrili	Senior Vice-President-Finance and ICT	Filipino	Direct	354,000	0.01%	0	0.00%
Lilybeth G. Rasonable	Senior Vice President – Entertainment TV	Filipino	Direct	158,000	0.00%	0	0.00%
Elvis B. Ancheta	Senior Vice President and Head, Engineering Group; Head Transmission and Regional Engineering Department	Filipino	N/A				
Lizelle G. Maralag	Chief Marketing Officer	Filipino	N/A				
Regie C. Bautista	Senior Vice-President, Corporate Strategic Planning and Business Development	Filipino	Direct	258,000	0.01%	0	0.0%

	and Concurrent Chief Risk Officer and Head, Program Support						
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(3) Voting Trust Holders of 5% or more

The Company has no notice of any person holding more than 5% of the outstanding shares of stock under a voting trust or similar agreement.

(4) Changes in Control

There are no existing provisions in the Articles of Incorporation or the By-Laws of the Company which will delay, defer or in any manner prevent a change in control of the Company. There have been no arrangements which have resulted in a change in control of the Company during the period covered by this report.

- (5) The Philippine Constitution prohibits foreign ownership in mass media companies such as GMA Network, Inc.. Hence, any such transfer of the shares (common or preferred) of the capital stock of the corporation shall be deemed null and void and will neither be recognized or registered in the books of the Company. Thus, no part of the Company's equity (common or preferred) is owned by foreigners.

## Item 12. Certain Relationships and Related Transactions

### ***Advances to Affiliates***

The Company has, from time to time, made advances to certain of its affiliates. The advances are non-interest bearing.

The Company made advances to Mont-Aire in the amount of P121.4 million as of December 31, 2004. Of such advances, the Company converted the amount of P38.3 million into P38.3 million worth of common shares of Mont-Aire. Simultaneously, the other shareholders of Mont-Aire, namely, Group Management and Development, Inc., Television International Corporation and FLG Management and Development Corporation converted advances in the aggregate amount of P23.5 million made by them to Mont-Aire into P23.5 million worth of common shares of Mont-Aire. The SEC approved the conversion of the advances into equity on February 17, 2006. The Company owns 49% of Mont-Aire, with the remaining 51% being owned by the Duavit family, Gozon family and Jimenez family. Mont-Aire is a real estate holding company whose principal property is a 5.3 hectare property located in Tagaytay, Cavite. Such property is not used in the broadcasting business of the Company. As of December 31, 2021 and 2020, Mont-Aire has had advances owing to the Company in the amount of P99.5 million and P97.7 million, respectively. Please see Note 20 of the Company's financial statements.

***Agreements with RGMA Network, Inc. ("RGMA")***

The Company has an existing agreement with RGMA for the latter to provide programming and research, events management, on-air monitoring of commercial placements and local sales service for the 25 radio stations of the Company. RGMA is paid marketing fees based on billed sales. Please see Note 20 of the Company's financial statements.

***Agreements with GMA Marketing and Productions, Inc. ("GMA Marketing")***

The Company entered into a marketing agreement with its wholly-owned subsidiary, GMA Marketing wherein GMA Marketing agreed to sell television advertising spots and airtime in exchange for which GMA Marketing will be entitled to a marketing fee and commission. Apart from this, the Company likewise engaged the services of GMA Marketing to handle and mount promotional events as well as to manage the encoding, scheduling of telecast/broadcast placements and subsequent monitoring of sales implementations for which GMA Marketing is paid a fixed monthly service fee. In 2016, GMA Marketing operations were integrated to the Company. Please see Note 20 of the Company's financial statements.

***Belo Gozon Elma Parel Asuncion & Lucila Law Office***

The Company and the law firm of Belo Gozon Elma Parel Asuncion & Lucila entered into a retainer agreement in 1993 under which Belo Gozon Elma Parel Asuncion & Lucila was engaged by the Company as its external counsel. As such external counsel, Belo Gozon Elma Parel Asuncion & Lucila handles all cases and legal matters referred to it by the Company. Other than Felipe L. Gozon, who is part of the Gozon Family, one of the principal shareholders of the Company, and director of the Company since 1975, some of the lawyers of Belo Gozon Elma Parel Asuncion & Lucila eventually assumed certain positions and functions in the Company either in their individual capacities or as part of the functions of Belo Gozon Elma Parel Asuncion & Lucila as the Company's external counsel. Please see Note 20 of the Company's financial statements.

**Item 13. Corporate Governance**

Please refer to the Integrated Annual Corporate Governance Report of the Company submitted on June 30, 2021 (Annex "B").

## PART V - EXHIBITS AND SCHEDULES

### Item 14. Exhibits and Reports

#### *(a) Reports attached as Annex to the Annual Report*

Annex "A": 2021 Consolidated Audited Financial Statements

Supplementary Schedules

GMA Network, Inc. (Parent) Audited Financial Statements with Statement of Management's Responsibility for AFS

GMA Network, Inc. Income Tax Return with Statement of Management's Responsibility for ITR

Acknowledgement of eSubmission of AFS and ITR

Statement of Management's Responsibility for Consolidated Audited Financial Statements.

