# COVER SHEET

**ANNEX "K"**

5213

SEC Registration Number

**GMA NETWORK, INC. AND SUBSIDIARIES**

(Group's Full Name)

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

(Business Address: No. Street City/Town/Province)

**Mr. Ronaldo P. Mastrili**

(Contact Person)

**8982-7777**

(Group Telephone Number)

**03** **31**

*Month* *Day*

(Fiscal Year)

**17-Q**

(Form Type)

*Month* *Day*

(Annual Meeting)

(Secondary License Type, If Applicable)

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

---

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

S T A M P S

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**SECURITIES AND EXCHANGE COMMISSION**

**SEC FORM 17-Q**

**QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER**

1. For the quarterly period ended **March 31, 2026**

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**
   Province, country or other jurisdiction of incorporation

6. [ ] (SEC Use Only)
   Industry Classification Code

7. **GMA Network Center, Timog Avenue corner EDSA Quezon City** — **1103**
   Address of principal office — Postal Code

8. **(632) 8982-7777**
   Issuer's telephone number, including area code

9. **Not applicable** ……………………………
   Former name or former address, if changed since last report

10. Securities registered pursuant to Section 8 and 12 of the SRC and Sections 4 and 8 of the RSA

| Title of Each Class | Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding…………….. |
|---|---|
| **Common Stock** | **3,364,692,000** |
| **Preferred Stock** | **7,500,000,000** |

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

**Yes [X] No [ ]**

12. Indicate by check mark whether the registrant:

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

**Yes [X ] No [ ]**

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

**Yes [X ] No [ ]**

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**Management Discussion and Analysis of Financial Condition and Results of Operations for the Three Months Ended March 31, 2026 and 2025**

GMA Network, Inc. and Subsidiaries (GMA/the Company) capped first quarter of 2026 with revenues of ₱3,362 million, slipping by 28% from a year ago. The overall topline drag was mainly brought about by the absence of a significant amount of election-related placements.

| Income Data | **3M 2026** *(in millions PhP)* | 3M 2025 *(in millions PhP)* | Inc/(Dec) *(in millions PhP)* | % |
|---|---|---|---|---|
| Revenues | | | | |
| Advertising revenue | **2,980.62** | 4,348.93 | (1,368.31) | -31% |
| Consumer sales | **381.08** | 335.54 | 45.53 | 14% |
| | **3,361.70** | 4,684.48 | (1,322.78) | -28% |
| Total operating expenses | **3,324.69** | 3,653.81 | (329.12) | -9% |
| EBITDA | **631.75** | 1,646.79 | (1,015.04) | -62% |
| Net income | **102.18** | 800.84 | (698.66) | -87% |
| *Attributable to Equity Holders of Parent Co.* | ***102.47*** | *801.68* | *(699.20)* | *-87%* |
| *Noncontrolling Interest* | ***(0.29)*** | *(0.84)* | *0.54* | *65%* |

Partly cushioning the downturn in sales this quarter, the Company's consolidated direct costs and operating expenses (OPEX), which amounted to ₱3,325 million, also dipped by 9%. Production and direct costs, as well as general and administrative expenses, registered cutbacks as compared to Q1 of last year.

The considerable drop in the topline pushed first three months consolidated Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) this year to end at ₱632 million, down by 62% compared to the ₱1,647 million tally during Q1 2025. Similarly, consolidated net income after tax, which measured at ₱102 million trailed behind same period last year's strong bottom line of ₱801 million.

**Revenues**

| Revenues | **3M 2026** *(in millions PhP)* | 3M 2025 *(in millions PhP)* | Inc/(Dec) *(in millions PhP)* | % |
|---|---|---|---|---|
| Advertising revenues | **2,980.62** | 4,348.93 | (1,368.31) | -31% |
| Consumer sales | **381.08** | 335.54 | 45.53 | 14% |
| | **3,361.70** | 4,684.48 | (1,322.78) | -28% |

Consolidated advertising revenues from Free-to-Air (FTA) Television/TV and Radio, Online, and International operations amounting ₱2,981 million continued to take up the lion's share of the total revenue pie, with a contribution of close to 90%. Against Q1 last year, this segment's sales contracted by over a billion pesos, equivalent to 31% with political advocacies and advertisements boosting comparable period in 2025.

On a per channel level, GMA 7 continued to lead the pack in terms of total revenues, albeit also registering a considerable shortfall this quarter due to the aforementioned influx of political advocacies and advertisements last year. Nonetheless, ratings-wise, based on Nielsen TV Audience Measurement data, GMA 7 continued its overall dominance among television stations, retaining the no. 1 rank in Total Philippines in Q1 2026. Spanning more than two decades, top-rating program *Kapuso Mo, Jessica Soho* (KMJS) has consistently captured the hearts of its televiewers and has dominated the overall top programs in Urban Philippines based on ratings data from January to March 2026. Meanwhile, the network's flagship newscast *24 Oras* reigned supreme as the most watched program in Total Philippines in the same quarter this year. Adding another feather to its cap in the broadcasting industry, GMA Network was named TV Station of the Year for the fifth time at the 2026 Platinum Stallion National Media Awards. Numerous accolades were further received by the Network across TV, regional broadcasting and radio, a testament to GMA's relentless pursuit of excellence and consistent delivery of trusted content nationwide. *24 Oras* was once again named Best TV News Program, while *Kapuso Mo, Jessica Sojo* was awarded Best News Magazine Program. *Encantadia Chronicles: Sang'gre* continued to lord over primetime TV ratings in Q1 2026, consistently leading in both Total and Urban Philippines in the evening primetime slot. Lead characters of the iconic fantasy series likewise bagged recognitions during the 2026 Platinum Stallion National Media Awards.

While still occupying the 2nd biggest contributor in TV/radio advertising, the 2nd free-to-air channel Good TV (GTV) continued to remain challenged in its top line, trailing behind same period last year's performance. On a positive note, veteran broadcast journalist and *State of the Nation* anchor Atom Araullo was hailed as Male News Anchor of the Year in the 2026 Platinum Stallion National Media Awards and was likewise the recipient of the Lifetime Achievement in Public Service Journalism in the Global Filipino Icon Awards 2026 held in Dubai, the United Arab Emirates. The two (2) remaining Digital Terrestrial TV (DTT) stations I Heart Movies and Heart of Asia contributed revenues to the Network, albeit also paling in comparison to prior year's top-line performance.

Meanwhile, also recognized in the Platinum Stallion National Media Awards was GMA's Regional TV, cited as "Regional TV Network of the Year" for the ninth consecutive time, maintaining extensive reach across the country. Revenue-wise, GMA Regional TV was not spared from the absence of election-related placements in both national and local setting, thus, also missed comparative top line of Q1 2025. Nonetheless, recurring sales managed to trim down the gap, posting some growth in between periods.

Solidifying its excellence on the airwaves, Super Radyo DZBB maintained its leadership position, winning AM Radio Station of the Year in the Platinum Stallion National Media Awards. In terms of sales, Radio business succumbed to the same lukewarm turnout, aggravated by the considerable presence of political advocacies and advertisements in Q1 of prior year.

Ranked as the leading media company in Southeast Asia for its digital performance under the Entertainment and Media category, GMA held on to its strong ranking at No. 24 at the close of Q1 2026, improving from No. 26 in January and No. 25 in February, based on the Tubular Leadership Worldwide Rankings, according to global video analytics company Tubular Labs. This digital accomplishment is further cemented by the massive viewership across various social media platforms generating billions in total video views month-on-month. As of end-March this year, GMA's Network's YouTube channel has more than 41 million subscribers. With this, consolidated digital/online advertising has captured the 2nd spot in terms of overall revenue contribution to the Company's top line for Q1 of this year and has proven its mettle, posting revenue growth year on year, notwithstanding the lack of election-related placements.

In other revenues sources, i.e., subscriptions (GMA Pinoy TV), production service revenues, over-the-top/OTT, distribution/syndication, merchandise sales, etc., the initial quarter of 2026 posted a combined improvement of 14% ending with ₱381 million in sales. Production Services and other revenues reached ₱131 million for the three-month period ended March this year, more than the ₱118 million tally last year. The upswing in this category was mainly due to production revenues from portion buys/sponsored production content, etc., Over-the-top (OTT) licensing fees also edged last year, with additional contribution coming from revenues for the Network's verticals/shorts production.

For GMA International, Q1 subscription revenue missed last year's tally due to the churn in subscriber count in between periods. Average forex this quarter slightly improved by 2%, partly cushioning the impact of the attrition in subscriber count. Finally, sale of merchandise, mainly GMA Affordabox, posted a reduction due to less quantities sold in between periods coupled with the price reduction for GMA Affordabox (set-top box) from ₱799 to ₱699 starting May 15, 2025.

**Expenses**

Total consolidated direct cost and other operating expenses measured ₱3,325 million, contracting 9% versus Q1 of 2025. The decline in expenditure of ₱329 million in between periods was due to the drop in both total direct costs by ₱121 million or 6% and general and administrative expenses (GAEX) by ₱208 million or 13%.

| **Operating Expenses** | **3M 2026** *(in millions PhP)* | 3M 2025 *(in millions PhP)* | Inc/(Dec) *(in millions PhP)* | % |
|---|---|---|---|---|
| Production and direct costs | **1,875.19** | 1,996.55 | (121.36) | -6% |
| General and administrative expensex | **1,449.50** | 1,657.26 | (207.77) | -13% |
| | **3,324.69** | 3,653.81 | (329.12) | -9% |

Consolidated direct costs composed of production costs and cost of sales for the first quarter of this year wound up at ₱1,875 million versus ₱1,997 million a year ago. Talent fees and production personnel cost which accounted for the biggest chunk of total production cost, posted a reduction of 10% or ₱109 million. The overall reduction in cash production and direct cost was mainly due to changes in programming carried out by the Network this period. Additionally, cost of sales for the set-top box finished lower in 2026 aligned with less units sold during the period.

| **Production and Direct Costs** | **3M 2026** *(in millions PhP)* | 3M 2025 *(in millions PhP)* | Inc/(Dec) *(in millions PhP)* | % |
|---|---|---|---|---|
| Talent fees and production personnel costs | **952.92** | 1,062.15 | (109.23) | -10% |
| Rentals and outside services | **113.00** | 135.11 | (22.10) | -16% |
| Other production and direct expenses | **379.98** | 332.23 | 47.76 | 14% |
| **Sub-total - Cash Prod and Direct Costs** | **1,445.91** | 1,529.48 | (83.57) | -5% |
| Program rights amortization | **282.95** | 320.26 | (37.31) | -12% |
| Depreciation and amortization | **146.33** | 146.80 | (0.47) | -0.3% |
| **Sub-total - Non-cash Prod and Direct Costs** | **429.28** | 467.07 | (37.78) | -8% |
| **Total production and direct costs** | **1,875.19** | 1,996.55 | (121.36) | -6% |

Meanwhile, consolidated non-cash direct cost comprised of depreciation and amortization of program rights finished at ₱429 million, lower by ₱38 million or 8% vis-à-vis the same period last year. Program rights amortization this period saw a 12% reduction mainly due to optimized usage of program rights inventory. On the other hand, direct depreciation expense ending at ₱146 million stood flat against Q1 2025.

Consolidated general and administrative expenses (GAEX) concluded the first three months this year at ₱1,450 million, netting a double-digit slowdown of 13% or ₱208 million from same period a year ago. Personnel cost, which comprised the bulk of this expense category, settled behind last year from ₱1,083 million to ₱891 million. Outside services, particularly management and professional fees, also dipped by ₱18 million or 12% while Taxes and licenses fell 7% versus Q1 of 2025. On the other hand, this was partly offset by the increase in Facilities cost by ₱10 million or 9%, mainly from higher utilities charges in this period.

| General and Administrative Expenses | **3M 2026** *(in millions PhP)* | 3M 2025 *(in millions PhP)* | Inc/(Dec) *(in millions PhP)* | % |
|---|---|---|---|---|
| Personnel costs | **891.40** | 1,082.58 | (191.17) | -18% |
| Facilities costs | **117.80** | 107.91 | 9.89 | 9% |
| Outside services | **131.56** | 149.57 | (18.01) | -12% |
| Taxes and licenses | **51.90** | 55.71 | (3.81) | -7% |
| Others | **194.97** | 188.43 | 6.55 | 3% |
| **Subtotal - Cash GAEX** | **1,387.64** | 1,584.19 | (196.55) | -12% |
| Depreciation and amortization | **60.08** | 68.20 | (8.12) | -12% |
| Amortization of software costs | **1.66** | 4.75 | (3.09) | -65% |
| **Subtotal - Non-cash GAEX** | **61.86** | 73.07 | (11.21) | -15% |
| **Total GAEX** | **1,449.50** | 1,657.26 | (207.77) | -13% |

### Other Income (Expense) - net

Consolidated Other Income, net of Other Expenses, stood at ₱91 million in 1Q 2026, improving by ₱57 million from the ₱35 million net Other Income recorded in the same period last year. The increase was mainly driven by the ₱38 million rise in foreign exchange gain. Lower interest expense also contributed to the favorable result, declining by ₱29 million to ₱17 million from ₱46 million in 1Q 2025. These were partly offset by lower gain on sale of property and equipment, which decreased by ₱5 million.

### EBITDA

Consolidated Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) after the first three months this year stood at ₱632 million, down 62% compared to last year's ₱1,647 million.

### Net Income

Similarly, consolidated net income after tax for the first quarter ended March 31, 2026 fell to ₱102 million, a decline of ₱699 million or 87% compared to the ₱801 million recorded during the same period last year.

### Balance Sheet Accounts

As of March 31, 2026, the Group's total consolidated assets amounted to ₱25,147 million, down from ₱25,451 million as of December 31, 2025. The drop was primarily due to lower program and other rights inventory, which decreased by ₱396 million or 17% and property and equipment, which declined by ₱152 million. The reduction in these account balances was due to lower acquisition versus depreciation and amortization. Cash and cash equivalents also decreased by ₱114 million from ₱1,461 million in December 2025 to ₱1,348 million as of end of the reporting period. The reduction in cash balances was mainly attributable to the repayment of short-term loans, which ended lower by ₱851 million, partially offset by higher operating cash balances year-on-year. The said reductions were partly offset by higher prepaid expenses and other current assets, particularly from various prepaid expenses, tax credits, and creditable withholding taxes.

On the other hand, total consolidated liabilities increased by ₱1,547 million or 13%, from ₱11,982 million as of December 2025 to ₱13,529 million as at end-March 2026. This was mainly due to higher dividends payable following the dividend declaration on March 25 at ₱0.40 per share, equivalent to ₱1,946 million. Trade payables and other current liabilities also increased by ₱381 million, from ₱2,866 million in 2025 to ₱3,247 million. These increases were partly offset by the aforementioned ₱851 million reduction in short-term loans.

Equity attributable to the Parent Company stockholders decreased by ₱1,851 million or 14%, from ₱13,423 million to ₱11,573 million, following the cash dividend declaration.

**Cash Flows**

| Cash Flows | **3M 2026** (in millions PhP) | 3M 2025 (in millions PhP) |
|---|---|---|
| Net cash provided by operating activities | **785.53** | 2,356.82 |
| Net cash used in investing activities | **(57.23)** | (88.91) |
| Net cash used in financing activities | **(868.13)** | (1,550.40) |
| Effect of exchange rate changes on cash and cash equivalents | **25.97** | (5.59) |
| Net increase (decrease) in cash and cash equivalents | **(113.85)** | 711.91 |
| Cash and cash equivalents at beginning of year | **1,461.39** | 2,146.31 |
| Cash and cash equivalents at end of the period | **1,347.53** | 2,858.22 |

***Operating Activities***

Net cash provided by operating activities measured at ₱786 million as of March 31, 2026. This stemmed from income before income tax of ₱128 million, adjusted mainly for Depreciation expense of ₱206 million, , Net unrealized foreign exchange gain of ₱26 million, Interest expense equivalent to ₱17 million, Net gain on sale of property and equipment of ₱6 million, and Interest income amounting to ₱4 million, apart from the changes in working capital. The primary component of the changes in working capital included the increases in Prepaid expenses and other current assets by ₱249 million and in Trade payables and other current liabilities by ₱383 million.

***Investing Activities***

Net cash used in investing activities amounted to ₱57 million, coming primarily from the ₱49 million additions to Fixed assets and ₱6 million acquisition of Financial assets at FVOCI.

***Financing Activities***

Net cash used in financing activities amounted to ₱868 million coming from the loan repayments of ₱851 million and payment of interest expense of ₱16 million.

**Key Financial Performance Indicators**

The key financial performance indicators that the Company monitors are the following:

| Key Performance Indicators | **3M 2026** (in millions PhP) | 3M 2025 (in millions PhP) | Inc/(Dec) (in millions PhP) | % |
|---|---|---|---|---|
| Revenues | **3,361.70** | 4,684.48 | (1,322.78) | -28% |
| Advertising revenues | **2,980.62** | 4,348.93 | (1,368.31) | -31% |
| Cash operating expenses | **2,833.55** | 3,113.67 | (280.13) | -9% |
| EBITDA | **631.75** | 1,646.79 | (1,015.04) | -62% |
| Net income before tax | **128.47** | 1,065.22 | (936.75) | -88% |
| Net income after tax | **102.18** | 800.84 | (698.66) | -87% |
| **Financial Soundness Indicators** | **3M 2026** | 3M 2025 | Inc/(Dec) | % |
| Current ratio | **1.73** | 1.53 | 0.20 | 13% |
| Asset-to-Equity ratio | **2.16** | 2.14 | 0.02 | 1% |
| Interest Coverage Ratio | **8.43** | 24.23 | (15.80) | -65% |
| Gross Profit Margin | **44%** | 57% | (0.13) | -23% |
| EBITDA Margin | **19%** | 35% | (0.16) | -47% |
| Net Income Margin | **3%** | 17% | (0.14) | -82% |

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

| | March 31, 2026<br>Unaudited | December 31, 2025<br>Audited |
|---|---|---|
| **ASSETS** | | |
| **Current Assets** | | |
| Cash and cash equivalents (Notes 8 and 32) | **1,347,530,981** | 1,461,385,715 |
| Trade and other receivables (Notes 9, 23 and 32) | **6,322,240,430** | 6,392,191,247 |
| Program and other rights (Note 10) | **1,484,153,374** | 1,688,863,434 |
| Inventories (Note 11) | **787,239,666** | 814,348,336 |
| Prepaid expenses and other current assets (Note 12) | **1,432,222,788** | 1,183,189,245 |
| **Total Current Assets** | **11,373,387,239** | 11,539,977,977 |
| **Noncurrent Assets** | | |
| Property and equipment: | | |
| At cost (Note 15) | **2,817,561,729** | 2,969,765,662 |
| At revalued amounts (Note 16) | **9,392,333,955** | 9,392,333,955 |
| Right-of-Use assets (Note 30) | **124,578,608** | 105,738,829 |
| Financial assets at fair value through comprehesive income (Notes 13, 32 and 33) | **410,220,979** | 404,465,579 |
| Investments and advances (Notes 14 and 23) | **167,482,267** | 167,651,596 |
| Program and other rights (Note 10) | **456,306,860** | 463,578,095 |
| Investment properties (Note 17) | **29,019,750** | 29,384,113 |
| Other noncurrent assets (Note 18) | **376,571,128** | 378,210,317 |
| **Total Noncurrent Assets** | **13,774,075,276** | 13,911,128,146 |
| **TOTAL ASSETS** | **25,147,462,515** | 25,451,106,123 |
| **LIABILITIES AND EQUITY** | | |
| **Current Liabilities** | | |
| Trade payables and other current liabilities (Notes 20, 24 and 32) | **3,247,351,999** | 2,866,389,444 |
| Short-term loans (Note 19) | **625,493,750** | 1,476,683,750 |
| Income tax payable | **133,252,160** | 89,840,285 |
| Current portion of lease liabilities (Notes 30 and 32) | **19,781,506** | 16,590,142 |
| Obligation for program and other rights (Notes 21 and 32) | **556,826,854** | 631,972,080 |
| Dividends payable (Note 32) | **1,984,715,105** | 39,510,213 |
| **Total Current Liabilities** | **6,567,421,374** | 5,120,985,914 |

