
**TRANSPACIFIC BROADBAND GROUP
INTERNATIONAL, INC.**

(Company)

9th Floor Summit One Tower
530 Shaw Boulevard, Mandaluyong City

(Address)

717-0523

(Telephone Number)

DECEMBER 31

(Fiscal Year Ending)
(month & day)

SEC Form 17Q

(Form Type)

Amendment Designation (if applicable)

March 31, 2026

(Period Ended Date)

(Secondary License Type and File Number)

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. Commission identification no. AS095-006755 3. BIR Tax Identification No. 004-513-153
4. **TRANSPACIFIC BROADBAND GROUP INT'L., INC.**
5. Philippines
6. Industry Classification Code:
7. Bldg. 1751 Chico St. Clark Special Economic Zone, Angeles, Pampanga
(Satellite Center)
8. Telephone No. (0632)7 717-0523
9. The Company did not change its name, address or fiscal year during the period covered by this report.
10. Securities registered pursuant to Sections 4 and 8 of the RSA

Title of each Class	Number of shares of common stock outstanding and amount of debt outstanding
Common	P380,000,000

11. These securities are listed on the Philippine Stock Exchange.
 - (a) The company 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 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)
 - (b) The company has been subject to such filing requirements for the past ninety (90) days.

I. Financial Statements.

TRANSPACIFIC BROADBAND GROUP INTERNATIONAL, INC.

STATEMENT OF FINANCIAL POSITION

	Notes	(Unaudited) March 31 2026	(Audited) Dec. 31 2025
ASSETS			
Current Assets			
Cash and cash equivalents	5	₱ 2,974,066	₱ 10,618,659
Receivables - net	6	9,342,417	4,050,417
Other current assets	7	1,042,808	1,853,610
		13,359,291	16,522,686
Noncurrent Assets			
Investment in an associate	8	407,543,091	407,543,091
Franchise - net	9	1,299,645	1,315,305
Property and equipment, net	11	48,065,509	53,187,395
Investment properties	12	61,568,800	61,568,800
Other non-current assets	10	83,342,260	75,805,201
		601,819,305	599,419,792
		₱ 615,178,597	₱ 615,942,478
LIABILITIES AND EQUITY			
Current Liabilities			
Accounts payable and accrued expenses	13	₱ 489,642	₱ 639,939
Short-term loans	14	3,745,125	3,745,125
Lease liability	24	3,590,942	4,736,046
Income tax payable		111,127	79,316
		7,936,835	9,200,426
Noncurrent Liabilities			
Deposits	16	1,253,917	1,253,917
Pension liability		1,315,174	1,315,174
Lease liability - net of current portion	24	5,519,611	5,519,611
Advances from related parties	21	2,137,829	2,137,829
Deferred tax liabilities-net		700,616	700,616
		10,927,147	10,927,147
Total Liabilities		18,863,982	20,127,573
Equity			
Share capital	16	380,000,000	380,000,000
Share premium		103,947,352	103,947,352
Share options outstanding	16	8,921,814	8,921,814
Retained earnings		103,883,249	103,383,539
Treasury shares	19	(437,800)	(437,800)
		596,314,615	595,814,905
		₱ 615,178,597	₱ 615,942,478

See Notes to Financial Statements

TRANSPACIFIC BROADBAND GROUP INTERNATIONAL, INC.
STATEMENTS OF COMPREHENSIVE INCOME

		First Quarter Ending	
		31-Mar-26	31-Mar-25
REVENUES			
SERVICE INCOME	17	₱ 8,137,015	₱ 8,220,224
OTHER INCOME	19	331,507	539,361
		8,468,522	8,759,585
COST AND EXPENSES			
DIRECT COST	18	7,500,803	7,967,676
ADMINISTRATIVE EXPENSES	20	372,887	421,905
FINANCE COST		63,311	60,858
		7,937,002	8,450,439
INCOME FROM OPERATION		531,520	309,146
EQUITY IN NET INCOME (LOSS) OF AN ASSOCIATE	8	-	-
INCOME BEFORE INCOME TAX		531,520	309,146
INCOME TAX EXPENSE		31,811	26,642
INCOME FOR THE PERIOD		499,710	282,504
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME		₱ 499,710	₱ 282,504
EARNINGS PER SHARE	23	₱ 0.00	₱ 0.00