Annex "B" Latest Integrated Annual Corporate Governance Report of the Company is attached as Annex of this Annual Report and may be viewed at [https://aphrodite.gmanetwork.com/corporate/cgr/gma\\_-\\_integrated\\_acgr\\_for\\_the\\_year\\_2020\\_1625105372.pdf](https://aphrodite.gmanetwork.com/corporate/cgr/gma_-_integrated_acgr_for_the_year_2020_1625105372.pdf)

Annex "C" Latest Sustainability Report is attached as Annex of this Annual Report and may be viewed at <https://www.gmanetwork.com/corporate/disclosures/sustainabilityreports/>

#### *(b) Exhibits incorporated by reference*

Exhibit 1 – Instruments defining the rights of Security Holders: The rights of the security holders are set forth under Article 7 of the Company's Amended Articles of Incorporation, among others, which may be viewed or downloaded from: [https://aphrodite.gmanetwork.com/corporate/misc/\\_1595900785.pdf](https://aphrodite.gmanetwork.com/corporate/misc/_1595900785.pdf) and discussed under page 52 of the Annual Report.

Exhibit 2 – Form 17-Q: The Company currently cannot make available the financial information for the first quarter of 2022. The Company however, undertakes to submit its SEC Form 17-Q on or before May 15, 2022 and to make the same available upon written request therefor by the Stockholder.



Exhibit 3 – Report Furnished to Security Holders; Other documents or statements to Security Holders: The Company's Latest Information Statement may be viewed at and downloaded from [www.gmanetwork.com/asm2022](http://www.gmanetwork.com/asm2022)

Exhibit 4 - Subsidiaries of the Registrant: The list of the subsidiaries of the registrant is incorporated in the Annual Report, kindly see page 5 of the Annual Report.

*[Other Exhibits are not relevant/applicable].*

### **(c) Reports on SEC Form 17-C**

The following current reports have been reported by GMA Network, Inc during the year 2021.

- Press Release “ GMA Network allocates over P20 billion for CAPEX, content cost for 2021-23” - (Jan 6)
- Notice of Annual Stockholders' Meeting for 2021- (Jan 28)
- Results of Special Board Meeting - (Mar 26)
- Declaration of Cash Dividends - (Mar 26)
- Results of Special Board Meeting - (May 6)
- Amended Notice of Annual Stockholders' Meeting - (May 11)
- Results of Annual Stockholders' Meeting - (May 19)
- Results of Organizational Meeting of the BOD - (May 19)
- Press Release “GMA Network set to diversify business via new subsidiary GMA Ventures, Inc.” – (Jul 19)
- Change in Directors and/or Officers – (RRVL) - (Sep 18)
- Results of Special Board Meeting – (Oct 4)
- Change in Directors and/or Officers – (AMGV/EPS/MED) – (Oct 4)
- Amended Change in Directors and/or Officers – to include qualifications of EPS and MED – (Oct 5)
- Results of Board Meeting - (Oct 28)
- Notice of Special Stockholders' Meeting – (Oct 28)
- Results of Special Stockholders' Meeting – (Dec 9)

- Amended Results of Special Stockholders' Meeting – (Dec 9)
- Contribution to the Company's Retirement Fund (PDRs) – (Dec 21)
- Contribution to the Company's Retirement Fund (Common Shares) – (Dec 28)
- GMA – Sale of Treasury Shares (Common Shares) – (Dec 29)

**Item 15. Sustainability Report**

Please see attached 2020 Sustainability Report of the Company (Annex "C"). The Sustainability Report may also be viewed at:

[www.gmanetwork.com/sustainabilityreports](http://www.gmanetwork.com/sustainabilityreports)<<http://www.gmanetwork.com/sustainabilityreports>

## SIGNATURES

Pursuant to the requirements of Section 17 of the Code and Section 177 of the Revised Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of MANILA on APR 18 2022, 2022.

By:

  
**FELIPE L. GOZON**  
Principal Executive Officer

  
**RONALDO P. MASTRILI**  
Comptroller /Principal Accounting Officer

  
**GILBERTO R. DUAVIT, JR.**  
Principal Operating Officer

  
**FELIPE S. YALONG**  
Principal Financial Officer

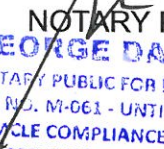
  
**ANNA TERESA M. GOZON-VALDES**  
Corporate Secretary

APR 18 2022

**SUBSCRIBED AND SWORN** to before me this \_\_\_\_\_ day of \_\_\_\_\_ 2022 affiants exhibiting to me their government issued identification cards, as follows:

<b>Names</b>	<b>Government I.D.</b>	<b>Date of Issue</b>	<b>Place of Issue</b>
Felipe L. Gozon	Passport No. P7534976B	September 6, 2021	DFA, Manila
Gilberto R. Duavit, Jr.	Passport No.5898410A	February 5, 2018	DFA, Manila
Felipe S. Yalong	Unified Multi- Purpose ID No. CRN-0111- 2468315-3		Manila
Ronaldo P. Mastrili	Passport No. P0540106B	February 4, 2019	DFA, Manila
Anna Teresa M. Gozon-Valdes	P7535518B	September 6, 2021	DFA, Manila

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Book No. 270  
Series of 2022.

  
**NOTARY PUBLIC**  
**ATTY. GEORGE DAVID D. SITON**  
NOTARY PUBLIC FOR MAKATI CITY  
APPT. NO. M-061 - UNTIL DEC. 31, 2023  
ROLL NO. 68402 / MCLE COMPLIANCE NO. VII-0010136/2-15-2022  
IBP O.R. NO. 002282-LIFETIME MEMBER MAY 5, 2017  
PTR NO. 8852066- JAN 03, 2022-MAKATI CITY  
EXECUTIVE BLDG. CENTER MAKATI AVE., COR. JUPITER ST., MAKATI CITY