*(Forward)*

| | March 31, 2026 Unaudited | December 31, 2025 Audited |
|---|---|---|
| **Noncurrent Liabilities** | | |
| Pension liability | **6,202,616,356** | 6,034,061,464 |
| Other long-term employee benefits | **339,052,285** | 328,197,763 |
| Lease liabilities - net of current portion (Notes 30 and 32) | **126,971,660** | 113,658,993 |
| Dismantling provision (Note 30) | **29,474,006** | 29,141,656 |
| Obligation for program and other rights - net of current portion (Notes 21 and 32) | **14,147,368** | 56,589,474 |
| Deferred tax liabilities - net | **249,535,039** | 299,164,611 |
| **Total Noncurrent Liabilities** | **6,961,796,714** | 6,860,813,961 |
| **Total Liabilities** | **13,529,218,088** | 11,981,799,875 |
| | | |
| **Equity Attributable to Equity Holders of the Parent Company** | | |
| Capital stock (Note 23) | **4,864,692,000** | 4,864,692,000 |
| Additional paid-in capital (Note 23) | **1,686,556,623** | 1,686,556,623 |
| Revaluation increment in land - net of tax (Note 16) | **6,649,731,297** | 6,649,731,297 |
| Remeasurements loss on retirement plans - net of tax | **(3,025,254,359)** | (3,025,254,359) |
| Unrealized loss on available-for-sale financial assets - net of tax | **(110,335,171)** | (102,972,038) |
| Retained earnings (Note 23) | **1,507,115,951** | 3,350,519,651 |
| Total Equity Attributable to Parent Company | **11,572,506,341** | 13,423,273,174 |
| Equity Attributable to Non-controlling Interest | **45,738,086** | 46,033,074 |
| **Total Equity** | **11,618,244,427** | 13,469,306,248 |
| **TOTAL LIABILITIES AND EQUITY** | **25,147,462,515** | 25,451,106,123 |

*See accompanying Notes to Consolidated Financial Statements.*

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

| | For the Three Months Ended March 31 | |
|---|---|---|
| | **2026** | **2025** |
| **NET REVENUES** (Note 25) | **3,361,699,035** | 4,684,476,287 |
| **PRODUCTION COSTS** (Note 26) | **1,852,395,431** | 1,967,570,992 |
| **COST OF SALES** (Note 11) | **22,796,032** | 28,977,070 |
| **GROSS PROFIT** | **1,486,507,572** | 2,687,928,225 |
| **GENERAL AND ADMINISTRATIVE EXPENSES** (Note 27) | **1,449,499,293** | 1,657,264,659 |
| **OTHER INCOME (EXPENSE) - NET** | | |
| Net foreign currency exchange gain (loss) | **37,824,047** | 1,498,662 |
| Interest expense | **(16,697,466)** | (45,676,169) |
| Interest income (Note 8) | **4,430,899** | 4,113,878 |
| Others - net (Note 29) | **65,900,570** | 74,615,621 |
| | **91,458,050** | 34,551,992 |
| **INCOME BEFORE INCOME TAX** | **128,466,329** | 1,065,215,558 |
| **PROVISION FOR (BENEFIT FROM) INCOME TAX** | | |
| Current | **73,463,411** | 272,137,110 |
| Deferred | **(47,175,194)** | (7,759,952) |
| | **26,288,217** | 264,377,158 |
| **NET INCOME** | **102,178,112** | 800,838,400 |
| **OTHER COMPREHENSIVE INCOME (LOSS)** - net of tax | | |
| *Item not to be reclassified to profit or loss in subsequent periods -* | | |
| Net unrealized loss from investments at FVOCI | **(7,363,133)** | (5,477,700) |
| Remeasurement gain on retirement plan | **-** | 128,196 |
| | **(7,363,133)** | (5,349,504) |
| **TOTAL COMPREHENSIVE INCOME** | **94,814,979** | 795,488,896 |
| **Net income (loss) attributable to:** | | |
| Equity holders of Parent Company | **102,473,100** | 801,676,376 |
| Non-controlling interest | **(294,988)** | (837,976) |
| | **102,178,112** | 800,838,400 |
| **Total comprehensive income (loss) attributable to:** | | |
| Equity Holders of Parent Company | **95,109,967** | 796,326,872 |
| Non-controlling interest | **(294,988)** | (837,976) |
| | **94,814,979** | 795,488,896 |
| **Basic/Diluted Earnings Per Share** (Note 31) | **0.021** | 0.165 |

*See accompanying Notes to Consolidated Financial Statements.*

## GMA NETWORK, INC. AND SUBSIDIARIES
## UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

| | Attributable to Equity Holders of Parent Company | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Capital Stock (Note 23) | Additional Paid-in Capital (Note 23) | Revaluation Increment in Land - Net of Tax | Remeasurements on Retirement Plans - Net of Tax | Net Unrealized Loss on Financial Assets at FVOCI - Net of Tax | Retained Earnings (Note 23) | Total Equity Attributable to Parent Company | Non-controlling Interests | Total Equity |
| At January 1, 2026 | **4,864,692,000** | **1,686,556,623** | **6,649,731,297** | **(3,025,254,359)** | **(102,972,038)** | **3,350,519,651** | **13,423,273,174** | **46,033,074** | **13,469,306,248** |
| Net income (loss) | - | - | - | - | - | **102,473,100** | **102,473,100** | **(294,988)** | **102,178,112** |
| Other comprehensive loss | - | - | - | - | **(7,363,133)** | - | **(7,363,133)** | - | **(7,363,133)** |
| Total comprehensive income (loss) | - | - | - | - | **(7,363,133)** | **102,473,100** | **95,109,967** | **(294,988)** | **94,814,979** |
| Cash dividends (see Note 23) | - | - | - | - | - | **(1,945,876,800)** | **(1,945,876,800)** | - | **(1,945,876,800)** |
| At March 31, 2026 | **4,864,692,000** | **1,686,556,623** | **6,649,731,297** | **(3,025,254,359)** | **(110,335,171)** | **1,507,115,951** | **11,572,506,341** | **45,738,086** | **11,618,244,427** |
| | | | | | | | | | |
| At January 1, 2025 | 4,864,692,000 | 1,686,556,623 | 6,215,441,910 | (1,949,544,969) | (107,208,473) | 3,580,770,215 | 14,290,707,306 | 50,804,397 | 14,341,511,703 |
| Net income (loss) | - | - | - | - | - | 801,676,376 | 801,676,376 | (837,976) | 800,838,400 |
| Other comprehensive income (loss) | - | - | - | 128,196 | (5,477,700) | - | (5,349,504) | - | (5,349,504) |
| Total comprehensive income (loss) | - | - | - | 128,196 | (5,477,700) | 801,676,376 | 796,326,872 | (837,976) | 795,488,896 |
| Cash dividends (see Note 23) | - | - | - | - | - | (2,432,346,000) | (2,432,346,000) | - | (2,432,346,000) |
| At March 31, 2025 | 4,864,692,000 | 1,686,556,623 | 6,215,441,910 | (1,949,416,773) | (112,686,173) | 1,950,100,591 | 12,654,688,178 | 49,966,421 | 12,704,654,599 |

*See accompanying Notes to Consolidated Financial Statements.*

## GMA NETWORK, INC. AND SUBSIDIARIES
## UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

| | For the Three Months Ended March 31 | |
|---|---|---|
| | **2026** | 2025 |
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| Income before income tax | **128,466,329** | 1,065,215,558 |
| Adjustments for: | | |
| Depreciation and amortization (Notes 15, 17 and 30) | **206,408,410** | 214,999,436 |
| Net unrealized foreign exchange gain | **(25,974,399)** | 5,593,350 |
| Interest expense | **16,697,466** | 45,676,170 |
| Gain on sale of property and equipment (Note 29) | **(6,169,562)** | (10,957,178) |
| Interest income (Note 8) | **(4,430,900)** | (4,113,878) |
| Amortization of software costs (Notes 18 and 27) | **1,660,603** | 4,751,693 |
| Provision for doubtful accounts (Notes 9 and 27) | **125,000** | 125,000 |
| Operating income before working capital changes | **316,782,947** | 1,321,290,151 |
| Program rights usage (Note 10) | **282,950,565** | 320,264,592 |
| Decreases (increases) in: | | |
| Trade and other receivables | **69,213,839** | 1,301,303,746 |
| Program and other rights | **(70,969,270)** | (695,769,942) |
| Inventories | **27,108,670** | 26,606,164 |
| Prepaid expenses and other current assets | **(249,033,543)** | (216,687,497) |
| Right-of-use assets | **(24,702,714)** | (3,966,641) |
| Increases (decreases) in: | | |
| Trade payables and other current liabilities | **382,811,166** | (131,881,624) |
| Obligations for program and other rights | **(117,587,332)** | 427,390,388 |
| Lease liabilities | **14,559,851** | (8,047,853) |
| Pension liability | **168,554,892** | 20,586,371 |
| Other long-term employee benefits | **10,854,522** | 10,401,645 |
| Net cash generated from operations | **810,543,593** | 2,371,489,500 |
| Income taxes paid | **(30,051,536)** | (19,379,945) |
| Interest received | **5,042,878** | 4,706,038 |
| Net cash provided by operating activities | **785,534,935** | 2,356,815,593 |
| Acquisitions of: | | |
| Property and equipment (Note 15) | **(49,438,933)** | (89,664,821) |
| Software costs (Note 18) | **-** | (1,350,217) |
| Proceeds from sale of properties | **7,631,316** | 17,109,503 |
| Decreases (increases) in: | | |
| Investments in FVOCI | **(15,572,911)** | (16,486,203) |
| Other noncurrent assets | **(21,414)** | 1,350,463 |
| Collections from advances to joint venture | **169,329** | 132,026 |
| Net cash used in investing activities | **(57,232,613)** | (88,909,249) |
| Payments of: | | |
| Short-term loans (Note 19) | **(851,190,000)** | (1,500,510,000) |
| Interest expense (Note 19) | **(16,269,547)** | (49,845,060) |
| Cash dividends (Note 23) | **(671,908)** | (49,347) |
| Net cash used in financing activities | **(868,131,455)** | (1,550,404,407) |
| **EFFECT OF EXCHANGE RATE CHANGES ON CASH ON HAND AND CASH EQUIVALENTS** | **25,974,399** | (5,593,350) |
| **NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS** | **(113,854,734)** | 711,908,587 |
| **CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR** | **1,461,385,715** | 2,146,310,807 |
| **CASH AND CASH EQUIVALENTS AT END OF PERIOD** | **1,347,530,981** | 2,858,219,394 |

*See accompanying Notes to Consolidated Financial Statements.*

## 1. Corporate Information

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

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

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

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

Basis of Preparation

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

Statement of Compliance

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

Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Parent Company and its subsidiaries as at March 31, 2026 and December 31, 2025 and for each of the two years in the period ended March 31, 2026.

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

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

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

NCI represents the equity interest in RGMA Network, Inc. (RGMA Network), a subsidiary incorporated in the Philippines with principal place of business at GMA Network Center, Timog Avenue corner EDSA Quezon City.

The consolidated financial statements include additional information about subsidiary that have NCI that are material to the Parent Company. Management determined material partly-owned subsidiary as those with greater than 5% of non-controlling interests and/or subsidiaries whose activities are important to the Group as at end of the year.

The consolidated financial statements include the accounts of the Parent Company and the following subsidiaries as at March 31, 2026 and December 31, 2025:

| | Principal Activities | Percentage of Ownership Direct | Indirect |
|---|---|---|---|
| Entertainment Business: | | | |
| Alta Productions Group, Inc. (Alta) | Pre- and post-production services | 100 | – |
| Citynet Network Marketing and Productions, Inc. (Citynet) | Television entertainment production | 100 | – |
| GMA Network Films, Inc. | Film production | 100 | – |
| GMA New Media, Inc. (GNMI) | Converging Technology | 100 | – |
| GMA Worldwide (Philippines), Inc.[a] | International marketing, handling foreign program acquisitions and international syndication of the Parent Company's programs | 100 | – |
| Scenarios, Inc.[a] | Design, construction and maintenance of sets for TV, stage plays and concerts; transportation services | 100 | – |
| GMA Productions, Inc. (formerly RGMA Marketing and Productions, Inc.) | Music recording, publishing and video distribution | 100 | – |
| RGMA Network, Inc.[c] | Radio broadcasting and management | 49 | – |
| Script2010, Inc.[b] | Design, construction and maintenance of sets for TV, stage plays and concerts; transportation and manpower services | – | 100 |
| Holding Company: GMA Ventures, Inc. (GVI) | Identifying, investing in, and/or building strong and sustainable businesses | 100 | – |
| Advertising Business: | | | |
| GMA Marketing & Productions, Inc. (GMPI)[a] | Exclusive marketing and sales arm of the Parent Company's airtime; events management; sales implementation, traffic services and monitoring | 100 | – |
| Digify, Inc.[d] | Crafting, planning and handling advertising and other forms of promotion including multi-media productions | – | 100 |
| Others: | | | |
| Media Merge Corporation[e] | Business development and operations for the Parent Company's online publishing/advertising initiatives | – | 100 |
| Ninja Graphics, Inc.[f] | Ceased commercial operations in 2004 | – | 51 |

[a] *Under liquidation*
[b] *Indirectly owned through Citynet*
[c] *Ceased operations in 2023*
[d] *Indirectly owned through GNMI, ceased commercial operations in 2022*
[e] *Indirectly owned through GNMI; ceased commercial operations in 2020*
[f] *Indirectly owned through Alta; ceased commercial operations in 2004*

Changes in Accounting Policies and Disclosures

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

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

*Effective beginning on or after January 1, 2025*

- Amendments to PAS 21, *Lack of exchangeability*

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

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

Standards Issued but not yet Effective

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

*Effective beginning on or after January 1, 2026*

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

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

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

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

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

- Annual Improvements to PFRS Accounting Standards—Volume 11

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

*Effective beginning on or after January 1, 2027*

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

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

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

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

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

*Deferred effectivity*

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

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

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

## 3. Material Accounting Policy Information

Fair Value Measurement

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

- Disclosures for significant estimates and assumptions, see Note 4
- Quantitative disclosures of fair value measurement hierarchy, see Note 33
- Land, see Note 16
- Investment properties, see Note 17
- Financial instruments (including those carried at amortized cost), see Note 33

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

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

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

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

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

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

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

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

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

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

<u>Financial Instruments</u>
A financial instrument is any contract that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

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

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

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

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

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

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

The Group does not have debt instruments at FVOCI and financial assets at FVPL as at March 31, 2026 and

December 31, 2025.

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

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

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

The Group's financial assets at amortized cost includes cash and cash equivalents, trade and other receivables and refundable deposits (included under "Other noncurrent assets" account in the consolidated statement of financial position) as at March 31, 2026 and December 31, 2025 (see Notes 8, 9, 18 and 33).

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

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

The Group elected to classify irrevocably under this category its listed and non-listed equity instruments and investment in quoted club shares as at March 31, 2026 and December 31, 2025 (see Notes 13 and 33).

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

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

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

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

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

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

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

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

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

The Group, in general, considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off, in whole or in part, when the asset is considered uncollectible, the Group has exhausted all practical recovery efforts and has concluded that it has no reasonable expectations of recovering the financial asset in its entirety or a portion thereof.

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

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

The Group has not designated any financial liability as at FVPL as at March 31, 2026 and December 31, 2025.

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

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

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

This category generally applies to trade payables and other current liabilities (excluding payable to government agencies, customers' deposits and contract liabilities), short-term loans, obligations for program and other rights, dividends payable and lease liabilities (see Notes 19, 20, 21 and 33).

Derecognition of Financial Liabilities

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

Program and Other Rights

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

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

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

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

Prepaid Production Costs

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

Inventories

Merchandise inventory and materials and supplies inventory, included under "Prepaid expenses and other current assets" account in the consolidated statement of financial position, is stated at the lower of cost and net realizable value. Cost is determined using the weighted average method. Net realizable value of inventories that are for sale is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale. Net realizable value of inventories not held for sale is the current replacement cost.

Tax Credits

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

As at March 31, 2026 and December 31, 2025, the Group's tax credits are classified as current under "Prepaid expenses and other current assets" account in the consolidated statement of financial position.

Advances to Suppliers

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

Property and Equipment

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

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

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

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

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

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

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

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

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

Investment Properties

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

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

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

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

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

Investment in Artworks

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

Software Costs

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

Impairment of Nonfinancial Assets

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

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

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

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

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

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

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

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

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

Revenue Recognition

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

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

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

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

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

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

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

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

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

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

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

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

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

b. Revenue Recognition Outside the Scope of PFRS 15

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

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

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

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

Contract Balances

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

<u>Leases</u>

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

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

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

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

  Right-of-use assets are subject to impairment.

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

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

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

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

Foreign Currency-denominated Transactions

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

Taxes

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

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

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

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

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit; and

- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

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

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

- where the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit; and

- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

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

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

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

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

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

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

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

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

Segment Reporting
For management purposes, the Group's operating businesses are organized and managed separately into television and radio airtime, international subscriptions and other business activities. Such business segments are the basis upon which the Group reports its primary segment information. The Group considers television and radio operations as the major business segment. The Group operates in two geographical areas where it derives its revenue. Financial information on business segments is presented in Note 7 to the consolidated financial statements.

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

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

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

## 4. Significant Accounting Judgments, Estimates and Assumptions

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

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

*Consolidation of Entities in which the Group holds less than Majority of Voting Rights.* The Group considers that it controls RGMA Network even though it owns less than 50% of the voting rights. This is because the Group is the single largest shareholder of RGMA Network with a 49% equity interest. The remaining 51% of the equity shares in RGMA Network are owned by several parties. Since September 27, 1995, which is the date of incorporation of RGMA Network, there is no history of the other shareholders collaborating to exercise their votes collectively or to outvote the Group. The carrying amount of NCI as at March 31, 2026 and December 31, 2025 amounted to ₱45.74 million and ₱46.03 million, respectively.

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

Total rental income amounted to ₱1.73 million and ₱1.94 million in March 31, 2026 and 2025, respectively (see Note 29).

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

- Definition of default for trade receivables

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

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

- Grouping of instruments for losses measured on collective basis

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

- Incorporation of forward-looking information

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

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

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

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

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

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

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

The Group's lease liability amounted to ₱146.75 million and ₱130.25 million as at March 31, 2026 and December 31, 2025, respectively (see Note 30).

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

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

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

Provision for ECL amounted to ₱0.13 million as of March 31, 2026 and 2025. The allowance for ECL amounted to ₱1,048.12 million and ₱1,048.00 million as at March 31, 2026 and December 31, 2025, respectively. The carrying amounts of trade and other receivables amounted to ₱6,322.24 million and ₱6,392.19 million as at March 31, 2026 and December 31, 2025, respectively (see Note 9).