See Notes to Financial Statements

TRANSPACIFIC BROADBAND GROUP INTERNATIONAL, INC
STATEMENT OF CHANGES IN EQUITY

	First Quarter Ending	
	31-Mar-26	31-Mar-25
SHARE CAPITAL	₱ 380,000,000	₱ 380,000,000
SHARE PREMIUMS	103,947,352	103,947,352
SHARE OPTIONS OUTSTANDING	8,921,814	8,921,814
RETAINED EARNINGS (DEFICIT)		
Balance, January 1	103,383,539	102,198,290
Net income	499,710	282,504
Balance, March 31	103,883,249	102,480,794
TREASURY SHARES	(437,800)	(437,800)
	₱ 596,314,615	₱ 594,912,160

See Notes to Financial Statements

TRANSPACIFIC BROADBAND GROUP INTERNATIONAL, INC
STATEMENT OF CASH FLOWS

	First Quarter Ending	
	31-Mar-26	31-Mar-25
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	₱ 531,520	₱ 309,146
Adjustments for:		
Depreciation and amortization	5,121,887	5,121,887
Amortization of franchise	15,660	15,660
Interest expense	69,275	66,820
Interest income	(476)	(539)
Operating income before working capital changes	5,737,867	5,512,974
Decrease (increase) in Operating Assets:		
Receivables - net	(5,292,000)	528,970
Other current assets	810,802	838,374
Increase/(decrease) in Operating liabilities		
Accounts payable and accrued expenses	(150,297)	(172,317)
Cash generated from operation	1,106,371	6,708,001
Income taxes paid	-	-
Interest received	476	539
Net Cash Provided by Operations	1,106,847	6,708,540
CASH FLOWS FROM INVESTING ACTIVITIES		
Increase (decrease) in:		
Advances made to related parties	(7,537,061)	(1,071,005)
Net Cash Used in Investing Activities	(7,537,061)	(1,071,005)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of loan:		
Interest expense	(63,311)	(60,858)
Amortization of lease liability		
Principal	(1,145,104)	(1,144,704)
Interest expense	(5,964)	(5,962)
Availment of advances from related parties	-	(14,670,593)
Net Cash Provided by Financing Activities	(1,214,380)	(15,882,117)
NET INCREASE (DECREASE) IN CASH EQUIVALENTS	(7,644,593)	(10,244,582)
CASH AT THE BEGINNING OF THE YEAR	10,618,659	17,357,789
CASH AT END OF YEAR	₱ 2,974,066	₱ 7,113,207

See Notes to Financial Statements

TRANSPACIFIC BROADBAND GROUP INTERNATIONAL, INC.
NOTES TO FINANCIAL STATEMENTS
March 31, 2026 and December 31, 2025

1. Corporate Information

Transpacific Broadband Group International, Inc. (TBGI or the Company), a corporation duly organized and existing under the laws of Republic of the Philippines, was **incorporated and registered with Securities and Exchange Commission ("SEC") on July 14, 1995**, primarily to engage in the business of public commercial radio, terrestrial, cable, and satellite broadcast.

The Company holds a 25-year Congressional Franchise to construct, establish, install, maintain, and operate communications systems for the reception and transmission of messages within the Philippines.

On July 23, 2021, the President of the Philippines signed into law, the Republic Act No. 11581 granting franchise renewal to the company for another 25 years.

The Company also has an approved Provisional Authority to transmit radio signals to satellites granted by the National Telecommunications Commission (NTC) on April 7, 1999.

In 2007, the Company received from NTC its Certificate of Registration as a value added services provider and offer Voice Over Internet Protocol (VOIP) service. In the same year, NTC granted Frequency Supportability to the Company.

The Company is a duly registered Clark Special Economic Zone (CSEZ) enterprise and has committed to operate, manage, and maintain a satellite earth station with broadcast production and postproduction facilities and other related activities, located at Clark Field, Pampanga. Pursuant to its registration with CSEZ, the Company is subject to a special tax rate of 5% of gross income on registered activities.

2. Summary of Significant Accounting Policies

Basis of Preparation

The interim financial statements as at March 31, 2026 and for the three-month period ended March 31, 2026 have been prepared on a historical cost basis, except for building and improvements, uplink equipment, leasehold improvements and data equipment, and investment properties that are carried at fair value.

The interim financial statements are presented in Philippine Peso (P) which is the functional and presentation currency of Company, and all amounts are rounded to the nearest Philippine Peso, unless otherwise indicated.