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

The Group estimates the amortization of program and other rights with finite lives using straight line method up to the date of expiry, which is the manner and pattern of usage of the acquired rights. In addition, estimation of the amortization of program and other rights is based on the Group's experience with such rights. It is possible, however, that future results of operations could be materially affected by changes in estimates brought about by changes in the factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances.

Program and other rights usage amounted to ₱282.95 million and ₱320.26 million for the periods of March 31, 2026 and 2025, respectively (see Note 26). Program and other rights, net of accumulated impairment loss of ₱2.70 million, amounted to ₱1,940.46 million and ₱2,152.44 million as at March 31, 2026 and December 31, 2025, respectively (see Note 10).

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

The carrying value of merchandise inventory and materials and supplies inventory in the consolidated statement of financial position, amounted to ₱787.24 million and ₱814.35 million as at March 31, 2026 and December 31, 2025, respectively (see Note 11). There were no provisions for inventory losses as of March 31, 2026 and 2025.

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

There has been no change in the Group's estimate of useful lives of its property and equipment, software costs and investment properties as of March 31, 2026 and December 31, 2025.

Total depreciation and amortization expense for the periods ended March 31, 2026 and 2025 amounted to ₱208.07 million and ₱219.75 million, respectively (see Notes 15, 17, 18, 26 and 27).

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

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

Total additional revaluation increment, net of tax, recognized in 2025 amounted to ₱434.29 million. There were no additional revaluation increment, net of tax, recognized in March 31, 2025. The revalued amount of land, which is classified under "Property and equipment" account in the statements of financial position, amounted to ₱9,392.33 as at March 31, 2026 and December 31, 2025 (see Notes 16 and 33). In 2025, the Group assessed those certain parcels of land at revalued amounts have significant movements in its current carrying values and obtained updated appraisals as at December 31, 2025. For the land that were not appraised as of March 31, 2026 and December 31, 2025, 2024, the Group assessed that carrying values approximates fair values as of reporting dates

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

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

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

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

As at March 31, 2026 and December 31, 2025, the Group did not identify any indicator of impairment on its nonfinancial assets, hence, no impairment tests were carried out.

The carrying values of nonfinancial assets as at March 31, 2026 and December 31, 2025 follow:

| | **March 31, 2026 (Unaudited)** | December 31, 2025 (Audited) |
|---|---|---|
| Land at revalued amounts (see Note 16) | **9,392,333,955** | 9,392,333,955 |
| Property and equipment - at cost (see Note 15) | **2,817,561,729** | 2,969,765,662 |
| Program and other rights (see Note 10) | **1,940,460,234** | 2,152,441,529 |
| Prepaid production costs (see Note 12) | **347,547,551** | 344,356,644 |
| Investments and advances (see Note 14) | **167,482,267** | 167,651,596 |
| Tax credits (see Note 12) | **163,184,436** | 125,645,165 |
| Right-of-use assets (see Note 30) | **124,578,608** | 105,738,829 |
| Investment properties (see Note 17) | **29,019,750** | 29,384,113 |
| Investment in artworks (see Note 18) | **10,186,136** | 10,186,136 |
| Software costs (see Note 18) | **8,321,757** | 9,982,360 |
| Deferred production costs (see Note 18) | **1,883,174** | 1,706,914 |

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

*Pension and Other Employee Benefits.* The determination of the Group's obligation and cost of pension benefits is dependent on the selection of certain assumptions used by actuaries in calculating such amounts. Due to the complexity of the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions.

Pension liability amounted to ₱6,202.62 million and ₱6,034.06 million as at March 31, 2026 and December 31, 2025, respectively.

*Determination of Fair Value of Financial Assets at FVOCI*. Financial assets at FVOCI are carried and disclosed at fair value, which requires extensive use of accounting estimates and judgments. When the fair values cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of mathematical models. The input to these models is taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The fair value of financial assets at FVOCI are enumerated in Note 33.

*Determination of Fair Value of Investment Properties.* PFRS requires disclosure of fair value of investment properties when measured at cost. The Group used the services of an independent professional appraiser in estimating the fair value of properties. The appraisers conducted an actual inspection of the property and considered the following in the study and analyses in arriving at the estimate of fair value: (a) extent, character and utility of the property; (b) sales and holding prices of similar properties; and (c) highest and best use of the property. The description of valuation techniques used and key inputs to fair valuation of investment properties are enumerated in Note 17 of the consolidated financial statements.

5. **Seasonality or Cyclicality of Interim Operations**

The Group's operations are not generally affected by any seasonality or cyclicality.

6. **Nature and Amount of Changes in Estimates**

2025 figures were restated to conform to the current period's presentation.

7. **Segment Information**

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

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

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

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

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

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

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

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

Measurement Basis

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

*Please refer to Exhibit 1 for the comparative segment information for the three months ended March 31, 2026 and 2025.*

## 8. Cash and Cash Equivalents

This account consists of:

| | **March 31, 2026 (Unaudited)** | December 31, 2025 (Audited) |
|---|---|---|
| Cash on hand and in banks | **1,170,526,226** | 1,111,193,731 |
| Short-term placements | **177,004,755** | 350,191,984 |
| | **1,347,530,981** | 1,461,385,715 |

Cash in banks earn interest at the respective bank deposit rates. Short-term deposits are made for varying periods of up to nine months depending on the immediate cash requirements of the Group and earn interest at the respective short-term deposit rates.

Interest income earned from bank deposits and short-term investments amounted to ₱4.43 million and ₱4.11 million for the three months ended March 31, 2026 and 2025, respectively.

## 9. Trade and Other Receivables

This account consists of:

| | **March 31, 2026 (Unaudited)** | December 31, 2025 (Audited) |
|---|---|---|
| Trade: | | |
| Television and radio airtime | **6,965,743,581** | 7,037,135,333 |
| Subscription receivable | **162,249,837** | 185,583,575 |
| Others | **223,344,461** | 175,378,616 |
| Nontrade: | | |
| Advances to officers and employees | **7,193,306** | 6,280,963 |
| Others | **11,829,928** | 35,808,443 |
| | **7,370,361,113** | 7,440,186,930 |
| Less allowance for doubtful accounts | **1,048,120,683** | 1,047,995,683 |
| | **6,322,240,430** | 6,392,191,247 |

Trade Receivables

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

Television and radio airtime receivables include unbilled airtime receivables, arising when advertisements have been aired during the year but billing or acceptance by the customer has been delayed due to time lag in completing all required documents. As at March 31, 2026 and December 31, 2025, the total unbilled airtime receivables, assessed as contract assets, amounted to ₱67.49 million and ₱50.27 million, respectively.

*Subscriptions Receivable*. Subscriptions receivable include receivables pertaining to revenue generated from international channel subscriptions and advertisements. These are noninterest-bearing and normally collected within the next reporting period.

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

Nontrade Receivables

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

Allowance for ECL

The movements in the allowance for doubtful accounts on trade receivables are as follows:

| | **March 31, 2026 (Unaudited)** | | |
|---|---|---|---|
| | **Corporate** | **Individual** | **Total** |
| Balance at beginning of the year | **1,037,686,145** | **10,309,538** | **1,047,995,683** |
| Provision for the year | **125,000** | **-** | **125,000** |
| Balance at end of the period | **1,037,811,145** | **10,309,538** | **1,048,120,683** |

| | December 31, 2025 (Audited) | | |
|---|---|---|---|
| | Corporate | Individual | Total |
| Balance at beginning of the year | 909,368,277 | 10,309,538 | 919,677,815 |
| Provision for the year | 128,317,868 | - | 128,317,868 |
| Balance at end of the year | 1,037,686,145 | 10,309,538 | 1,047,995,683 |

10. **Program and Other Rights**

Details and movements in this account are as follows:

| | **March 31, 2026 (Unaudited)** | | | |
|---|---|---|---|---|
| | **Program and Film Rights** | **Story / Format Rights** | **Program Rights - Incidentals** | **Total** |
| Cost: | | | | |
| Balance at beginning of period | **2,040,117,258** | **59,097,398** | **55,929,133** | **2,155,143,789** |
| Additions | **61,692,010** | **-** | **9,277,260** | **70,969,270** |
| Program and other rights usage (see No | **(256,991,289)** | **(15,735,818)** | **(10,223,458)** | **(282,950,565)** |
| Balance at end of period | **1,844,817,979** | **43,361,580** | **54,982,935** | **1,943,162,494** |
| Accumulated impairment in value | **(2,702,260)** | **-** | **-** | **(2,702,260)** |
| | **1,842,115,719** | **43,361,580** | **54,982,935** | **1,940,460,234** |
| Less noncurrent portion | **448,837,447** | **-** | **7,469,413** | **456,306,860** |
| | **1,393,278,272** | **43,361,580** | **47,513,522** | **1,484,153,374** |

| | December 31, 2025 (Audited) | | | |
|---|---|---|---|---|
| | Program and Film Rights | Story / Format Rights | Program Rights - Incidentals | Total |
| Cost: | | | | |
| Balance at beginning of period | 2,196,008,470 | 90,090,350 | 52,976,642 | 2,339,075,462 |
| Additions | 1,055,727,439 | 43,049,650 | 73,020,548 | 1,171,797,637 |
| Program and other rights usage | (1,211,618,651) | (74,042,602) | (70,068,057) | (1,355,729,310) |
| Balance at end of period | 2,040,117,258 | 59,097,398 | 55,929,133 | 2,155,143,789 |
| Accumulated impairment in value - | (2,702,260) | - | - | (2,702,260) |
| | 2,037,414,998 | 59,097,398 | 55,929,133 | 2,152,441,529 |
| Less noncurrent portion | 440,990,796 | - | 22,587,299 | 463,578,095 |
| | 1,596,424,202 | 59,097,398 | 33,341,834 | 1,688,863,434 |

## 11. Inventories

This account consists of the following:

| | **March 31, 2026 (Unaudited)** | December 31, 2025 (Audited) |
|---|---|---|
| Merchandise inventory | **618,545,001** | 642,203,371 |
| Materials and supplies inventory | **168,694,665** | 172,144,965 |
| | **787,239,666** | 814,348,336 |

The following are the details of merchandise inventory account:

| | **March 31, 2026 (Unaudited)** | December 31, 2025 (Audited) |
|---|---|---|
| Set-top box | **616,793,634** | 640,460,812 |
| ITE chipset dongle | **1,751,367** | 1,742,559 |
| | **618,545,001** | 642,203,371 |

Merchandise inventory consists mainly of set-top boxes, digital TV mobile receivers and other merchandises for sale by the Group. In 2020, the Group launched the GMA Affordabox, a digital box which allows users to receive clear pictures and sounds in their television sets through digital transmission. Cost of sales related to digital boxes amounted to ₱22.80 million and ₱28.98 million as of March 31, 2026 and 2025, respectively.

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

## 12. **Prepaid Expenses and Other Current Assets**

This account consists of:

| | **March 31, 2026 (Unaudited)** | December 31, 2025 (Audited) |
|---|---|---|
| Input VAT | **379,746,871** | 393,784,795 |
| Prepaid production costs | **347,547,551** | 344,356,644 |
| Prepaid expenses | **346,616,127** | 155,536,900 |
| Tax credits | **163,184,436** | 125,645,165 |
| Advances to suppliers | **120,037,056** | 116,497,191 |
| Creditable withholding taxes | **73,707,368** | 46,187,797 |
| Others | **1,383,379** | 1,180,753 |
| | **1,432,222,788** | 1,183,189,245 |

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

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

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

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

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

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

## 13. **Financial Assets at Fair Value Through Other Comprehensive Income**

This account consists of the following:

| | **March 31, 2026 (Unaudited)** | December 31, 2025 (Audited) |
|---|---|---|
| Listed equity instruments | **408,895,128** | 403,139,728 |
| Non-listed equity instruments | **1,325,851** | 1,325,851 |
| | **410,220,979** | 404,465,579 |

In 2026 and 2025, the Group purchased additional investments in Wavemaker Three-Sixty Health II-A,LP. totaling ₱5.76 million and ₱28.74 million, respectively.

Dividend income earned from financial assets at FVOCI amounted to nil in March 31, 2026 and 2025.

IP E-Games

In 2015, IP E-Games Ventures, Inc. (IPE) issued 13 billion of its own common shares to the Group in exchange of the Group's investment in X-Play Online Games Incorporated (X-Play) and in settlement of ₱30.00 million advances and ₱50.00 million airtime credits granted by the Group to X-Play. At initial recognition, the Group recognized at fair value the IPE shares as AFS financial assets amounting to ₱130.00 million. The carrying values of investment in IPE amounted to ₱1.23 million as at March 31, 2026 and December 31, 2025.

Of the ₱50.00 million airtime credits, ₱12.42 million and ₱30.00 million has not been implemented at date of exchange and therefore was recognized by the Group as unearned revenue presented as "Contract liabilities", included as part of trade payables and other current liabilities as at March 31, 2026 and December 31, 2025 (see Note 20).

## 14. Investments and Advances

This account consists of:

| | **March 31, 2026 (Unaudited)** | December 31, 2025 (Audited) |
|---|---|---|
| Investments in an associate and interests in joint ventures | **58,042,684** | 58,042,684 |
| Permanent advances in an associate (see Note 24) | **109,439,583** | 109,608,912 |
| | **167,482,267** | 167,651,596 |

The movements in the accounts are as follows:

| | **March 31, 2026 (Unaudited)** | December 31, 2025 (Audited) |
|---|---|---|
| Investments in an associate and joint ventures | | |
| Acquisition cost - | | |
| Balance at beginning and end of period | **131,722,056** | 131,722,056 |
| Accumulated equity in net losses: | | |
| Balance at beginning of period | **(73,679,372)** | (69,720,250) |
| Equity in net earnings during the period | **-** | (3,959,122) |
| Balance at end of period | **(73,679,372)** | (73,679,372) |
| | **58,042,684** | 58,042,684 |
| Advances to an associate: | | |
| Balance at beginning of period | **107,227,090** | 106,166,972 |
| Advances during the period | **-** | 1,060,118 |
| Balance at end of period | **107,227,090** | 107,227,090 |
| Advances to joint ventures: | | |
| Balance at beginning of period | **2,381,822** | 2,257,737 |
| Advances (collections) during the period | **(169,329)** | 124,085 |
| Balance at end of period | **2,212,493** | 2,381,822 |
| Total investments and advances | **167,482,267** | 167,651,596 |

The ownership interests in an associate and joint ventures, which were all incorporated in the Philippines, and are accounted for under the equity method, as at March 31, 2026 and December 31, 2025 follows:

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

**Not operational.*
***Indirect investment through GNMI.*

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

| | March 31, 2026 (Unaudited) | | |
|---|---|---|---|
| | **Investments** | **Advances (see Note 24)** | **Total** |
| Associate - Mont-Aire | **38,350,619** | **107,227,090** | **145,577,709** |
| Joint ventures: | | | |
| Gamespan | **8,947,966** | **1,959,670** | **10,907,636** |
| PEP | **10,744,099** | **252,823** | **10,996,922** |
| | **19,692,065** | **2,212,493** | **21,904,558** |
| | **58,042,684** | **109,439,583** | **167,482,267** |

| | December 31, 2025 (Audited) | | |
|---|---|---|---|
| | Investments | Advances (see Note 24) | Total |
| Associate - Mont-Aire | 38,350,619 | 107,227,090 | 145,577,709 |
| Joint ventures: | | | |
| Gamespan | 8,947,966 | 1,959,670 | 10,907,636 |
| PEP | 10,744,099 | 422,152 | 11,166,251 |
| | 19,692,065 | 2,381,822 | 22,073,887 |
| | 58,042,684 | 109,608,912 | 167,651,596 |

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

Mont-aire

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

PEP

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

No share in net earnings (losses) of PEP was recognized for the three months period ended March 31, 2026 and 2025.

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

Gamespan has not started its commercial operations since its establishment. In 2014, the Group and MJC agreed to terminate its shareholder's agreement and to close Gamespan. As at March 31, 2026 and December 31, 2025, the joint venture is not yet operating since they have a pending registration with the Bureau of Internal Revenue (BIR). However, Gamespan is taking actions to amend their GIS and reactivate their dormant bank accounts. Since Gamespan has yet to start its operations, the Group did not recognize any share in net earnings as of March 31, 2026 and 2025.

INQ7
Losses of INQ7 recognized under the equity method in excess of the Group's carrying value of investment were applied against its advances to the Parent Company thereby reducing both advances and investments to zero as at March 31, 2026 and December 31, 2025. INQ7 ceased operations in 2007. In 2013, INQ7 submitted a request to liquidate its assets to SEC. The liquidation is still ongoing as at March 31, 2026.

The Group believes that its interests in joint ventures are not individually material.

## 15. Property and Equipment at Cost

*Please refer to Exhibit 3 for the rollforward analysis of property and equipment at cost.*

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

The Group leases out a portion of its property and equipment at cost. Total rental income recognized for the leased portion amounted to ₱1.73 million and ₱1.94 million as of March 31, 2026 and 2025, respectively (see Note 29).

The Group disposed various property and equipment as at March 31, 2026 and 2025 resulting to the recognition of gain on sale amounting to ₱6.17 million and ₱10.96 million, respectively (see Note 29).

As at March 31, 2026 and December 31, 2025, no property and equipment have been pledged as collateral or security for any of the Group's liabilities.

## 16. Land at Revalued Amounts

The following are the details of this account as at March 31, 2026 and December 31, 2025:

| | |
|---|---|
| Cost | **526,025,559** |
| Revaluation increment | **8,866,308,396** |
| | **9,392,333,955** |

The fair value from the March 31, 2026 and December 31, 2025 appraisals were determined using the "Market Data Approach" as determined by independent professionally qualified appraisers and based on its highest and best use. The fair value represents the amount that would be received to sell the property in an orderly transaction between market participants at the date of valuation in accordance with International Valuation Standards. The fair value is categorized under Level 3 of the fair value hierarchy.

As of March 31, 2026 and December 31, 2025, the fair value of land is directly proportional to the asking price of the comparable land and adjusted according to the following considerations:

| Significant unobservable input | |
|---|---|
| Asking price per square meter | ₱270 to ₱350,000 |
| Sales price adjustment | 5% to 10% |
| Lot size adjustment | 5% to 20% |

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

Management believes that the carrying value of land as of March 31, 2026 and December 31, 2025 approximates the fair values as at March 31, 2026 and December 31, 2025.

As at March 31, 2026 and December 31, 2025, no land has been pledged as collateral or security for any of the Group's liabilities and the Group has no restrictions on the realizability of its land and no contractual obligation to purchase, construct or develop land or for repairs, maintenance and enhancements.

17. **Investment Properties**

| | **March 31, 2026 (Unaudited)** | | |
|---|---|---|---|
| | **Land and Improvements** | **Buildings and Improvements** | **Total** |
| Cost: | | | |
| Balance at beginning and end of period | **23,761,823** | **73,777,963** | **97,539,786** |
| Accumulated depreciation: | | | |
| Balance at beginning of period | **-** | **64,303,032** | **64,303,032** |
| Depreciation during the period | **-** | **364,363** | **364,363** |
| Balance at end of period | **-** | **64,667,395** | **64,667,395** |
| Accumulated impairment: | | | |
| Balance at beginning and end of period | **-** | **3,852,641** | **3,852,641** |
| | **23,761,823** | **5,257,927** | **29,019,750** |

| | December 31, 2025 (Audited) | | |
|---|---|---|---|
| | Land and Improvements | Buildings and Improvements | Total |
| Cost: | | | |
| Balance at beginning and end of period | 23,761,823 | 73,777,963 | 97,539,786 |
| Accumulated depreciation: | | | |
| Balance at beginning of period | - | 62,845,581 | 62,845,581 |
| Depreciation during the period | - | 1,457,451 | 1,457,451 |
| Balance at end of period | - | 64,303,032 | 64,303,032 |
| Accumulated impairment: | | | |
| Balance at beginning and end of period | - | 3,852,641 | 3,852,641 |
| | 23,761,823 | 5,622,290 | 29,384,113 |

The fair value of investment properties owned by the Group amounted to ₱305.18 million as at March 31, 2026 and December 31, 2025. Land used in operations was last appraised on December 31, 2023 by an accredited firm of appraisers and is valued in terms of its highest and best use.

The fair value was arrived at through the use of the "Market Data Approach". The fair value represents the amount that would be received to sell the property in an orderly transaction between market participants at the date of valuation.

The description of the valuation techniques used and key inputs to fair valuation are as follows:

| | Valuation Technique | Significant Unobservable Inputs | Range |
|---|---|---|---|
| Land | Market comparable assets | Price per square meter | ₱1,400-₱11,700 |
| Building for lease | Market comparable assets | Price per square meter | ₱22,000-₱117,000 |

As at March 31, 2026 and December 31, 2025, no investment properties have been pledged as collateral or security for any of the Group's liabilities and the Group has no restriction on the realizability of its investment properties and no contractual obligation to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

## 18. Other Noncurrent Assets

This account consists of:

| | **March 31, 2026 (Unaudited)** | December 31, 2025 (Audited) |
|---|---|---|
| Restricted cash | **302,604,243** | 302,604,243 |
| Refundable deposits (see Notes 32 and 33) | **44,331,507** | 44,238,770 |
| Investments in artworks | **10,186,136** | 10,186,136 |
| Software costs | **8,321,757** | 9,982,360 |
| Facilities | **6,605,462** | 6,605,462 |
| Guarantee deposits | **2,162,420** | 2,162,420 |
| Deferred production costs | **1,883,174** | 1,706,914 |
| Deferred input VAT | **476,429** | 724,012 |
| | **376,571,128** | 378,210,317 |

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

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

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

Software cost relates to software applications and website development costs which provide an edge on the Group's online presence and other software issues.

The movements in software costs follow:

| | March 31, 2026 (Unaudited) | December 31, 2025 (Audited) |
|---|---|---|
| Cost: | | |
| Balance at beginning of period | **574,654,918** | 569,296,236 |
| Additions during the period | **-** | 5,358,682 |
| Balance at end of period | **574,654,918** | 574,654,918 |
| Accumulated amortization: | | |
| Balance at beginning of period | **564,672,558** | 547,314,923 |
| Amortization during the period (see Notes 27) | **1,660,603** | 17,357,635 |
| Balance at end of period | **566,333,161** | 564,672,558 |
| | **8,321,757** | 9,982,360 |

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

Guarantee deposits consist of the Meralco refund and refundable rental deposits used for Parent Company's programs.

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

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

## 19. Short-term Loans

The Group obtained unsecured short-term peso from local banks in March 31, 2026 and December 31, 2025. Details and movements of the short-term loans are as follows:

| | March 31, 2026 (Unaudited) | December 31, 2025 (Audited) |
|---|---|---|
| Balance at beginning of period | **1,476,683,750** | 3,720,545,000 |
| Payments | **(851,190,000)** | (4,043,861,250) |
| Additions | **-** | 1,800,000,000 |
| Balance at end of period | **625,493,750** | 1,476,683,750 |

The loans consist of fixed rate notes with the following details:

| Lender | Annual interest rate | Terms | March 31, 2026 | December 31, 2025 |
|---|---|---|---|---|
| Banco de Oro | 5.10% to 5.50% | Availed in 2025, payable in 280-310 days | **₱150,000,000** | ₱750,000,000 |
| Metropolitan Bank | 5.10% to 5.50% | Availed in 2024, payable in 180-355 days | **450,000,000** | 700,000,000 |
| Security Bank | 2.75% | Availed in 2025, payable in 360 days | **25,493,750** | 26,683,750 |
| | | | **₱625,493,750** | ₱1,476,683,750 |

Interest expense on peso denominated loans amounted to ₱14.42 million and ₱43.32 million for the three-month period ended March 31, 2026 and 2025, respectively.

## 20. Trade Payables and Other Current Liabilities

This account consists of:

| | March 31, 2026 (Unaudited) | December 31, 2025 (Audited) |
|---|---|---|
| Accrued expenses: | | |
| Utilities and others | **645,397,819** | 495,478,114 |
| Payroll and talent fees | **133,508,145** | 127,544,191 |
| Production costs | **219,532,713** | 293,261,177 |
| Commissions | **79,772,297** | 80,832,325 |
| Payable to government agencies | **875,986,875** | 896,640,948 |
| Trade payables | **605,610,422** | 732,772,643 |
| Contract liabilities | **520,494,419** | 54,243,746 |
| Customers' deposits | **94,252,219** | 96,375,378 |
| Others | **72,797,090** | 89,240,922 |
| | **3,247,351,999** | 2,866,389,444 |

Accrued expenses and other payables are noninterest-bearing and are generally settled within the next 12 months.

Payable to government agencies is composed of the Group's statutory compensation-related contributions to government agencies and net VAT and withholding taxes payable to the Bureau of Internal Revenue (BIR). The difference between the accrual accounting under the accounting standards and cash-basis accounting as prescribed by the BIR for service-related companies caused the Group to normally incur deferred output VAT which forms a substantial part of the Group's payable to government agencies. These payables are remitted within 30 days after reporting period.

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

Contract liabilities pertain to payments received before broadcast and before delivery of goods and services amounting to ₱520.49 million and ₱54.24 million as at March 31, 2026 and December 31, 2025, respectively. These are recognized as revenue when the Group performs the obligation under the contract. As of March 31, 2026 and December 31, 2025, this account also includes contract liabilities of ₱12.42 million and ₱30.00 million, respectively. from airtime credits that have not been implemented resulting from the exchange of the Group's interests in X-Play in 2015 (see Note 13). Contract liabilities are recognized as revenue when the Group performs the obligation under the contract.

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

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

## 21. **Obligations for Program and Other Rights**

Obligations for program and other rights represent liabilities to foreign and local film suppliers for program and other rights purchased by the Group. Outstanding unpaid current balance as at March 31, 2026 and December 31, 2025 are as follows:

| | **March 31, 2026 (Unaudited)** | December 31, 2025 (Audited) |
|---|---|---|
| Current obligation for program rights | **556,826,854** | 631,972,080 |
| Noncurrent obligation for program rights | **14,147,368** | 56,589,474 |
| | **570,974,222** | 688,561,554 |

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

## 22. **Material Events**

A. Any known trends, demands, commitments, events or uncertainties that will have a material impact on the issuer's liquidity.

As of March 31, 2026, there are no known trends, demands, commitments, events or uncertainties that will have a material impact on the issuer's liquidity.

B. Any material commitments for capital expenditures, the general purpose of such commitments and the expected sources of funds for such expenditures.

The 2026 Capital Expenditure budget of the parent company amounts to ₱236.49 million. This will be financed from internally-generated funds.

C. 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.

D. Any 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 March 31, 2026, there are no events which may trigger a direct or contingent financial obligation that is material to the Company.

E. Any significant elements of income or loss that did not arise from the issuer's continuing operations.

As of March 31, 2026, there are no significant elements of income or loss that did arise from the issuer's continuing operations.

F. Any 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.

G. Any material events that were unusual because of their nature, size or incidents affecting assets, liabilities, equity, net income, or cash flows.

There are no material events that were unusual because of their nature, size or incidents affecting assets, liabilities, equity, net income, or cash flows.

H. Any material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period.

There were no material events, subsequent to the end of interim period that have not been reflected in the financial statements for the interim period.

23. **Equity**

a. Capital Stock

Details of capital stock as at March 31, 2026 and December 31, 2025 are as follow:

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

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

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

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

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

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

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

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

b. Retained Earnings

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

| Year | Declaration Date | Record Date | Cash Dividend Per Share | Total Cash Dividend Declaration |
|---|---|---|---|---|
| **2026** | **March 25, 2026** | **April 20, 2026** | **P0.40** | **P1,945,876,800** |
| 2025 | March 31, 2025 | April 29, 2025 | P0.50 | 2,432,346,000 |
| 2024 | April 3, 2024 | April 24, 2024 | P0.60 | 2,918,815,200 |

The Parent Company's outstanding dividends payable amounts to ₱1,984.72 million and ₱39.59 million as at March 31, 2026 and December 31, 2025, respectively.

## 24. Related Party Disclosures

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

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

Outstanding balances at year-end are unsecured and settlement occurs in cash throughout the financial year. There have been no guarantees provided or received for any related party receivables or payables. For periods ended

March 31, 2026 and December 31, 2025, the Group has not recorded any impairment of receivables on amounts owed by the related parties. The assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

In the ordinary course of business, the Group transacts with associates, affiliates, jointly controlled entities and other related parties on advances, reimbursement of expenses, and future stock subscriptions.

The transactions and balances of accounts as at and for the periods ended March 31, 2026 and December 31, 2025 with related parties are as follows:

| Related Party | Category | Year | Amount/ Volume of Transactions | Receivables (Payables) | Terms | Conditions |
|---|---|---|---|---|---|---|
| **Associate -** | | | | | | |
| Mont-Aire | Advances | **2026** | **-** | **107,227,090** | Noninterest- | Unsecured; |
| | (see Note 14) | 2025 | 1,060,118 | 107,227,090 | bearing | not impaired |
| **Common stockholders:** | | | | | | |
| GMA Kapuso Foundation, Inc. | Reimbursable charges | **2026** | **6,344,674** | **1,553,929** | On demand, | Unsecured; |
| | | 2025 | 3,075,170 | 1,427,856 | noninterest-bearing | not impaired |
| Belo, Gozon, Elma Law | Legal, consulting and retainers' fees | **2026** | **5,094,716** | **-** | On demand, | Unsecured; |
| | | 2025 | 21,208,856 | - | noninterest-bearing | not impaired |
| **Joint ventures:** | | | | | | |
| Gamespan | Advances | **2026** | **-** | **1,959,670** | Noninterest- | Unsecured; |
| | (see Note 14) | 2025 | - | 1,959,670 | bearing | not impaired |
| PEP | Advances | **2026** | **-** | **252,823** | Noninterest- | Unsecured; |
| | (see Note 14) | 2025 | 124,085 | 422,152 | bearing | not impaired |

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

Compensation of Key Management Personnel

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

| | **March 31, 2026** (Unaudited) | March 31, 2025 |
|---|---|---|
| Salaries and short-term benefits | **184,844,041** | 159,208,484 |
| Pension benefits | **64,877,467** | 53,454,703 |
| | **249,721,508** | 212,663,187 |

Equity Investments of the Retirement Fund

The Group's retirement fund includes equity investments in GMA Network, Inc. and GMA PDRs amounting to ₱376.32 million and ₱104.81 million as at March 31, 2025, respectively, and ₱355.30 million and ₱98.13 million as at December 31, 2025, respectively.

## 25. **Revenues**

Set out below is the disaggregation of the Group's revenues from contract with customers for the three months ended March 31:

| | **March 31, 2026** | March 31, 2025 |
|---|---|---|
| | (Unaudited) | |
| **Revenue source** | | |
| Sale of service | | |
| Advertising revenue | **2,980,620,509** | 4,348,932,157 |
| Subscription revenue | **156,497,072** | 166,396,420 |
| Revenue from distribution and content provisioning | **74,384,491** | 27,939,183 |
| Production revenue | **130,522,978** | 118,198,646 |
| Sale of goods | **19,673,985** | 23,009,881 |
| **Total revenue from contracts with customers** | **3,361,699,035** | 4,684,476,287 |
| | | |
| **Geographical markets** | | |
| Local | **3,196,426,467** | 4,507,046,867 |
| International | **165,272,568** | 177,429,420 |
| **Total revenue from contracts with customers** | **3,361,699,035** | 4,684,476,287 |
| | | |
| **Timing of revenue recognition** | | |
| Services transferred at one point in time | **3,205,201,963** | 4,518,079,867 |
| Services transferred over time | **156,497,072** | 166,396,420 |
| **Total revenue from contracts with customers** | **3,361,699,035** | 4,684,476,287 |

## 26. **Production Costs**

| | **March 31, 2026** | March 31, 2025 |
|---|---|---|
| | (Unaudited) | |
| Talent fees and production personnel costs (see Note 28) | **952,921,434** | 1,062,149,868 |
| Program and other rights usage | **282,950,565** | 320,264,592 |
| Facilities and production services | **252,543,705** | 184,892,575 |
| Depreciation (see Note 15) | **146,333,370** | 146,801,154 |
| Rental | **113,003,743** | 135,105,586 |
| Tapes sets and production supplies | **85,423,540** | 91,829,358 |
| Transportation and communication | **19,219,074** | 26,527,859 |
| | **1,852,395,431** | 1,967,570,992 |

## 27. General and Administrative Expenses

| | **March 31, 2026** (Unaudited) | March 31, 2025 |
|---|---|---|
| Personnel costs (see Note 28) | **891,402,470** | 1,082,575,654 |
| Professional fees | **95,469,332** | 121,664,551 |
| Communication, light and water | **82,819,442** | 80,063,437 |
| Depreciation (see Notes 15, 17 and 30) | **60,075,040** | 68,198,282 |
| Taxes and licenses | **51,901,060** | 55,706,583 |
| Software maintenance | **46,673,997** | 42,739,815 |
| Advertising | **36,091,604** | 27,907,149 |
| Repairs and maintenance | **34,982,670** | 27,846,455 |
| Research and surveys | **30,699,744** | 29,567,828 |
| Security services | **21,823,853** | 23,437,187 |
| Marketing expenses | **13,557,482** | 9,972,611 |
| Transportation and travel | **10,222,164** | 5,724,336 |
| Facilities | **7,727,518** | 12,727,757 |
| Insurance | **6,690,368** | 7,447,630 |
| Janitorial services | **5,707,273** | 6,587,008 |
| Rental | **3,168,697** | 3,571,938 |
| Materials and supplies | **2,347,279** | 1,846,462 |
| Entertainment, amusement and recreation | **2,016,565** | 2,033,960 |
| Amortization of software costs (see Note 18) | **1,660,603** | 4,751,693 |
| Provision for ECL (see Note 9) | **125,000** | 125,000 |
| Others | **44,337,132** | 42,769,323 |
| | **1,449,499,293** | 1,657,264,659 |

Others include expenses incurred for other manpower, donations, freight and handling, and other miscellaneous expenses.

*Depreciation and Amortization*

| | **March 31, 2026** (Unaudited) | March 31, 2025 |
|---|---|---|
| Property and equipment: | | |
| Production costs (see Note 26) | **141,977,930** | 141,827,846 |
| General and administrative expenses | **58,203,182** | 65,702,393 |
| Right-of-Use assets: | | |
| Production costs (see Note 26) | **4,355,440** | 4,973,308 |
| General and administrative expenses | **1,507,495** | 2,150,292 |
| Investment properties - | | |
| General and administrative expenses | **364,363** | 345,597 |
| | **206,408,410** | 214,999,436 |

## 28. **Personnel Costs**

This account consists of:

| | **March 31, 2026** (Unaudited) | March 31, 2025 |
|---|---|---|
| Salaries and wages | **846,274,292** | 811,857,828 |
| Talent fees | **609,588,380** | 663,468,860 |
| Pension expense | **168,554,892** | 167,917,980 |
| Employee benefits and allowances | **165,249,822** | 331,246,037 |
| Sick and vacation leaves expense | **54,656,518** | 170,234,817 |
| | **1,844,323,904** | 2,144,725,522 |

The said amounts were distributed as follows:

| | **March 31, 2026** (Unaudited) | March 31, 2025 |
|---|---|---|
| Production costs (see Note 26) | **952,921,434** | 1,062,149,868 |
| General and administrative expenses (see Note 27) | **891,402,470** | 1,082,575,654 |
| | **1,844,323,904** | 2,144,725,522 |

## 29. **Others** - Net

This account consists of the following income (expenses):

| | **March 31, 2026** (Unaudited) | March 31, 2025 |
|---|---|---|
| Commissions from Artist Center | **52,393,448** | 56,085,054 |
| Gain on sale of property and equipment | **6,169,562** | 10,957,178 |
| Merchandising license fees and others | **5,708,150** | 5,827,864 |
| Rental | **1,728,009** | 1,943,160 |
| Bank charges | **(345,203)** | (270,641) |
| Others | **246,604** | 73,006 |
| | **65,900,570** | 74,615,621 |

Merchandising license fees and others include income from mall shows, rental and sale of wardrobe and props rental and sale of scraps.

## 30. **Agreements**

<u>Lease Agreements</u>

*Group as a Lessee*

The Group entered into various lease agreements for land, building, studio and office spaces that it presently occupies and uses for periods ranging from two to 12 years. The lease agreements can be renewed subject to mutual agreement and can be terminated at the option of the Group. Previously, these leases were classified as operating leases under PAS 17.

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

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

| | **March 31, 2026 (Unaudited)** | | |
|---|---|---|---|
| | **Right-of-use: Land** | **Right-of-use: Buildings, studio and office spaces** | **Right-of-use: Total** |
| **Cost -** | | | |
| Balance at the beginning of the year | **115,499,479** | **76,077,647** | **191,577,126** |
| Additions | **19,806,537** | **4,896,177** | **24,702,714** |
| Balance at the end of the period | **135,306,016** | **80,973,824** | **216,279,840** |
| **Accumulated Depreciation** | | | |
| Balance at the beginning of the year | **40,240,540** | **45,597,757** | **85,838,297** |
| Depreciation (see Note 27) | **2,579,880** | **3,283,055** | **5,862,935** |
| Balance at the end of the period | **42,820,420** | **48,880,812** | **91,701,232** |
| **Net Book Value** | **92,485,596** | **32,093,012** | **124,578,608** |

| | December 31, 2025 (Audited) | | |
|---|---|---|---|
| | Right-of-use: Land | Right-of-use: Buildings, studio and office spaces | Right-of-use: Total |
| **Cost** | | | |
| Balance at the beginning of the year | 146,081,506 | 95,704,409 | 241,785,915 |
| Additions | 24,741,424 | 17,427,755 | 42,169,179 |
| Retirement | (55,323,451) | (37,054,517) | (92,377,968) |
| Balance at the end of the year | 115,499,479 | 76,077,647 | 191,577,126 |
| **Accumulated Depreciation** | | | |
| Balance at the beginning of the year | 69,785,515 | 80,716,348 | 150,501,863 |
| Depreciation | 11,983,246 | 12,979,500 | 24,962,746 |
| Cancellations | (41,528,221) | (48,098,091) | (89,626,312) |
| Balance at the end of the year | 40,240,540 | 45,597,757 | 85,838,297 |
| **Net Book Value** | 75,258,939 | 30,479,890 | 105,738,829 |

The rollforward analysis of lease liabilities follows:

| | **March 31, 2026 (Unaudited)** | December 31, 2025 (Audited) |
|---|---|---|
| Balance at the beginning of the year | **130,249,135** | 115,621,677 |
| Additions | **24,702,714** | 42,169,179 |
| Accretion of interest | **1,944,180** | 7,732,485 |
| Payments | **(10,142,863)** | (35,274,206) |
| Balance at the end of the period | **146,753,166** | 130,249,135 |

| | March 31, 2026 (Unaudited) | December 31, 2025 (Audited) |
|---|---|---|
| Current portion | **19,781,506** | 16,590,142 |
| Noncurrent portion | **126,971,660** | 113,658,993 |
| | **146,753,166** | 130,249,135 |

The rollforward analysis of dismantling provision follows:

| | March 31, 2026 (Unaudited) | December 31, 2025 (Audited) |
|---|---|---|
| Balance at the beginning of the year | **29,141,656** | 52,557,654 |
| Accretion of interest | **332,350** | 2,512,482 |
| Derecognition | **-** | (25,928,480) |
| Balance at the beginning of the period | **29,474,006** | 29,141,656 |

Total rental expense on short-term leases amounted to ₱116.17 million and ₱138.68 million as of March 31, 2026 and 2025, respectively (see Notes 26 and 27).