Statement of Compliance

The accompanying unaudited interim financial statements have been prepared in accordance with Philippine Accounting Standard (PAS) 34, *Interim Financial Reporting*.

New Standards, Interpretations and Amendments adopted by the Company

The accounting policies adopted in the preparation of the interim financial statements **are consistent with those followed in the preparation of the Company's annual financial statements for the year ended December 31, 2025** except for the adoption of new standards effective as at January 1, 2026.

3. Significant Judgements Estimates and Assumptions

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

There were no significant changes in the significant accounting judgments, estimates, and assumptions used by the Company for the period ended March 31, 2026.

4. Financial Risk Management Objectives and Policies

Financial Risk

The **Company's activities expose it to** a variety of financial risk. These risks arise from open positions in interest rate, currency and equity products, all of which are exposed to **general and specific market movements**. The **Company's overall risk management** program seeks to minimize potential adverse effects on the financial performance of the Company. The policies for managing specific risks are summarized below:

- *Credit Risk*

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties, and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

The table below shows the gross maximum exposure to credit risk of the Company as at March 31, 2026 and December 31, 2025.

	Gross Maximum Exposure			
	March 31, 2026		2025	
Cash and cash equivalents *	P	2,974,066	P	10,618,659
Trade receivables		9,342,417		4,050,417
Other non current assets		1,042,808		1,853,610
	P	13,359,291	P	16,522,686

The credit risk on cash and cash equivalents are limited since funds are held in financial institutions with high credit ratings.

Trade receivables are accounts with its customer where appropriate trade relations have been established including billings and collections processes.

The credit risk on other non-current assets are considered minimal.

The **credit quality of the Company's** assets as at March 31, 2026 and December 31, 2025 is as follows:

	March 31, 2026						Total	
	Neither past due nor impaired		Past due but not impaired	Past due and impaired				
	High grade	Standard grade						
Cash and cash equivalents	P	2,974,066	P	-	P	-	P	2,974,066
Trade receivables		-	13,778,644		-	4,436,227		18,214,871
Other non-current assets		-	1,042,808		-	-		1,042,808
	P	2,974,066	P	14,821,451	P	4,436,227	P	22,231,745

		December 31, 2025						
		Neither past due nor impaired		Past due but not impaired	Past due and impaired		Total	
		High grade	Standard grade					
Cash and cash equivalents	P	10,618,659	P -	P -	P -	P -	10,618,659	
Trade receivables		-	4,050,417	-	4,436,227		8,486,644	
Other non-current assets		-	1,853,610	-	-		1,853,610	
	P	10,618,659	P 5,904,027	P -	P 4,436,227	P -	20,958,913	

High-grade cash and cash equivalents are short-term placements and working cash fund placed, invested, or deposited in banks belonging to the top banks in the Philippines in terms of resources and profitability.

Standard grade accounts are active accounts with propensity of deteriorating to mid-range age buckets. These accounts are typically not impaired as the counterparties generally respond to credit actions and update their payments accordingly.

Liquidity Risk

Liquidity or funding risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. Either liquidity risk may result from the inability to sell financial assets quickly at their fair values; or counterparty failing on repayment of a contractual obligation; or inability to generate cash inflows as anticipated.

The Company manages its liquidity profile to (i) ensure that adequate funding is available at all times; (ii) meet commitments as they arise without incurring unnecessary costs; (iii) to be able to access funding when needed at the least possible cost, and (iv) maintain an adequate time spread of financing maturities.

The table below summarizes the maturity profile of the Company's financial liabilities at March 31, 2026 and December 31, 2025.

		March 31, 2026						
		< 1 month	> 1 month & < 3 months	> 3 months & < 1 year	> 1 year & < 3 years			Total
Accounts payable and accrued expenses	P	486,642	P -	P -	P -	P -		486,642
Short-term loans				3,745,125				3,745,125
	P	486,642	P -	P 3,745,125	P -	P -		4,231,767

		December 31, 2025						
		< 1 month	> 1 month & < 3 months	> 3 months & < 1 year	> 1 year & < 3 years			Total
Accounts payable and accrued expenses	P	639,939	P -	P -	P -	P -		639,939
Short-term loans				3,745,125				3,745,125
	P	639,939	P -	P 3,745,125	P -	P -		4,385,064

Market Risk

Market risk is the risk of change in fair value of financial instruments from fluctuation in foreign exchange rates (currency risk), market interest rates (interest rate risk) and market prices (price risk), whether such change in price is caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market.