*Group as Lessor.* The Group leases out certain properties for a period of one year, renewable annually. The leased-out properties include investment properties, and broadcasting equipment. Total rental income amounted to ₱1.73 million and ₱1.94 million as of March 31, 2026 and 2025, respectively (see Note 29).

Subscription Agreements

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

Total subscription revenues amounted to ₱156.50 million and ₱166.40 million for the three months ended March 31, 2026 and 2025, respectively (see Note 25).

## 31. EPS Computation

The computation of basic EPS follows:

| | March 31, 2026 | March 31, 2025 |
|---|---|---|
| | (Unaudited) | |
| Net income attributable to Equity Holders of Parent Company (a) | **102,473,100** | 801,676,376 |
| Less attributable to preferred shareholders | **31,596,995** | 247,192,333 |
| Net income attributable to common shareholders (b) | **70,876,105** | 554,484,043 |
| Weighted average number of common shares for basic EPS ( c ) | **3,362,494,500** | 3,362,494,500 |
| Weighted average number of common shares | **3,362,494,500** | 3,362,494,500 |
| Effect of dilution - assumed conversion of preferred shares | **1,500,000,000** | 1,500,000,000 |
| Weighted average number of common shares adjusted for the effect of dilution (d) | **4,864,692,000** | 4,864,692,000 |
| Basic EPS (b/c) | **0.021** | 0.165 |
| Diluted EPS (a/d) | **0.021** | 0.165 |

32. **Financial Risk Management Objectives and Policies**

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

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

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

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

The tables below summarize the maturity profile of the Group's financial assets used for liquidity risk based on contractual undiscounted payments as at March 31, 2026 and December 31, 2025:

| | March 31, 2026 (Unaudited) | | | | |
|---|---|---|---|---|---|
| | **On Demand** | **> 3 Months** | **3 to 12 Months** | **More than 1 year** | **Total** |
| Cash and cash equivalents | **1,170,526,226** | **177,004,755** | **-** | **-** | **1,347,530,981** |
| Trade receivables: | | | | | |
| Television and radio airtime | **1,127,628,279** | **5,838,115,302** | **-** | **-** | **6,965,743,581** |
| Subscription | **156,352,779** | **5,897,058** | **-** | **-** | **162,249,837** |
| Others | **152,918,779** | **70,425,682** | **-** | **-** | **223,344,461** |
| Nontrade receivables | | | | | |
| Advances to officers and employees | **7,142,145** | **51,161** | **-** | **-** | **7,193,306** |
| Others | **6,639,442** | **5,190,486** | **-** | **-** | **11,829,928** |
| Refundable deposits* | **-** | **-** | **-** | **44,331,507** | **44,331,507** |
| Financial assets at FVOCI | **-** | **-** | **-** | **410,220,979** | **410,220,979** |
| | **2,621,207,650** | **6,096,684,444** | **-** | **454,552,486** | **9,172,444,580** |
| Trade payables and other current liabilities** | **612,343,403** | **1,012,061,995** | **132,213,088** | **-** | **1,756,618,486** |
| Short-term loans*** | **-** | **603,200,000** | **22,293,750** | **-** | **625,493,750** |
| Obligation for program and other rights | **-** | **96,257,146** | **460,569,708** | **14,147,368** | **570,974,222** |
| Lease liability | **-** | **5,985,686** | **13,795,820** | **126,971,660** | **146,753,166** |
| Dividends payable | **38,838,305** | **1,945,876,800** | **-** | **-** | **1,984,715,105** |
| | **651,181,708** | **3,663,381,627** | **628,872,366** | **141,119,028** | **5,084,554,729** |
| Liquidity Portion (Gap) | **1,970,025,942** | **2,433,302,817** | **(628,872,366)** | **313,433,458** | **4,087,889,851** |

**Included under "Other noncurrent assets" account in the consolidated statements of financial position (see Note 18).*

*** Excluding payable to government agencies, customers' deposits and contract liabilities amounting to P875.99 million, P94.25 million, and P520.49 million, respectively (see Note 20).*

****Gross contractual payments.*

| | December 31, 2025 (Audited) | | | | |
|---|---|---|---|---|---|
| | On Demand | > 3 Months | 3 to 12 Months | More than 1 year | Total |
| Financial assets at amortized cost: | | | | | |
| Cash and cash equivalents | 1,111,193,731 | 350,191,984 | - | - | 1,461,385,715 |
| Trade receivables: | | | | | |
| Television and radio airtime | 2,043,285,887 | 4,993,849,446 | - | - | 7,037,135,333 |
| Subscriptions | 147,281,287 | 38,302,288 | - | - | 185,583,575 |
| Others | 153,834,506 | 21,544,110 | - | - | 175,378,616 |
| Nontrade receivables | | | | | |
| Advances to officers and employees | 6,195,417 | 85,546 | - | - | 6,280,963 |
| Others | 34,406,703 | 1,401,740 | - | - | 35,808,443 |
| Refundable deposits* | - | - | - | 44,238,770 | 44,238,770 |
| Financial assets at FVOCI | - | - | - | 404,465,579 | 404,465,579 |
| | 3,496,197,531 | 5,405,375,114 | - | 448,704,349 | 9,350,276,994 |
| *Forward* | | | | | |
| Loans and borrowings: | | | | | |
| Trade payables and other current liabilities** | 753,390,071 | 937,487,122 | 128,252,179 | - | 1,819,129,372 |
| Short-term loans*** | - | 1,257,535,000 | 219,148,750 | - | 1,476,683,750 |
| Obligation for program and other rights | - | 342,676,588 | 289,295,492 | 56,589,474 | 688,561,554 |
| Lease liabilities | - | 5,983,903 | 10,606,239 | 113,658,993 | 130,249,135 |
| Dividends payable | 39,510,213 | - | - | - | 39,510,213 |
| | 792,900,284 | 2,543,682,613 | 647,302,660 | 170,248,467 | 4,154,134,024 |
| Liquidity Portion (Gap) | 2,703,297,247 | 2,861,692,501 | (647,302,660) | 278,455,882 | 5,196,142,970 |

**Included under "Other noncurrent assets" account in the consolidated statements of financial position (see Note 18).*
*** Excluding payable to government agencies, customers' deposits and contract liabilities amounting to P896.64 million, P54.24 million, and P96.38 million, respectively (see Note 20).*
****Gross contractual payments.*

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

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

| | **March 31, 2026 (Unaudited)** | | December 31, 2025 (Audited) | |
|---|---|---|---|---|
| **Assets** | | | | |
| Cash and cash equivalents | **$9,598,587** | **P583,114,146** | $13,275,268 | P780,453,028 |
| | **C$372,191** | **16,238,677** | C$156,234 | 6,720,297 |
| Trade receivables | **$1,935,775** | **117,598,322** | $3,009,401 | 176,922,713 |
| | **C$656,862** | **28,658,894** | C$629,033 | 27,057,489 |
| | **S$308,757** | **14,523,916** | S$275,174 | 12,608,372 |
| | **A$18,907** | **786,533** | A$19,972 | 786,533 |
| | **DH41,243** | **682,162** | DH42,607 | 682,162 |
| Short-term investments | **$33,557** | **2,038,571** | $1,408,380 | 82,798,541 |
| | | **P763,641,221** | | P1,088,029,235 |

*Forward*

| | March 31, 2026 | | December 31, 2025 | |
|---|---|---|---|---|
| | (Unaudited) | | (Audited) | |
| **Liabilities** | | | | |
| Trade payables | **($1,308,374)** | **(P79,483,721)** | ($2,317,991) | P136,2764,691) |
| | **(€35,360** | **(2,462,117)** | (€35,373) | (2,449,743) |
| | **(£1,046)** | **(83,795)** | £- | - |
| | **(HK$500)** | **(3,875)** | HK$- | - |
| Obligations for program and other rights | **($7,673,478)** | **(451,123,779)** | ($7,673,478) | (451,123,779) |
| | | **P429,481,529** | | (P589,848,213) |
| | | **P344,159,693** | | P498,181,022 |

In translating the foreign currency-denominated monetary assets and liabilities into Philippine peso amounts, the exchange rate used were ₱60.75 to US$1.00 and ₱58.79 to US$1.00 as at March 31, 2026 and December 31, 2025, respectively. The exchange rate for Philippine peso to Canadian dollar was ₱43.63 to CAD$1.00 and ₱43.01 to CAD$1.00 as at March 31, 2026 and December 31, 2025, respectively. The peso equivalents for the Singaporean Dollar, Australian Dollar, Dirham, Euro, Pound, and HongKong Dollar were ₱47.05, ₱41.60, ₱16.54, ₱69.63, ₱80.11, and ₱7.75, respectively as at March 31, 2026. The peso equivalents for the Singaporean Dollar, Australian Dollar, Dirham, Euro, and Pound were ₱45.82, ₱39.38, ₱16.01, ₱69.25, and ₱79.41, respectively as at December 31, 2025.

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

| | **Appreciation/ (Depreciation) of Peso** | **USD** | **CAD** | **SGD** | **AUD** | **AED** | **EUR** | **HKD** | **GBP** | **Total** |
|---|---|---|---|---|---|---|---|---|---|---|
| **March 31, 2026** | | | | | | | | | | |
| (Unaudited) | **0.50** | **₱580,113** | **₱128,632** | **₱38,595** | **₱2,363** | **₱5,155** | **(₱4,420)** | **(₱63)** | **(₱131)** | **₱750,245** |
| | **(0.50)** | **(580,113)** | **(128,632)** | **(38,595)** | **(2,363)** | **(5,155)** | **4,420** | **63** | **131** | **(750,245)** |
| December 31, 2025 | 0.50 | ₱3,850,790 | ₱392,633 | ₱137,587 | ₱9.987 | ₱21,304 | (₱17,687) | - | - | (₱4,394,614) |
| (Audited) | (0.50) | (3,850,790) | (392,633) | (137,587) | (9.987) | (21,304) | 17,687 | - | - | 4,394,614 |

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

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

The following table shows the maximum exposure to credit risk for the components of the consolidated financial position as at March 31, 2026 and December 31, 2025:

| | **March 31, 2026 (Unaudited)** | December 31, 2025 (Audited) |
|---|---|---|
| Financial assets at amortized cost | | |
| Cash and cash equivalents* | **1,243,784,528** | 1,393,780,579 |
| Trade receivables: | | |
| Television and radio airtime | **6,965,743,581** | 7,037,135,333 |
| Subscription | **162,249,837** | 185,583,575 |
| Others | **223,344,461** | 175,378,616 |
| Nontrade receivables: | | |
| Advances to officers and employees | **7,193,306** | 6,280,963 |
| Others | **11,829,928** | 35,808,443 |
| Refundable deposit** | **44,331,507** | 44,238,770 |
| | **8,658,477,148** | 8,878,206,279 |
| Financial assets at FVOCI | **410,220,979** | 404,465,579 |
| | **9,068,698,127** | 9,282,671,858 |

**Excluding cash on hand and production fund amounting to P103.75 million and P67.61 million as at March 31, 2026 and December 31, 2025, respectively.*
***Included under "Other noncurrent assets" account in the consolidated statements of financial position (see Note 18).*

The maximum exposure for cash and cash equivalents (excluding cash on hand) is the carrying amount less insured amount by the Philippine Deposit Insurance Corporation equivalent to the actual cash balance to a maximum of ₱0.50 million per depositor per bank. Beginning March 15, 2025, the insured amount has increased to ₱1.00 million per depositor per bank. The maximum exposure of trade and non-trade receivables and refundable deposits is equal to its carrying amount.

Credit quality of Financial Assets, Other than Trade Receivables

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

Stage 1 - Those that are considered current and up to 120 past due and based on change in rating delinquencies and payment history, do not demonstrate significant increase in credit risk.

Stage 2 - Those that, based on change in rating, delinquencies and payment history, demonstrate significant increase in credit risk, and/or are considered more than 120 to 360 days past due but does not demonstrate objective evidence of impairment as of reporting date.

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

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

| | March 31, 2026 (Unaudited) | | | |
|---|---|---|---|---|
| | ECL Staging | | | |
| | Stage 1 | Stage 2 | Stage 3 | |
| | 12-month ECL | Lifetime ECL | Lifetime ECL | Total |
| **Financial assets at amortized cost** | | | | |
| **Cash and cash equivalents*** | **1,243,784,528** | **-** | **-** | **1,243,784,528** |
| **Nontrade receivables:** | | | | |
| **Advances to offices and employees** | **7,193,306** | **-** | **-** | **7,193,306** |
| **Others** | **11,829,928** | **-** | **-** | **11,829,928** |
| **Refundable deposits**** | **44,331,507** | **-** | **-** | **44,331,507** |
| | **1,307,139,269** | **-** | **-** | **1,307,139,269** |

****Excluding cash on hand and production fund amounting to P103.75 million as at March 31, 2026.***
*****Included under "Other noncurrent assets" account in the consolidated statements of financial position (see Note 18).***

| | December 31, 2025 (Audited) | | | |
|---|---|---|---|---|
| | ECL Staging | | | |
| | Stage 1 | Stage 2 | Stage 3 | |
| | 12-month ECL | Lifetime ECL | Lifetime ECL | Total |
| Financial assets at amortized cost | | | | |
| Cash and cash equivalents* | 1,393,780,579 | - | - | 1,393,780,579 |
| Nontrade receivables: | | | | |
| Advances to offices and employees | 6,280,963 | - | - | 6,280,963 |
| Others | 35,808,443 | - | - | 35,808,443 |
| Refundable deposits** | 44,238,770 | - | - | 44,238,770 |
| | 1,480,108,755 | - | - | 1,480,108,755 |

**Excluding cash on hand and production fund amounting to P67.61 million as at December 31, 2025.*
***Included under "Other noncurrent assets" account in the consolidated statements of financial position (see Note 18).*

Credit Quality of Trade Receivables

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

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

| | March 31, 2026 (Unaudited) | | | | | | |
|---|---|---|---|---|---|---|---|
| | | Days past due | | | | | |
| | **Current** | **0-30 days** | **31-60 days** | **61-90 days** | **91-360 days** | **Over 360 days** | **Total** |
| Expected credit loss rate | **0.54%** | **2.75%** | **8.20%** | **8.34%** | **16.00%** | **43.84%** | |
| Total gross carrying amount | **₱5,919,679,689** | **₱78,268,978** | **₱22,240,564** | **₱50,347,720** | **₱254,042,324** | **₱1,045,781,838** | **₱7,370,361,113** |
| Expected credit loss | **20,552,979** | **12,161,707** | **21,584,158** | **15,692,947** | **128,356,534** | **849,772,358** | **1,048,120,683** |

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

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

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

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

No changes were made in the objectives, policies or processes for periods ended March 31, 2026 and December 31, 2025.

The Group monitors its capital gearing by measuring the ratio of interest-bearing loan to total equity. The Group's interest-bearing loans, which are short-term loans, amounted to ₱625.49 million and ₱1,476.68 million as at March 31, 2026 and December 31, 2025, respectively. The Group's total equity attributable to equity holders of the Parent Company as at March 31, 2026 and December 31, 2025 amounted to ₱11,572.51 million and ₱13,423.27 million, respectively.

## 33. Fair Value Measurement

The table below presents the carrying values and fair values of the Group's assets and liabilities, by category and by class, as at March 31, 2026 and December 31, 2025:

| | March 31, 2026 (Unaudited) | | | |
|---|---|---|---|---|
| | | Fair Value | | |
| | **Carrying Value** | **Quoted Prices in Active Market (Level 1)** | **Significant bservable Input (Level 2)** | **Significant Unobservable Inputs (Level 3)** |
| *Assets Measured at Fair Value* | | | | |
| Land at revalued amount | **9,392,333,955** | **-** | **-** | **9,392,333,955** |
| AFS financial assets | **410,220,979** | | **16,300,000** | **393,920,979** |
| *Assets for which Fair Value are Disclosed* | | | | |
| Investment properties | **29,019,750** | **-** | **-** | **29,019,750** |
| | **9,831,574,684** | **-** | **-** | **9,815,274,684** |
| | | | | |
| Liabilities | | | | |
| *Financial liabilities at amortized cost -* | | | | |
| Obligation for program and other rights | **14,147,368** | **-** | **-** | **14,147,368** |

| | December 31, 2025 (Audited) | | | |
|---|---|---|---|---|
| | | Fair Value | | |
| | Carrying Value | Quoted Prices in Active Market (Level 1) | Significant Observable Input (Level 2) | Significant Unobservable Inputs (Level 3) |
| *Assets Measured at Fair Value* | | | | |
| Land at revalued amount | 9,392,333,955 | - | - | 9,392,333,955 |
| Financial assets at FVOCI | 404,465,579 | - | 16,300,000 | 388,165,579 |
| *Assets for which Fair Value are Disclosed* | | | | |
| Investment properties | 29,384,113 | - | - | 29,384,113 |
| | 9,826,183,647 | - | 16,300,000 | 9,809,883,647 |
| Liabilities | | | | |
| *Financial liabilities at amortized cost -* | | | | |
| Obligation for program and other rights | 56,589,474 | - | - | 56,589,474 |

As at March 31, 2026 and December 31, 2025, the fair value of equity instruments in a listed entity is classified under Level 3 due to the investee Company's suspension of trading in the market.

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

Presented below are the significant unobservable inputs used in the market approach valuation of the Group's financial assets as at March 31, 2026 and December 31, 2025:

| | | **Range** | |
|---|---|---|---|
| **Description** | **Unobservable Inputs** | **March 31, 2026** | December 31, 2025 |
| **Listed equity instrument:** | | | |
| Casinos and gaming industry | Discount for lack of marketability | **10%-30%** | 10%-30% |
| | Discount for lack of control | **10%-30%** | 10%-30% |
| **Non-listed equity instruments:** | | | |
| Media and entertainment industry | Discount for lack of marketability | **10%-30%** | 10%-30% |
| | Discount for lack of control | **10%-30%** | 10%-30% |

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

<u>Fair Value Determination</u>
The following methods and assumptions are used to estimate the fair value of each asset and liability for which it is practicable to estimate such value:

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

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

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

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

*Investment Properties and Land at Revalued Amount*
The valuation for the disclosure of the fair value of investment properties and for the recognition of land at revalued amount was derived through market data approach based upon prices paid in actual market transactions. This approach relies on the comparison of recent sale transactions or offerings of similar properties which have occurred and/or offered with close proximity to the subject property adjusted based on certain elements of comparison (e.g. market conditions, location, physical condition and amenities). Significant unobservable valuation input in determining the fair value of investment properties includes adjusted price per square meter and lot size adjustments (see Notes 14 and 16).

## 34. Causes for Material Changes in the Financial Statements

Statements of Financial Position (at March 31, 2026 and December 31, 2025)

- Cash and cash equivalents of ₱1,348 million dropped by ₱114 million or 8% from 2025 balance of ₱1,461 million as a result of lower net cash flows provided by operating activities which as of end of reporting period amounted to ₱786 million. This was used in acquisition of property and equipment during the first three months of 2026 amounting to ₱49 million. There were also payments of short-term loans and interest expense amounting to ₱868 million.
- Program and other rights also decreased by 17% or ₱396 million as acquisitions were last than the amortization for the period.
- Short-term loans were down to ₱625 million from ₱1,477 million in December 2025 due to loan repayments made during the reporting period.
- Equity attributable to Parent Company stockholders of ₱11,573 million as at March 31, 2026 declined by 14% or ₱1,851 million, mainly due declaration of cash dividends at the end of the 1st quarter of the year, partly evened out by the net income attributable to Parent Company earned as of end-March 2026.

## 35. Other Notes to 2026 and 2025 Operations and Financials

The key performance indicators that the Group monitors are the following:

| | **March 31, 2026** (Unaudited) | March 31, 2025 |
|---|---|---|
| Revenues | **3,361,699,035** | 4,684,476,287 |
| Airtime revenues | **2,599,735,007** | 3,967,725,152 |
| Cash operating expenses | **2,833,546,178** | 3,113,672,000 |
| EBITDA | **631,752,474** | 1,646,793,569 |
| Net income before tax | **128,466,329** | 1,065,215,558 |
| Net income after tax | **102,178,112** | 800,838,400 |

| | **March 31, 2026 (Unaudited)** | December 31, 2025 (Audited) |
|---|---|---|
| Current ratio | **1.73** | 2.25 |
| Asset-to-Equity ratio | **2.16** | 1.89 |
| Debt-to-Equity ratio | **0.05** | 0.11 |

| | **March 31, 2026** | March 31, 2025 |
|---|---|---|
| | (Unaudited) | |
| Interest Coverage ratio | **8.43** | 24.23 |
| EBITDA margin | **19%** | 35% |
| Net income margin | **3%** | 17% |

**GMA NETWORK, INC. AND SUBSIDIARIES**
**UNAUDITED SEGMENTED RESULTS**
**FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025** **EXHIBIT 1**

Business Segment Data
The following table shows revenue and expense information and certain asset and liability information regarding business segments for each of the period ended March 31:

| | Television and Radio Airtime | | International | | Other Businesses | | Eliminations | | Consolidated | |
|---|---|---|---|---|---|---|---|---|---|---|
| | **2026** | 2025 | **2026** | 2025 | **2026** | 2025 | **2026** | 2025 | **2026** | 2025 |
| **NET REVENUES** | | | | | | | | | | |
| External sales | **2,609,889,379** | 4,011,838,224 | **159,510,558** | 172,037,034 | **592,299,098** | 500,601,029 | **-** | - | **3,361,699,035** | 4,684,476,287 |
| Inter-segment sales | **-** | - | **-** | - | **115,273,252** | 157,766,579 | **(115,273,252)** | (157,766,579) | **-** | - |
| | **2,609,889,379** | 4,011,838,224 | **159,510,558** | 172,037,034 | **707,572,350** | 658,367,608 | **(115,273,252)** | (157,766,579) | **3,361,699,035** | 4,684,476,287 |
| **NET INCOME** | | | | | | | | | | |
| Segment results | **(167,913,585)** | 850,172,763 | **108,498,263** | 114,904,897 | **50,736,810** | 60,099,115 | **45,686,791** | 5,486,791 | **37,008,279** | 1,030,663,566 |
| Interest expense | **(16,500,140)** | (45,534,025) | **-** | - | **(197,326)** | (142,144) | **-** | - | **(16,697,466)** | (45,676,169) |
| Foreign exchange gain (loss) | **22,671,028** | 10,137,524 | **14,472,550** | (7,032,046) | **680,469** | (1,606,816) | **-** | - | **37,824,047** | 1,498,662 |
| Interest income | **3,165,715** | 3,706,691 | **-** | - | **1,265,184** | 407,187 | **-** | - | **4,430,899** | 4,113,878 |
| Other income | **230,406,772** | 187,558,179 | **-** | - | **5,530,589** | 244,233 | **(170,036,791)** | (113,186,791) | **65,900,570** | 74,615,621 |
| Income tax | **24,094,445** | (225,340,613) | **(30,742,703)** | (24,162,168) | **(13,839,959)** | (14,874,377) | **(5,800,000)** | - | **(26,288,217)** | (264,377,158) |
| | **95,924,235** | 780,700,519 | **92,228,110** | 83,710,683 | **44,175,767** | 44,127,198 | **(130,150,000)** | (107,700,000) | **102,178,112** | 800,838,400 |
| **ASSETS AND LIABILITIES** | | | | | | | | | | |
| **Assets** | | | | | | | | | | |
| Segment assets | **24,208,578,288** | 26,112,086,686 | **191,989,267** | 207,278,544 | **1,605,513,361** | 2,116,263,199 | **(916,661,085)** | (1,314,654,146) | **25,089,419,831** | 27,120,974,283 |
| Investment in an associate - at equity | **38,350,619** | 38,350,619 | **-** | - | **19,692,065** | 23,651,187 | **-** | - | **58,042,684** | 62,001,806 |
| | **24,246,928,907** | 26,150,437,305 | **191,989,267** | 207,278,544 | **1,625,205,426** | 2,139,914,386 | **(916,661,085)** | (1,314,654,146) | **25,147,462,515** | 27,182,976,089 |
| **Liabilities** | | | | | | | | | | |
| Segment liabilities | **14,641,259,672** | 13,871,755,134 | **182,420,326** | 186,984,035 | **650,448,915** | 868,376,811 | **(538,217,220)** | (951,924,370) | **14,935,911,693** | 13,975,191,610 |
| Deferred income tax liabilities - net | **249,535,039** | 2,096,698,661 | **-** | - | **-** | - | **(1,656,228,644)** | (1,593,568,781) | **(1,406,693,605)** | 503,129,880 |
| | **14,890,794,711** | 15,968,453,795 | **182,420,326** | 186,984,035 | **650,448,915** | 868,376,811 | **(2,194,445,864)** | (2,545,493,151) | **13,529,218,088** | 14,478,321,490 |

Geographical Segment Data
The following table shows revenue information regarding geographical segments for each of the period ended March 31:

| | Local | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Television and Radio Airtime | | Other Businesses | | International | | Eliminations | | Consolidated | |
| | **2026** | 2025 | **2026** | 2025 | **2026** | 2025 | **2026** | 2025 | **2026** | 2025 |
| **NET REVENUES** | | | | | | | | | | |
| External sales | **2,609,889,379** | 4,011,838,224 | **592,299,098** | 500,601,029 | **159,510,558** | 172,037,034 | **-** | - | **3,361,699,035** | 4,684,476,287 |
| Inter-segment sales | **-** | - | **115,273,252** | 157,766,579 | **-** | - | **(115,273,252)** | (157,766,579) | **-** | - |
| | **2,609,889,379** | 4,011,838,224 | **707,572,350** | 658,367,608 | **159,510,558** | 172,037,034 | **(115,273,252)** | (157,766,579) | **3,361,699,035** | 4,684,476,287 |

**GMA NETWORK, INC. AND SUBSIDIARIES**
**UNAUDITED AGING OF RECEIVABLES**
**AS OF MARCH 31, 2026** **EXHIBIT 2**

| | Trade | | | | |
|---|---|---|---|---|---|
| | Television and Radio Airtime | Subscriptions | Others | Nontrade | Total |
| Neither past due or impaired | 5,838,115,302 | 5,897,058 | 70,425,682 | 5,241,647 | 5,919,679,689 |
| Past due but not impaired: | | | | | |
| 1 - 30 days | 71,043,207 | 25,463 | 5,505,080 | 1,695,228 | 78,268,978 |
| 31 - 60 days | 10,286,601 | 6,467,887 | 4,404,505 | 1,081,571 | 22,240,564 |
| 61 - 90 days | 45,207,761 | 4,698,154 | 207,922 | 233,883 | 50,347,720 |
| 91 - 180 days | 159,819,643 | 19,240,805 | 7,172,674 | 1,883,348 | 188,116,470 |
| 181 - 365 days | 51,625,772 | 6,022,959 | 8,274,904 | 2,219 | 65,925,854 |
| Over 1 year | 789,645,295 | 119,897,511 | 127,353,694 | 8,885,338 | 1,045,781,838 |
| | 6,965,743,581 | 162,249,837 | 223,344,461 | 19,023,234 | 7,370,361,113 |

**GMA NETWORK, INC. AND SUBSIDIARIES**
**UNAUDITED ROLLFORWARD OF PROPERTY AND EQUIPMENT**
**AS OF MARCH 31, 2026**

**EXHIBIT 3**

| | DECEMBER 31, 2025 | ADDITIONS | DISPOSALS | RECLASSIFICATIONS | MARCH 31, 2026 |
|---|---|---|---|---|---|
| **At cost** | | | | | |
| Buidings and leasehold improvements | 3,765,934,112 | 1,405,746 | (6,905,309) | - | 3,760,434,549 |
| Broadcast equipment | 9,558,046,521 | 9,697,448 | (146,860,612) | - | 9,420,883,357 |
| Communication & mechanical equipment | 2,233,335,786 | 19,915,600 | (22,480,055) | - | 2,230,771,331 |
| Transportation equipment | 737,888,192 | 15,866,864 | (20,910,554) | - | 732,844,502 |
| Furniture, fixtures and equipment | 183,130,320 | 147,688 | (287,664) | - | 182,990,344 |
| | 16,478,334,931 | 47,033,346 | (197,444,194) | - | 16,327,924,083 |
| **Accumulated Depreciation** | | | | | |
| Buidings and leasehold improvements | (2,922,695,396) | (29,757,600) | 6,905,309 | - | (2,945,547,687) |
| Broadcast equipment | (8,042,048,603) | (104,078,506) | 146,516,994 | - | (7,999,610,115) |
| Communication & mechanical equipment | (1,929,560,383) | (42,679,162) | 22,480,055 | - | (1,949,759,490) |
| Transportation equipment | (529,147,449) | (22,784,038) | 19,792,418 | - | (532,139,069) |
| Furniture, fixtures and equipment | (173,536,778) | (881,806) | 287,664 | - | (174,130,920) |
| | (13,596,988,609) | (200,181,112) | 195,982,440 | - | (13,601,187,281) |
| Equipment for installation | 88,419,340 | 2,405,587 | - | - | 90,824,927 |
| **Net book value** | **2,969,765,662** | **(150,742,179)** | **(1,461,754)** | **-** | **2,817,561,729** |

**GMA Network, Inc. and Subsidiaries**
**Financial Ratios** — **Exhibit 4**
**For the Three Months Ended March 31, 2026**

| Ratios | Formula | In PhP | March 31, 2026 | December 31, 2025 |
|---|---|---|---|---|
| Current Ratio | Current Assets | 11,373,387,239 | 1.73 | 2.25 |
| | Current Liabilities | 6,567,421,374 | | |
| Net Debt-to-Equity Ratio | Interest-bearing loans and borrowings less cash and cash equivalents | (722,037,231) | (0.06) | 0.00 |
| | Total Equity | 11,618,244,427 | | |
| Assets-to-Equity Ratio | Total Assets | 25,147,462,515 | 2.16 | 1.89 |
| | Total Equity | 11,618,244,427 | | |
| Interest Coverage Ratio | EBIT | 140,732,896 | 8.43 | 15.94 |
| | Interest expense | 16,697,466 | | |

| Profitability Ratios | Formula | In PhP | March 31, 2026 | March 31, 2025 |
|---|---|---|---|---|
| Gross Profit Margin | Gross Profit | 1,486,507,572 | 44% | 57% |
| | Net Revenues | 3,361,699,035 | | |
| Net Income Margin | Net Income | 102,178,112 | 3% | 17% |
| | Net Revenues | 3,361,699,035 | | |

**SIGNATURE**

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

Issuer: **GMA NETWORK, INC.**

By:

**Felipe S. Yalong**
Treasurer, EVP & Chief Financial Officer

**Ronaldo P. Mastrili**
SVP – Group Head, Finance & ICT

Date: May 14, 2026

## Certification

We Felipe S. Yalong (Treasurer, EVP and Chief Financial Officer) and Ronaldo P. Mastrili (SVP of Finance and ICT Departments) of GMA Network, Inc. with SEC registration number 5213 with principal office at GMA Network Center, Timog Avenue corner EDSA, Quezon City, on oath state:

1) That on behalf of GMA Network, Inc., we have caused this SEC Form 17-Q to be prepared;

2) That we read and understood its contents which are true and correct of our own personal knowledge and/or based on true records;

3) That the company GMA Network, Inc. will comply with the requirements set forth in SEC Notice dated June 24, 2020 for a complete and official submission of reports and/or documents through electronic mail; and

4) That we are fully aware that documents filed online which requires pre-evaluation and/or processing fee shall be considered complete and officially received only upon payment of a filing fee.

IN WITNESS WHEREOF, we have hereunto set our hands this MAY 1 2 2026 CITY OF MAKATI

FELIPE S. YALONG
Treasurer, EVP and CFO

RONALDO P. MASTRILI
SVP – Group Head, Finance and ICT

SUBSCRIBED AND SWORN to before me this MAY 1 2 2026 affiants exhibiting to me their government IDs as follows:

| Names | Government I.D. | ID Number |
|---|---|---|
| Felipe S. Yalong | SSS | CRN-0111-2468315-3 |
| Ronaldo P. Mastrili | Driver's License | N15-83-035933 |

ATTY. GERVACIO B. ORTIZ JR.
Notary Public City of Makati
Until December 31, 2026
NOTARY PUBLIC
IBP No. 05729 - Lifetime Member
MCLE Compliance NO. VIII-0040999
valid until April 14, 2028
Appointment No. M-007 (2025-2026)
PTR No. 10765528 January 3, 2026
Makati Roll No. 40091
101 Urban Ave. Campos Rueda Bldg
Brgy. Pio Del Pilar Makati City

Doc. No. 367
Page No. 75
Book No. 14
Series of 2026.

THE LAW FIRM OF
**BELO GOZON ELMA**
**PAREL ASUNCION & LUCILA**
15th Floor, 111 Sagittarius Condominiums
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Enrique M. Belo (1922-2004)
Felipe L. Gozon
Magdangal B. Elma
Roberto O. Parel
Gener E. Asuncion
Roberto Rafael V. Lucila (1956-2021)
Eric Vincent A. Estoesta
Pierre M. Cantara
Regino A. Moreno

Anna-Teresa M. Gozon-Valdes *
Yvonne Angeli C. Lee
Maria Theresa E. De Mesa
Felipe Enrique M. Gozon Jr.
Maria Estelita B. Arles-Gozon
Maximilian Chua

Giancarlo Lorenzo S. Gempis
Joanne Kristeen C. Wy
Maria Yna Krista T. Soriano
Marco Antonio J. Ibarra

* On Leave

**ANNEX "L"**

**April 30, 2025**

**ATTY. OLIVER O. LEONARDO**
***Director***
**MARKETS AND SECURITIES REGULATION DEPARTMENT**
**SECURITIES AND EXCHANGE COMMISSION**
SEC Headquarters
7909 Makati Avenue, Salcedo Village

***Re : GMA Network, Inc.***
***Compliance with SEC MC 23, s. 2020,***
***SEC Notice dated March 12, 2025 and***
***SEC-MSRD Letter dated April 3, 2025***

Dear Sir:

We write on behalf of GMA Network, Inc. (the "Company"), in relation to its compliance with the relevant laws and regulations, including the following issuances of the Securities and Exchange Commission (the "Honorable Commission"), in relation to holding of the Company's Annual Stockholder's Meeting on May 21, 2025 ("GMA 2025 ASM"):

1) Memorandum Circular No. 3, s. 2020 ("SEC MC 3, s. 2020") requiring the sending of notices to the stockholders-of-record at least twenty-one (21) calendar days prior to the date of the regular meeting;
2) Notice dated March 12, 2025 of the Honorable Commission, providing for the alternative means for companies to distribute and provide their notices for annual stockholders' meetings for the year 2025, and the required attachments thereto; and
3) Letter dated April 3, 2025 through your Honorable Office, allowing the Company to effect the distribution of the Definitive Information Statement (SEC Form 20-IS) for the year 2025, including the annexes thereof and pertinent documents, through a QR Code and hyperlink, subject to the conditions stated therein.

In relation to the Company's Annual Stockholder's Meeting on May 21, 2025, please be informed that the Company caused the publication of the Notice of the said Meeting [which contain the QR Code and hyperlink for the Definitive Information Statement (SEC Form 20-IS) for the year 2025, including the annexes thereof and other pertinent documents] for two (2) consecutive days in the business sections of the April 28 and 29, 2025 editions of the **Manila Standard** and **The Manila Times**, in print and online format. Attached for your reference are the following proofs of publication:

1) Affidavit of Publication dated April 30, 2025, signed by Mr. Mario R. Policarpio, Jr., Chief Accountant, under the Notarial Registry of Atty. Cesar T. Verano, Notary Public for the City of Makati, with copies of the relevant publications seen on page B3 of the April 28, 2025 and the April 29, 2025 printed editions, and https://manilastandard.net/dailypdf or https://manilastandard.net/business/314583284/gma-network-inc-notice-of-annual-stockholders-meeting-5.html and https://manilastandard.net/business/314583288/gma-network-inc-notice-of-annual-stockholders-meeting-6.html for the April 28 and 29, 2025 online editions, of the **Manila Standard**; and
2) Affidavits of Publication dated April 29, 2025, signed by Ms. Eden F. Del Rosario, Credit and Collection Head, under the Notarial Registry of Atty. Marielle Jenelle L. Laguerta, Notary Public for the City of Manila, with copies of the relevant publications seen on page B3 of the April 28, 2025 and the April 29, 2025 printed editions, and https://digitaledition.manilatimes.net/manila-times/20250428 or https://www.manilatimes.net/2025/04/28/business/top-business/gma-network-inc-gives-notice-of-annual-stockholders-meeting/2100104 and https://digitaledition.manilatimes.net/manila-times/20250429 or https://www.manilatimes.net/2025/04/29/business/top-business/gma-network-inc-announces-annual-stockholders-meeting/2100105 for the April 28 and 29, 2025 online editions, of **The Manila Times**.

The Notice of Meeting, the Definitive Information Statement (SEC Form 20-IS) for the year 2025, the Annual Report for the year 2024 (SEC Form 17-A), the Quarterly Report for 1Q2025 (SEC Form 17-Q), including the annexes and other pertinent documents, may be viewed and downloaded from the GMA 2025 ASM page www.gmanetwork.com/asm2025 or the Company Disclosures section of the GMA Corporate website (www.gmanetwork.com/corporate/disclosures), and the PSE Edge.

Thank you very much.

Very truly yours,

**BELO GOZON ELMA**
**PAREL ASUNCION & LUCILA**

By:

Maria Theresa E. de Mesa
**MARIA THERESA E. DE MESA**

for: Maria Theresa E. de Mesa
**MARIA ESTELITA B. ARLES-GOZON**

Encls: *a/s*

Standard

PHILIPPINE MANILA STANDARD PUBLISHING, INC.

# AFFIDAVIT OF PUBLICATION

I, Mario R. Policarpio Jr., Chief Accountant of Manila Standard, with office address at 6th Floor Universal Re Building, 106 Paseo de Roxas, Makati City, hereby depose and state that:

**Manila Standard** is a newspaper of general circulation and is distributed nationwide;

**Manila Standard** at the same time, publishes its online version through its website https://manilastandard.net;

**Manila Standard** is qualified to publish all kinds of judicial notices.

**Manila Standard** published on

April 28 & 29, 2025

a Notice:

GMA NETWORK, INC.