Market risk is the risk to an institution's financial condition from volatility in the price movements of the assets contained in a portfolio. Market risk represents what the Company would lose from price volatilities. Market risk can be measured as the potential gain or loss in a position or portfolio that is associated with a price movement of a given probability over a specified time horizon.

i. Currency risk

The Company is exposed to foreign exchange risk arising from currency exposures primarily with respect to the US Dollar. Foreign exchange risk arises when future commercial transactions and recognized assets and liabilities are denominated in a currency that is not the company's functional currency. Significant fluctuations in the exchanges rates could significantly affect the Company's financial position.

The carrying amounts of the Company's foreign currency denominated monetary assets and liabilities at reporting date are as follows:

	March 31, 2026		2025	
	US Dollar	Peso Equivalent	US Dollar	Peso Equivalent
Cash and cash equivalents	\$ 23,740	P 1,376,920	\$ 128,388	P 7,549,828
Trade receivables	161,076	9,342,417	68,879	4,050,417
Lease liability	157,079	9,110,553	174,401	10,255,657

The following table demonstrates the sensitivity to a reasonable change in the US\$ exchange rate, with all other variables held constant, the Company's income before tax as at March 31, 2026 for the years ended December 31, 2025:

Increase/decrease in Peso to US Dollar Rate	Effect on Income Before Taxes	
	March 31, 2026	2025
+P5.00	P 118,700	P 641,940
-P5.00	(118,700) P	(641,940)

There is no other impact on the Company's equity other than those affecting profit and loss.

ii. Interest rate risk

Interest rate risk is the risk that the value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Floating interest rate instruments expose the Company to cash flow interest risk, whereas fixed interest rate instruments expose the Company to fair value interest risk.

The Company's interest risk policy requires it to manage interest rate risk by maintaining an appropriate mix of fixed and variable rate instruments. The policy also requires it to manage the maturities of interest-bearing financial assets. Interest on fixed interest rate instruments is priced at inception of the financial instrument and is fixed until maturity.

Exposure to interest rate risk arises from bank loans with interest dependent on the prevailing market rate. As of March 31, 2026 and December 31, 2025, the Company is not exposed to any interest rate risk from fluctuation of market interest.

Operational risk

Operational risk is the risk of loss from system failure, human error, fraud, or external events. When controls fail to perform, operational risk can cause damage to reputation, have legal or regulatory implications or can lead to financial loss. The Company cannot expect to eliminate all operational risk but initiating a rigorous control framework and by monitoring and responding to potential risks, the Company is able to manage the risks. Controls include effective segregation of duties, access controls, authorization and reconciliation procedures, staff education, and assessment processes. Business risk such as changes in environment, technology, and industry are monitored through the Company's strategic planning and budgeting processes.

Capital management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance.

The Company sets the amount of capital in proportion to risk. The Company manages the capital structure and adjusts it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the dividends paid to shareholders, issue new shares, or sell assets to reduce debt.

The capital structure of the Company consists of issued capital, share premium and retained earnings.

The financial ratio at the year-end, which is within the acceptable range of the Company, is as follows:

	March 31, 2026	2025
Equity	P596,314,615	P595,814,905
Total Assets	615,178,597	615,942,478
Ratio	0.969	0.967

5. Cash and Cash Equivalents

As of March 31, 2026 and December 31, 2025, cash and cash equivalents consist of:

	31-Mar-26	2025
Cash in banks	P 2,961,066	P 10,605,659
Cash on hand	13,000	13,000
	P 2,974,066	P 10,618,659

Cash in bank represents peso accounts and US dollar account that earn interests at prevailing bank interest rates.

6. Receivables - net

The composition of this account is as follows:

	31-Mar-26	2025
Trade		
In local currency	P 4,436,227	P 4,436,227
In foreign currency	9,342,417	4,050,417
	13,778,644	8,486,644
Less: Allowance for probable losses	4,436,227	4,436,227
	P 9,342,417	P 4,050,417

The aging of receivables as of March 31, 2026 is as follows:

	Current	Over 31-60 days	More than One Year	Total
Trade				
In local currency	P -	P -	P -	-
In foreign currency	5,292,000	4,050,417	-	9,342,417
	P 5,292,000	P 4,050,417	P -	P 9,342,417

Trade receivable in foreign currency represents US dollar subscription on uplink services from customers based in Hong Kong.