RE: NOTICE OF ANNUAL STOCKHOLDERS' MEETING

IN WITNESS WHEREOF, I hereby affix my signature this 30TH day of APRIL 2025 in Makati City.

**MARIO R. POLICARPIO JR.**
Authorized Signatory

**SUBSCRIBED AND SWORN** to before me this 30TH day of APRIL, 2025 in Makati City, affiant exhibiting to me his SSS No. **33-0476897-7.**

Doc. No.: 372
Page No.: 02
Book No.: 14
Series of 2025.

ATTY. CESAR T. VERANO
NOTARY PUBLIC MAKATI CITY
APPOINTMENT NO. M-029
VALID UNTIL DECEMBER 31, 2025
ISSUED ON: DECEMBER 15, 2023
PTR NO.: MKT 10465510 / 01-02-2025 / MAKATI CITY
IBP NO.: 484720 ROLL NO.: 29024
MCLE COMPLIANCE NO.: VII-0023845
VALID UNTIL DECEMBER 31, 2025
OFFICE ADDRESS: #2733 G/F CARREON BLDG.
ZENAIDA ST., BRGY. POBLACION MAKATI CITY

# PopMart plans retail store, food expansion in PH

By Othel V. Campos

POPMART International Group, a renowned collectible toy company, is setting its sights on expanding in the Philippines, with plans for permanent retail stores and potential ventures into the food sector.

FPA chairman Chris Lim shared insights into the discussions PopMart has been having with the Department of Trade and Industry (DTI) at the International Franchise Conference and Expo 2025 held April 23 to 25, 2025,

"Their visit to the Philippines was to better understand the local landscape. PopMart has had pop-up stores here, but now they want to establish permanent locations. They are exploring how to adapt to the market and considering collaborations with local partners to make their expansion a success," he said in a press briefing on the sidelines of the conference.

Lim also highlighted PopMart's interest in expanding into the food sector, particularly with the introduction of a bakery concept similar to the one in their Beijing theme park.

He said the toy company has been gathering insights from local retail experts and meeting with local food players to understand the best way to enter the Philippine market.

"They've had success with a bakery in China, and they are considering launching that concept in the Philippines as one of the first markets outside China," said Lim.

The DTI facilitated PopMart's exploration of the Philippine market, helping connect the brand with potential partners.

According to the DTI, PopMart is also looking to collaborate with local artists to create unique collectibles inspired by Filipino culture.

"They want to understand the market more deeply and see how they can align their business model with the local consumer behavior," said Lim.

## Singapore firm building 38.8-MW Capas solar plant

SINDICATUM C-Solar Power Inc. (SCSPI), a subsidiary of Singapore-based renewable energy firm Gurīn Energy Pte Ltd, has started building a $33 million solar photovoltaic power plant within New Clark City, with completion targeted by next year.

SCSPI and Gurīn Energy, together with the Department of Energy (DOE), Bases Conversion and Development Authority (BCDA), and Union Bank of the Philippines, broke ground on the Capas Solar Power Project, a 40-hectare facility located inside New Clark City, on April 11, 2025.

"The Philippines has one of the most exciting opportunities for renewable energy in the world. Here in Capas, Tarlac, with the support of the BCDA, the local government, and the stakeholders in our community, we wanted to show our commitment to our work plans by having this groundbreaking ceremony," said SCSPI president and country manager of Gurīn Energy Jose Rafael Mendoza.

The facility will deliver a capacity of 38.81 megawatts peak once completed, with operations targeted to start by January 2026.

Power generated by the plant will be transmitted to the National Grid Corporation of the Philippines' substation in Concepcion, Tarlac through a 69-kilovolt transmission line.

The project aims to strengthen the renewable energy sector's share in the Philippines' overall energy mix and support the energy needs of New Clark City's locators and residents, as well as the broader Tarlac province.

According to the DOE, the solar project will support the government's goal of increasing the renewable energy share in the power generation mix to 35 percent by 2030.

"This solar power project will not only generate the energy for New Clark City, but will also bring skills, employment and economic prosperity to the local community, proving that progress can go hand in hand with innovation and sustainability," said BCDA vice president for Investment Promotions and Marketing Erwin Kenneth Peralta. **Othel V. Campos**

**SOLAR ROOFTOP.** Workers inspect the 3,638 solar panels installed across the 9,328-square-meter rooftop of SM city Molino on Sunday, April 27, 2025. With a direct current capacity of 2,000.9 kilowattpeak powered by 13 inverters, the solar installation can supply energy equivalent to powering 1,500 to 2,000 residential households. This initiative not only supports environmental conservation but also delivers big savings, helping the mall reduce its annual power bills by up to P12.4 million. Norman Cruz

# NLEX's income rises 21% on toll adjustments

By Darwin G. Amojelar

NLEX Corp. said Monday net income rose 21 percent last year, driven by higher toll revenues and controlled costs.

The operator of North Luzon Expressway and Subic Clark Tarlac Expressway (SCTEX) posted a net income of P12.07 billion last year, higher from P10.01 billion in 2023.

The company's toll revenues amounted to P25.31 billion, up by 18 percent compared to the prior year due to higher traffic figures and implementation of overdue toll rate adjustments.

Its toll revenues were comprised of 78 percent from NLEX, 18 percent from SCTEX and 4 percent from Connector.

The company also generated higher revenues from toll services facilities in 2024 amounting to P150 million, higher by 35 percent compared to the P111 million recorded in 2023.

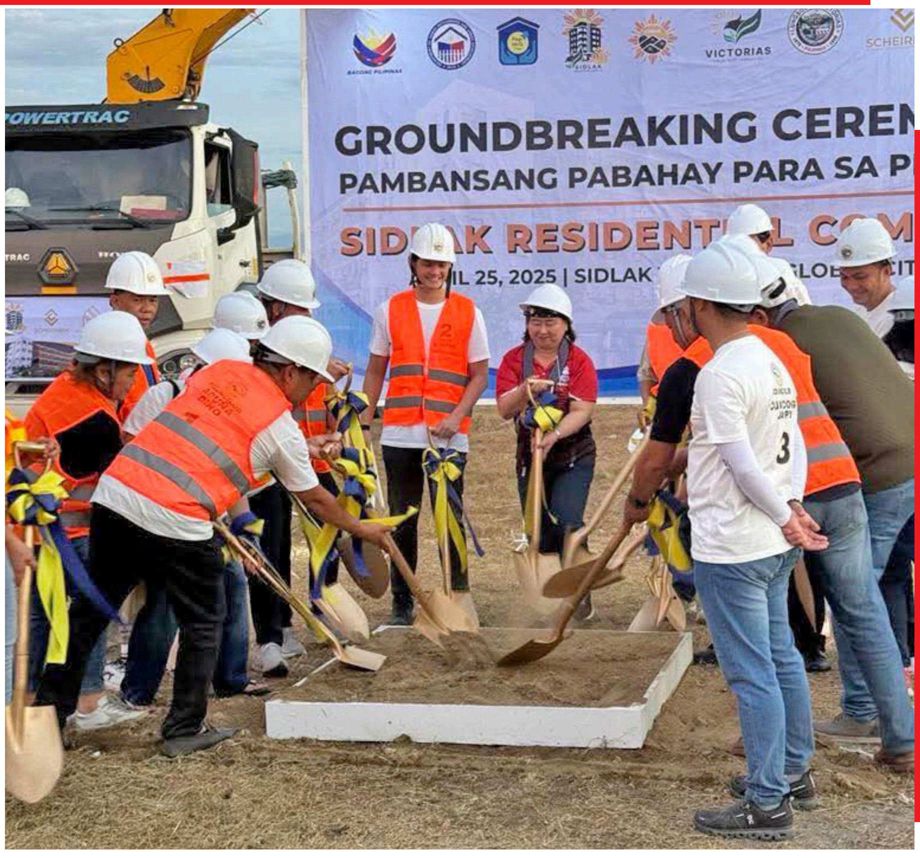
Cost of services increased to P8.42 billion, 12 percent higher than 2023 figures.

"The increase in costs was largely due to higher concession and PNCC fees which were charged as a fixed percentage of toll revenues, higher pavement repairs and maintenance costs of roads and tollways and higher amortization of concession assets due to the higher traffic," NLEX said.

The NLEX currently spans approximately 105 kilometers or 598 lane-kms, and services an average of 350,599 vehicles per day as of end-2024.

The NLEX is the main infrastructure backbone that connects Metro Manila to central and northern Luzon. NLEX Corp has operated the NLEX since February 2005 after completing the rehabilitation of the toll road under Phase I of the NLEX Concession.

The SCTEX , on the other hand, is a 91-km or 362 lane-kms, stretching from Subic-Tipo until La Paz, Tarlac, connecting the special economic zones in Subic and Clark, Olongapo City to Tarlac City




**SUSTAINABLE COMMUNITIES.** The Department of Human Settlements and Urban Development (DHSUD), together with the local government unit (LGU) of Victorias City, breaks ground for the Sidlak Residential Complex, a housing project under President Ferdinand Marcos Jr.'s flagship Pambansang Pabahay para sa Pilipino (#4PH) Program. Located in Barangay 13, Victorias City, Negros Occidental, the Sidlak Residential Complex will have 10 mid-rise buildings within a 2.5-hectare development with around 1,200 condominium-style units designed to support a healthy, inclusive, and sustainable community.

# Cemex changes name to Concreat under new owners

By Jenniffer B. Austria

CEMEX Holdings Philippines has officially changed its name to Concreat Holdings Philippines, Inc., marking a major step in the company's transition under new ownership.

Cemex said the Securities and Exchange Commission (SEC) approved the change in its corporate name last April 25, less than five months after the Consunji group took over the cement firm.

The new name, "Concreat," is a blend of the Consunji name and the word "create." It reflects the company's new direction focused on integrity, resilience, and nation-building — values long associated with DMCI.

"This rebranding represents a bold new direction under DMCI management, guided by an all-Filipino team deeply rooted in local insight and long-term stewardship," said Concreat Holdings Philippines president and chief executive officer Herbert M. Consunji.

"While challenges remain, DMCI has a strong track record of navigating industry cycles with discipline and determination. We are especially grateful to the previous management of Cemex Philippines for laying the groundwork we now proudly build upon," Consunji said.

Concreat will continue to operate its Solid Cement Plant in Antipolo City and the Apo Cement Plant in Naga, Cebu and will continue to produce cement under the well-known brands like Rizal, Island, and APO.

"Concreat symbols a blend of concrete strength and shared vision," Consunji said. "It brings together Cemex Philippines' national footprint and DMCI's broad capabilities across construction, real estate, energy, mining and water services. Our integration goes beyond operations—it is built on shared values and a collective commitment to nation-building," Consunji said.

The cement firm widened its net loss to P23.4 billion in 2024 from P2.1 billion a year ago due to lower sales and goodwill revaluation, which resulted in one-off, non-cash write-down of P19.6 billion.

Excluding non-recurring items, core net losses in 2024 and to P3.7 billion.

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listens to Chief of General Staff Valery Gerasimov with the report
nference in Moscow, Russia, April 26, 2025. AP PHOTO

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neo-Nazi occupiers and liberate the Kursk area in cooperation with the Russian armed forces."

"They who fought for justice are all heroes and representatives of the honor of the motherland," Kim said.

Kim said that a monument will soon be erected in Pyongyang to mark North Korea's battle feats and that flowers will be laid before the tombstones of the fallen soldiers.

The North Korean statement did not say how many troops North Korea eventually sent and how many of them had died.

But in March, South Korea's military said that around 4,000 North Korean soldiers had been killed or wounded in the Russia-Ukraine war fronts.

The South Korean military also assessed at the time that North Korea sent about 3,000 additional troops to Russia earlier this year.

South Korea's Unification Ministry on Monday urged North Korea

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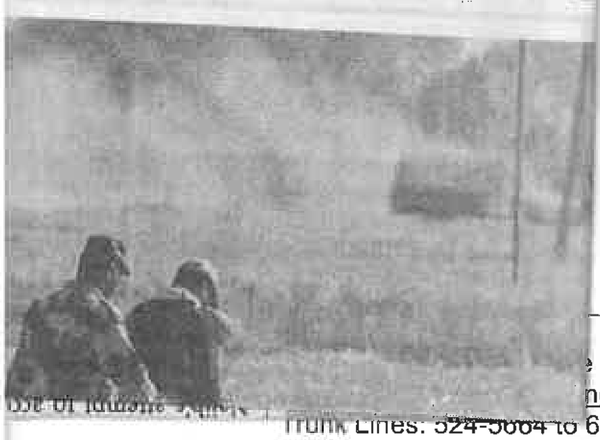

REPUBLIC OF THE PHILIPPINES)
CITY OF MANILA )S.S.

# AFFIDAVIT OF PUBLICATION

I, **Eden F. Del Rosario**, of legal age, married, Filipino and a resident of #22 21st Avenue, Cubao, Quezon City in the Philippines, after having been duly sworn according to law, do hereby depose and state:

That I am the Credit and Collection Head of **The Manila Times**, a newspaper which is published Online and Printed in English and Edited in Metro Manila, and circulated nationwide daily from Monday to Sunday with postal address at 2/F Sitio Grande, 409 A. Soriano Avenue, Intramuros, Manila

That the attached **GMA NOTICE OF ANNUAL STOCKHOLDERS' MEETING MAY 21, 2025 (WEDNESDAY) AT 10:00 A.M. VIA ZOOM**

was published in **The Manila Times** newspaper in its issue/s of **APRIL 28 & 29, 2025**

In witness whereof, I signed this Affidavit in Manila, Philippines, this ________ day of ________, 2025
29 APR 2025

**EDEN F. DEL ROSARIO**
**Affiant**

Subscribe and sworn to before me this 29 APR 2025 day of ________, 2025 in Manila, Philippines, affiant exhibiting to me her **SSS ID No. 33-0045788-4**

Doc. No. 448
Page No 90
Book No. X
Series of 2025

ATTY. MARIELLE JENELLE C. LAGUERTA
Notary Public fo City of Manila- Until Dec. 31, 2025
Notarial Commission No. 2024-179
Tower 3, 3K, No. 181 N. Lopez St., Ermita, Manila
I.B.P. NO. 4[illegible] Dec. 27, 2024 for the year 2025
PTR. NO. [illegible] Jan. 2, 2025 at Manila
MCLE NO. VIII-0010830- Valid until 4-14-2028

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**EDEN F. DEL ROSARIO**
**Affiant**

Subscribe and sworn to before me this 29 APR 2025 day of ________, 2025 in Manila, Philippines, affiant exhibiting to me her **SSS ID No. 33-0045788-4**

Doc. No. 437
Page No 88
Book No. X
Series of 2025

ATTY. MARIELLE JENELLE L. LAGUERTA
Notary Public for City of Manila Until Dec. 31, 2025
Notarial Commission No. 2024-179
Tower 3, ... 105 N. Lopez St., Ermita, Manila
I.B.P. NO. ... Dec. 27, 2024 for the year 2025
PTR. NO. ... Jan. 2, 2025 at Manila
MCLE NO. VIII-0010660- Valid until 4-14-2028 Roll No. ...

# Filinvest Land sees higher demand

BY EARL JOHN ALFARO

**FILINVEST Land, Inc. (FLI) is looking forward to continued growth this year with gains across its business segments amid likely interest rate cuts.**

"We will continue to push existing residential offerings, which are mostly outside of Metro Manila," company President and CEO Tristan Las Marias told company stockholders last Thursday.

"With the recent reduction in interest rates and expected further reductions … we expect demand to increase this year," he added.

As for the mall business, Las Marias said the company would be opening a Filinvest Mall in their Clark Mimosa township by the fourth quarter of 2025.

"Our industrial business will be recognizing additional revenues with the new locator sign-ups, and we expect new locators in the next few months," he said, adding that Filinvest Land also expects its office business to be stable this year.

On the company's sustainability efforts, Las Marias said, "Filinvest Land continues to lead in sustainable work spaces with increased use of renewable energy, use of the distilled cooling system, and implementing LEED and EDGE standards, which led to certifications for our office buildings."

The Festival Mall in Alabang, he noted, "has been utilizing solar energy for several years now, [while] our residential developments feature green and open spaces that enhance the communities."

Filinvest Land posted a consolidated net income attributable to the parent of P4.17 billion last year 2024, an 11-percent increase from 2023's P3.77 billion, as consolidated revenues and other income rose 8 percent year-on-year to P24.45 billion.

It attributed the solid performance to a 6-percent growth in booked residential real estate sales.

Rental revenues coming mostly from the office and retail businesses, meanwhile, delivered growth of 9 percent to P7.85 billion.

The company launched 19 new residential projects with a combined value of P27 billion last year, further strengthening its presence in key growth areas nationwide.

In the office segment, Filinvest Land said it continues to attract notable tenants across diverse sectors, including information technology and business management outsourcing companies, traditional corporations, government agencies, educational institutions, and medical service providers.

Under the industrial segment, the company claimed to be steadily gaining momentum. In Last September, Filinvest Innovation Park - New Clark City welcomed its pioneer ready-built factory locator, StB Giga, and in Laguna, Filinvest Innovation Parks also welcomed ALPLA Philippines Inc. to FIP-Ciudad de Calamba.

Filinvest Land shares rose by 2 centavos, or 2.63 percent, to P0.78 apiece on Friday.

## Ayala looking to open more Anko outlets

AYALA Corp. (AC) expects to see the number of Anko stores in the country increase to five within the year, a senior official said last week.

"We have one store right now, [but] we're opening two more in the next couple of months. We think we'll get five stores by the end of the year," said Mark Robert Uy, Ayala's corporate strategy and business development head, in a media briefing last Friday.

The first store of the home and lifestyle brand, which is owned by KMart Australia, opened last November at the Glorietta 2 mall in Makati City via a joint venture with Ayala's mall subsidiary, Ayala Malls.

As previously announced, Anko's second store will be opened at the Alabang Town Center in Muntinlupa next month while the third store will open at the Trinoma Mall in Quezon City in July.

"Currently, we're focused on really growing Anko to its full potential," Uy said.

"If you just want cheap stuff, yes, you have Shopee, Lazada to address those requirements, but we think we're offering products that are practically more or less [at] the same price point as what you would get [from these online stores] but significantly [of] better quality."

Ayala and Anko are also in discussion about other concepts to further grow the Australian brand's presence in the Philippines, he added.

"First of all, it needs to be a concept that addresses a pain point in the market … It has to be a big change in terms of proposition," Uy said.

"We're doing this very deliberately, and it really ties into our purpose of building businesses that can scale and address big problems and big pain points in the market."

Ayala shares closed up P8.00, or 1.42 percent, at P570 apiece on Friday. **EARL JOHN ALFARO**

## *Aboitiz Land's Tarlac estate gets first locator*

THE Tarlac Economic Estate, managed by Aboitiz InfraCapital Inc., the Aboitiz Group's infrastructure arm, was said to have attracted its first locator.

Aboitiz Land Inc. CEO Rafael Fernandez de Mesa, who also heads Aboitiz InfraCapital's Economic Estates division, told reporters at the sidelines of a company event last Friday that the locator was nearly done with the application requirements and would soon start construction of its facility within the year.

"I cannot disclose the name, but we have a very big locator in Tarlac this year and [it] is in the food industry. With regard to how far along they are in the process of application, they're in fact planning to start construction of the infrastructure probably this year. The area they occupied is about 40 hectares or so," he said.

The TARI Estate has an area of around 2 million square meters. It is the Aboitiz group's fourth economic estate and is expected to generate 60,000 new jobs.

During the company event, meanwhile, de Mesa called for measures that would attract investors to the Philippines.

"The Philippines possesses strong fundamentals, a strong strategic location, a dynamic workforce, a growing domestic market, and an improving policy environment," he said. "However, we think that these strengths must be coupled [with] decisive action to overcome infrastructure gaps, regulatory hurdles, and talent mismatch."

"As an industrial estate, we're catering to companies that are regional and global, and they have operations all over the place. So, where the Philippines comes into play, the country can [serve as] a solution to help manage the risks of the current trade environment, and that is why we feel that the current uncertainty and volatility could still benefit the country," de Mesa continued.

"Overall, continuous effort must be done to help unlock that potential."

Shares of Aboitiz Land parent Aboitiz Equity Ventures ended unchanged at P32.75 apiece on Friday.

**ED PAOLO SALTING**

## GMA NOTICE OF ANNUAL STOCKHOLDERS' MEETING

### MAY 21, 2025 (WEDNESDAY) AT 10:00 A.M. VIA ZOOM

**TO: ALL STOCKHOLDERS OF GMA NETWORK, INC.**

Please be notified that the **Annual Stockholders' Meeting of GMA Network, Inc.** (the "Company" or "GMA") will be held on **May 21, 2025 (Wednesday) at 10:00 a.m. via the Zoom application through:** https://us06web.zoom.us/webinar/register/WN_3Kmd474yQcS4h6YgBxK_ZA

**The Agenda of the said Meeting is as follows:**

1. Call to Order
2. Certification of Notice and Quorum
3. Approval of the Minutes of the Annual Stockholders' Meeting held on May 15, 2024
4. Annual Report of the President and Chief Executive Officer and approval of the Audited Financial Statements of GMA for the year ended December 31, 2024
5. Ratification of the Acts of the Board of Directors, Executive Committee and Management
6. Approval of the Meritorious Justifications for the Retention of Former Chief Justice Artemio V. Panganiban and Dr. Jaime C. Laya as Independent Directors
7. Election of Directors (including the Independent Directors)
8. Appointment of the External Auditor
9. Other Matters
10. Adjournment

A brief description of each item is summarized under **Annex "A"** of the herein Notice. Moreover, the rationale for each agenda item is set forth in detail under **Annex "B"** of the Notice of the Meeting attached to the Definitive Information Statement SEC Form 20-IS ("DIS"). The DIS, the Management Report, and the Annual Report, and other pertinent documents may be viewed at and downloaded from the Company's website via www.gmanetwork.com/asm2025 and the PSE Edge.

For purposes of the Annual Stockholders' Meeting, the Board of Directors has set **April 29, 2025 (Tuesday)** as the record date for the determination of stockholders entitled to notice, to participate, and to vote in absentia, at such meeting and any adjournment thereof.

The Company will be conducting the Annual Stockholders' Meeting, including the attendance and participation therein, via remote communication, particularly, through the Zoom application.

Stockholders who intend to attend and participate via remote communication and/or vote in absentia shall notify the Office of the Corporate Secretary by email to GMA2025ASM@gmanetwork.com beginning **April 29, 2025 (Tuesday)** until **May 13, 2025 (Tuesday)** and shall register in accordance with the procedure set forth in the attached *Procedure for (1) Registration, Participation and Attendance in the GMA 2025 Annual Stockholders' Meeting by Remote Communication and (2) Voting in Absentia* (Annex "A" of the Notice of Meeting attached to the DIS) and in the DIS. All information to be submitted as required under said Annex "A" shall be subject to verification and validation by the Corporate Secretary. Upon successful registration, the meeting link will be sent to the participant/stockholder.

Voting for matters to be submitted for approval, including the election of directors, shall be made in absentia through a secure online voting facility. Once duly registered, the stockholder may vote in absentia on or before **May 19, 2025 (Monday)** in accordance with the procedure set forth in Annex "A" of the Notice of Meeting attached to the DIS. **In order to allow time to validate the votes, the deadline to cast votes shall be on or before May 19, 2025. Votes submitted after May 19, 2025** will no longer be included in the tabulation of the total votes cast for each of the items in the Agenda.

**We are not soliciting your proxy.** However, if you are unable to attend the meeting but would like to be represented thereat, you may accomplish the sample Proxy Form(s) annexed as **Annexes "C" and "D"** of the Notice of the Meeting attached to the DIS. Stockholders who wish to appoint a proxy should submit in advance the electronic copies of their duly accomplished forms during registration and must send the originals to the Office of the Corporate Secretary at 15/F Sagittarius Building, H.V. De la Costa Street, Salcedo Village, Makati **on or before May 9, 2025 (Friday) at no later than 3:00 p.m.**, for validation purposes. Any stockholder may vote by proxy provided that such authorization remains unrevoked and on file with, or is submitted to, the undersigned at the said address.

A video and audio recording of the Annual Stockholders' Meeting will be available online ten (10) days after the meeting and the recording shall be available for access by the requesting stockholder within thirty (30) days from the posting date, subject to the stockholder's compliance with the requirements set forth in Annex "A" of the Notice of the Meeting attached to the DIS.

For complete information on the annual meeting, kindly visit www.gmanetwork.com/asm2025 through the QR Code provided hereunder.

For the Board of Directors

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

### ANNEX "A" BRIEF DESCRIPTION OF EACH AGENDA ITEM

**Call to Order**
The Chairman will call the meeting to order at 10:00 a.m. on May 21, 2025.

**Certification of Notice and Quorum**
The Corporate Secretary will certify that a written notice of the meeting was duly sent to the stockholders and that a quorum exists for the transaction of business. Kindly see *Procedure for (1) Registration, Participation and Attendance in the GMA 2025 Annual Stockholders' Meeting by Remote Communication and (2) Voting in Absentia* under **Annex "A"** of the Notice of the Meeting contained in the DIS.

**Approval of the Minutes of the Annual Stockholders' Meeting Held on May 15, 2024**
The approval of the Minutes of the previous year's Annual Stockholders' Meeting is made part of the agenda for transparency and in order to comply with the requirements of the Company's By-laws, the Revised Corporation Code of the Philippines (Republic Act No. 11232), as well as the pertinent rules and regulations of the Securities and Exchange Commission ("SEC"). A copy of the Minutes of the Annual Stockholders' Meeting held on May 15, 2024 was posted on the Company's website within five (5) business days from adjournment of the said meeting and is attached to the Notice of the Meeting contained in the DIS as **Annex "I"** thereof. These minutes are subject to stockholders' approval during this year's meeting.

**Annual Report of the President and Chief Executive Officer and Approval of the Audited Financial Statements of GMA for the year ended December 31, 2024**
The Annual Report of the President and the Chief Executive Officer is made part of the Agenda in order to inform the stockholders of the Company's ratings and financial performance during the previous year and to adhere to the principles of transparency and good corporate governance. In addition to the Annual Report, the Audited Financial Statements (AFS) for the year ended December 31, 2024 which were reviewed in audit by the Company's independent external auditor, Sycip Gorres Velayo & Co., and reviewed by and approved by the Board of Directors as recommended by the Audit Committee of the Company on March 31, 2025, are also submitted for the approval of the Company's stockholders. Stockholders may request a hard or soft copy of the Annual Report and AFS through GMA2025ASM@gmanetwork.com. The Annual Report and the AFS are also accessible via the Company's website. The Company's 2024 AFS is also attached to the Notice of Meeting contained in the DIS as **Annex "G"** thereof.

**Ratification of all Acts of the Board of Directors, Executive Committee and Management**
The acts of the Board of Directors, Executive Committee and Management taken or adopted since the last Annual Stockholders' Meeting on May 15, 2024 until meeting date were duly deliberated upon prior to their approval and were conducted in the Company's ordinary course of business. The aforementioned acts of the Board of Directors, Executive Committee and Management are submitted for approval to the stockholders in compliance with the Company's By-laws, the Revised Corporation Code of the Philippines, as well as the pertinent rules and regulations of the SEC.

**Approval of the Meritorious Justifications for the Retention of Former Chief Justice Artemio V. Panganiban and Dr. Jaime C. Laya as Independent Directors**
On March 28, 2025, the Board of Directors of the Company provided meritorious reasons for the retention of former Chief Justice Artemio V. Panganiban and Dr. Jaime Laya as Independent Directors, subject to the stockholders' approval at the May 21, 2025 Annual Stockholders' Meeting. The meritorious reasons for the recommended retention of former Chief Justice Artemio V. Panganiban and Dr. Jaime Laya as Independent Directors of the Company are set forth in **Annex "B-1"** of the Notice of Meeting attached to the DIS.

**Election of Directors**
The incumbent Directors have been recommended by the Company's Nomination Committee for re-election. On the basis of the nominated directors' proven track record as shown by the results of the Company's performance and after review of their qualifications, the said Directors were recommended for re-election by the Nomination Committee. Their appointment is submitted for approval to the stockholders in compliance with the Company's By-laws, the Revised Corporation Code of the Philippines, as well as the rules and regulations of the SEC. The procedure followed for the nomination of Directors is set forth under **Annex "B"** of the Notice of the Meeting attached to the DIS.

**Appointment of the External Auditor**
Upon the recommendation of the Audit Committee and after proper deliberation, the Board approved the re-appointment of SyCip Gorres & Velayo & Co. (SGV & Co.) as the Company's external auditor for the year 2025. SGV & Co.'s appointment is submitted for approval to the stockholders in compliance with the Company's Revised Manual on Corporate Governance, the Revised Corporation Code of the Philippines, as well as the pertinent rules and regulations of the SEC.

**Other Matters**
The Chairman will open the floor for comments and questions by the stockholders, and to take up other items, if any, included on the agenda upon a request/notice received from qualified stockholders in accordance with existing laws, rules and regulations of the SEC (such as, but not limited to, SEC Memorandum Circular No. 14, series of 2020 on stockholders' right to put items on the Agenda for Regular/Special Stockholders' Meeting).

**Adjournment**
Upon determination by the Corporate Secretary that there are no other matters to be considered, and on motion by a stockholder duly seconded, the Chairman shall declare the meeting adjourned. This formally ends the GMA 2025 Annual Stockholders' Meeting.

# PNB income grows to P6.1B

PHILIPPINE National Bank (PNB) reported a consolidated net income of P6.1 billion for the first three months of 2025, up 15 percent from the P5.3 billion recorded in the same period last year.

Core income for the quarter rose 10 percent year-on-year to P14.1 billion, with net interest margin growing 9 percent to P12.7 billion.

The bank attributed the growth to a stronger loan portfolio and an increase in its treasury assets.

Other income grew on the back of gains from trading and foreign exchange transactions, further boosted by higher revenue coming from the sale of foreclosed properties, which grew to P1.9 billion from P1.2 billion a year earlier.

On the other hand, PNB also registered higher operating expenses of P8.1 billion in the first three months of 2025, up 10 percent year-on-year, as it pursued growing its consumer banking segment.

Provisions shrank 55 percent to P277 million amid a continued improvement in the quality of its loan portfolio, achieved through enhanced credit underwriting and sound management practices.

"The first quarter financial results this year reflect the strength of PNB's franchise in its wholesale and retail businesses. Excluding the impact of non-recurring gains from the sale of foreclosed assets, the growth in the bank's core income continued to drive … earnings momentum," PNB President Florido Casuela said.

PNB also said that a recent Moody's rating upgrade, from Baa3 to Baa2, reflected the bank's continued improvement in core profitability, driven by net interest margin expansion and lower credit costs, robust capital and solid liquidity.

"We expect that the quality of the bank's earnings will further improve since we have already put in place the necessary foundation for the bank's sustained stability," Casuela said.

As of end-March 2025, PNB's total assets amounted to P1.2 trillion, up 2 percent from the previous quarter, while net loans and receivables grew to P655.9 billion and deposit liabilities stood at P988.3 billion.

PNB shares on Monday closed up P1.55, or 3.46 percent, at P46.30 apiece.

EARL JOHN ALFARO

# BPI to offer P5B in SINAG bonds

BY EARL JOHN ALFARO

BANK of the Philippine Islands (BPI) plans to raise P5 billion from a peso-denominated, fixed-rate sustainable bonds offering that will serve as first tranche of a P200-billion bond and commercial paper program approved by its board last October.

The Supporting Inclusion, Nature and Growth Bonds, or BPI SINAG bonds, will have a tenor of 1.5 years and carry the Asean Sustainability label, the Ayala-led bank said. The offer period will run from May 20 to May 30 and the bonds will be listed with Philippine Dealing and Exchange Corp. on June 10, 2025.

"Applications to invest in the BPI SINAG Bonds will be received at a minimum principal amount of P500,000 and in increments of P100,000 thereafter," the bank said.

BPI Capital Corp. and Standard Chartered Bank were tapped as joint lead arrangers and selling agents for the offer.

BPI shares shed P1.00 or 0.74 percent on Monday, closing at P133.30 apiece and outpacing a 0.31-percent drop for the benchmark Philippine Stock Exchange index.

# Unionbank net income slumps in Q1

UNION Bank of the Philippines (Unionbank) saw first quarter net income slump 30 percent year-to-date to P1.4 billion due to the impact of one-time, tax-related write-offs from a subsidiary and front-loaded non-recurring costs.

Revenues, however, grew 8.4 percent to P19.4 billion, the bank told the stock exchange on Monday.

"The underlying drivers of our financial performance remain solid," Unionbank Chief Finance Officer Manuel Lozano said.

"We continue to see substantial new client acquisitions month-on-month as well as expansion of our net interest margin and fee-based income," he added.

If the impact of the one-off costs were normalized, "our net income would be comparable to prior quarters," Lozano continued.

Unionbank said that topline growth was driven by a growing consumer business, expanded net interest margin, and increased fee-based revenues.

Consumer loans accounted for 62 percent of its total loan portfolio, about three times higher than the industry average. This mainly due to a diversified strategy with credit cards, personal loans, and teachers' loans showing the fastest growth, it added.

As of end-March 2025, the bank's retail client base was at 17.6 million.

Net interest margin improved by 69 basis points to 6.3 percent on the back of higher-margin consumer loans and lower funding costs.

Fee-based income rose 21.3 percent to P3.7 billion, thanks to the larger customer base and consequently more transactions, while the fees-to-assets ratio increased from 1.1 percent to 1.3 percent.

"Moving forward, we expect performance to get back to this trajectory and we remain confident that we will exceed our 2024 performance," Lozano said.

Unionbank shares on Monday shed 60 centavos, or 1.84 percent, to P32 apiece. EARL JOHN ALFARO

MFS FROM B2

## Adopting

PWM would require significant coordination among government agencies, industry groups, and training institutions to create sector-specific wage ladders and accessible skills programs. Shifting toward a culture of lifelong learning and skills development would take time, and funding for training programs — supported by the public and private sectors — would be essential to ensure inclusivity.

Despite these challenges, the benefits of the PWM outweigh the difficulties. Over time, the PWM could reduce poverty, improve labor conditions, and support inclusive economic growth, helping the Philippines build a more resilient and equitable labor market.

*Severo C. Madrona Jr. is a professional lecturer at the Department of Commercial Law, RVR College of Business, De La Salle University. With a public policy and business development background, he writes about strategic leadership, labor economics, and fiscal policy.*

SAVINGS FROM B2

## Procurement

agencies went through lengthy procurement processes, with purchases taking up to four months to complete. Now transactions can be finalized in less than two weeks, resulting in faster delivery times.

Caong said they are currently gathering data on the number of government agencies with approved authority to purchase motor vehicles.

"Our projection is to multiply that by four for the full year, since these orders come from agencies that already have approval," Caong said. "However, there are [others] that have yet to secure approval, so the total could possibly double by the end of the year."

NIÑA MYKA PAULINE ARCE

**CERTIFICATION**

I, **MARIA THERESA E. DE MESA**, Assistant Corporate Secretary of GMA Network, Inc., a corporation duly registered under and by virtue of the laws of the Republic of the Philippines, with SEC Identification Number 5213 and with principal office address at GMA Network Center, EDSA corner Timog Avenue, Diliman, Quezon City, on oath state:

1. That, on behalf of **GMA NETWORK, INC.** (the "Company"), I have caused the attached Compliance to be prepared and filed, in relation to SEC Memorandum Circular No. 3, s. 2020, SEC Notice dated March 12, 2025, and the SEC-MSRD Letter dated April 3, 2025;

2. That I have read and understood its contents which are based on personal knowledge and/or authentic corporate records;

3. That the Company will comply with the requirements set forth in SEC Notice dated May 12, 2021 to effect a complete and official submission of reports and/or documents through electronic mail;

4. That I am fully aware that submitted documents which require pre-evaluation and/or processing fee shall be considered complete and officially received only upon payment of the relevant filing fee; and

5. That the email account designated by the Company pursuant to SEC Memorandum Circular No. 28, s. 2020 shall be used by the Company in its online submission to MSRD.

30 APR 2025

IN WITNESS WHEREOF, I have hereunto set my hand this ___ th day of ______________ 2025 at the City of Makati.

Maria Theresa E. De Mesa

**MARIA THERESA E. DE MESA**

30 APR 2025

SUBSCRIBED AND SWORN to before me this ___th day of __________ 2025 at the City of Makati, affiant exhibiting to me her UMID ID # CRN-0111-3201905-2.

Doc. No. 349 ;
Page No. 71 ;
Book No. 111 ;
Series of 2025.

MAXIMILIAN CHUA
Commission No. M-245
NOTARY PUBLIC FOR MAKATI CITY
Until December 31, 2025
15th Floor, Sagittarius Building
H.V. dela Costa Street, Salcedo Village
Makati City1227
MCLE No. VII-0008473/January 7 2022
Roll of Attorney No. 57166/05-05-09
PTR No. 10469918/01-08-25/ Makati City
IBP No. 495621/ 01-02- 25/Quezon City

# CERTIFICATION

I, **ANNA-TERESA M. GOZON-VALDES**, Corporate Secretary of GMA Network, Inc., a corporation duly registered under and by virtue of the laws of the Republic of the Philippines, with SEC Identification Number 5213 and with principal office address at GMA Network Center, EDSA corner Timog Avenue, Diliman, Quezon City, on oath state:

1. That, on behalf of **GMA NETWORK, INC.** (the "Company"), I have caused the attached Definitive Information Statement (SEC Form 20-IS) to be prepared pursuant to SRC Rule 20;

2. That I have read and understood its contents which are true and correct based on my own personal knowledge and/or on authentic records;

3. That the Company will comply with the requirements set forth in SEC Notice dated May 12, 2021 to effect a complete and official submission of reports and/or documents through electronic mail;

4. That I am fully aware that submitted documents which require pre-evaluation and/or processing fee shall be considered complete and officially received only upon payment of such filing fee; and

5. That the email account designated by the Company pursuant to SEC Memorandum Circular No. 28, s. 2020 shall be used by the Company in its online submission to MSRD/CGFD.

23 JUN 2026

IN WITNESS WHEREOF, I have hereunto set my hand this ___th day of June 2026 at MAKATI CITY.

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

23 JUN 2026

SUBSCRIBED AND SWORN to before me this ___th day of June 2026 at MAKATI CITY, affiant exhibiting to me her Passport No. P75535518B issued on September 6, 2021.

Doc. No. 426;
Page No. 87;
Book No. 4;
Series of 2026.

MAXIMILIAN CHUA
Commission No. M-273
NOTARY PUBLIC FOR MAKATI CITY
Until December 31, 2027
15th Floor, Sagittarius Condominium,
H.V. dela Costa Street, Salcedo Village
Makati City 1227
MCLE VIII-0037704/Valid until April 14, 2028
Roll of Attorney No. 17166/05-05-2009
PTR No. 10771520/01-07-2026/ Makati City
IBP No. 585285/ 01-03- 2026/Quezon City