There were no changes affecting allowance for probable losses in 2024 and 2023.

7. Other current assets

	31-Mar-26	2025
Prepaid expenses	P 1,034,520	P 1,810,410
Vat Input	8,288	43,200
	P 1,042,808	P 1,853,610

Prepaid expenses represents advance payment of expenses. Vat Inputs represents 12% input tax on purchases of goods and services. Input VAT is creditable against Output VAT in the subsequent period.

8. Investment in an Associate

Investment in an Associate represents the 29.93% equity interest in ATN Solar Energy Group, Inc. (ATN Solar). Management believes that it exercises significant influence over the financial and operating policies of ATN Solar.

The composition of this account is as follows:

	31-Mar-26	2025
Cost	P 209,500,000	P 209,500,000
Equity in net loss		
Beginning	(8,756,909)	(8,690,434)
Share in net loss for the year	-	(66,475)
	(8,756,909)	(8,756,909)
Deposit for stock subscription	206,800,000	206,800,000
	P 407,543,091	P 407,543,091

ATN Solar is a grantee of Solar Energy Service Contract with the Philippine Government through the Department of Energy to develop, own and operate a 30MW solar power plant in Rodriguez, Rizal.

The project is designed to have a gross generation capacity of 33MW peak of direct current (DC) at the inception. The alternating current (AC) output will be around 30MW, which will be distributed through the Manila Electric Company (Meralco) via a 34.5 kilovolt (KV) transmission system, which Meralco will construct and connect to three feeder lines of the Meralco Distribution network in Diliman and Novaliches, Quezon City, and Marikina City. The project site falls under the franchise area of Meralco; hence, the solar project, as an embedded generator, is allowed to cut into the nearest Meralco connection points.

9. Franchise - net

The Company holds a 25-year Congressional Franchise to construct, establish, install, maintain, and operate communication systems for the reception and transmission of messages within the Philippines with a cost of P15M.

On July 23, 2021, the Company was granted a renewal of Franchise for another 25 years.

The movement in this account is as follows:

	31-Mar-26	2025
Balance, January 1	P 1,315,305	P 1,377,945
Amortization	15,660	62,640
Balance, December 31	P 1,299,645	P 1,315,305

The amortization of franchise is shown as part of direct costs in the Statement of Comprehensive Income. Management believes that the carrying amount of franchise is recoverable in full and no impairment loss is necessary.

10. Other Non-current Assets

This account consists of:

	31-Mar-26 [†]	2025
Advances to:		
ATN Phils. Solar Energy Group Inc. (Solar)	P 70,847,312	P 70,847,312
Palladian Land Dev. Inc. (PLDI)	499,662	128,908
Unipage Management Inc. (UMI)	7,195,686	29,382
Stockholder	2,100,208	2,100,208
Security deposits	2,699,392	2,699,391
	P 83,342,260	P 75,805,201

Security deposits are made to secure leasing arrangement on transponders. These deposits are refundable at the expiration of lease term.

11. Property and Equipment – net

The movement in this account is as follows:

March 31, 2026	Building & improvements	Uplink/data Equipment	Furniture & Fixtures	Leasehold improvements	Transportation equipment	Right-of-Use Asset	Total
Carrying Amount							
At January 1, 2026	P 23,893,402	P 331,903,017	P 5,228,426	P 19,145,709	P 14,337,784	P 20,607,320	P 415,115,658
Addition	23,893,402	331,903,017	5,228,426	19,145,709	14,337,784	20,607,320	415,115,658
Accumulated depreciation							
At January 1, 2026	23,893,402	290,399,127	5,228,426	19,145,709	12,770,597	10,491,000	361,928,261
Provisions	-	3,947,852	-	-	50,000	1,124,036	5,121,888
	23,893,402	294,346,979	5,228,426	19,145,709	12,820,597	11,615,036	367,050,149
Net Carrying Value							
At March 31, 2026	P -	P 37,556,038	P -	P -	P 1,517,187	P 8,992,284	P 48,065,509

Dec. 31, 2025	Building & improvements	Uplink/data Equipment	Furniture & Fixtures	Leasehold improvements	Transportation equipment	Right-of-Use Asset	Total
Carrying Amount							
At January 1, 2025	P 23,893,402	P 331,903,015	P 5,228,426	P 19,145,709	P 14,337,784	P 20,607,320	P 415,115,656
Addition	23,893,402	331,903,015	5,228,426	19,145,709	14,337,784	20,607,320	415,115,656
Accumulated depreciation							
At January 1, 2025	23,893,402	274,634,647	5,127,377	19,145,709	12,571,534	5,994,857	341,367,526
Provisions	-	15,764,480	101,049	-	199,063	4,496,143	20,560,735
	23,893,402	290,399,127	5,228,426	19,145,709	12,770,597	10,491,000	361,928,261
Net Carrying Value							
At Dec. 31, 2025	P -	P 41,503,888	P -	P -	P 1,567,187	P 10,116,320	P 53,187,395

12. Investment Properties

As of March 31, 2026 and December 31, 2025, investment property consists of the following:

Condominium units	P 55,421,800
Land and improvements	6,147,000
	P 61,568,800

Condominium units represent the beneficial ownership of four (4) commercial units held at Summit One Office Tower in Mandaluyong City with a total floor area of 852.64 square meters. Land and improvements represent a parcel of residential lot with house thereon and covers an area of 432 square meters. This is situated in Paliparan 1, Dasmariñas, Cavite.

On April 2, 2018, these properties were subject of an appraisal conducted by Asian Appraisal Company, Inc. Accordingly, the aggregate fair market value of the Mandaluyong property amounted to P55.4 million or an increment of P17 million as of

the date of appraisal. Fair value is determined using the Market approach under the level 2 of the fair value hierarchy. The highest and best use of these properties is commercial, its current use.

The fair value of the Cavite property amounted to P6.1 million. The highest and best use of this property is for residential use. For strategic reason, the property is not used in that manner. Fair value of the land was determined under the Market approach. Fair value of improvements is determined using the Cost Approach. These are estimated under the level 3 of the fair value hierarchy.

Significant increase (decrease) in selling price per square meter would result in a significantly higher (lower) fair value of the property.

As of March 31, 2026, the lot remains idle and no immediate plan to develop or sell the property. There is no contractual obligation to develop the property or for repairs, maintenance and enhancements. Management believes that there are no significant events that increase or decrease the carrying value of investment property as at September 30, 2025.

As at March 31, 2026 and December 31, 2025, there were no transfers between levels of fair value hierarchy.

Rental income and direct operating expenses from investment properties included in the Statement of Comprehensive Income are as follows:

		31-Mar-26		31-Mar-25
Rental income	P	331,031	P	538,821
Direct operating expenses that:				
Generated rental income		37,925		37,925
Did not generate rental income		1,659		1,659

13. Accounts Payable and Accrued Expenses

This account represents liabilities to supplier of goods and services and accruals for various expenses which are usually settled for a maximum period of 3 months. It also includes monthly government payables.

Accounts payable and accrued expenses amounted to P489,642 and P639,939 as of March 31, 2026 and December 31, 2025 respectively.

The aging of this account as follows:

		Current	Over 31-60 days	More than One Year		Total
Trade	P	425,000	-	-	P	425,000
Accrued expenses		64,642		-		64,642
	P	489,642	P	-	P	489,642

14. Short-term loans

Short-term loan is availed for working capital requirements. The loan carries a floating interest rate initially at 6.25% per annum, payable monthly in arrears. The principal is payable after 12 months renewable at the option of the both parties. The maximum credit line with the bank is up to P6 million. As of March 31, 2026 and December 31, 2025, the balance of the loan amounted to P3.745 million.

The loan is collateralized by the following:

- Real estate mortgages over properties owned by a related party; and
- Suretyship agreement by the Company as borrower and a stockholder as a surety.

Total interest paid and accrued reported in the Statement of Comprehensive Income amounted to P63,311 in March 31, 2026 and P60,858 in March 31, 2025.

Management believes that the carrying value of the loan at year end is a reasonable approximation of its fair value as of March 31, 2026 and December 31, 2025.

15. Deposits

Deposits on lease contracts are amounts paid by various lessee as guarantee for the faithful compliance to the terms and conditions of the lease contract. The amount is expected to be settled at the termination of the contract.

16. Equity

Share capital

The Company's capital is as follows:

	Shares	Amount
Authorized - P0.10 par value per share	3,800,000,000	P 380,000,000
Issued and outstanding, January 1	3,800,000,000	P 380,000,000
Shares held in treasury	4,378,000	P 437,800

All of the Company's issued shares of 3,800,000,000 are listed in the Philippine Stock Exchange (PSE). As of March 31, 2026 and December 31, 2025, 4,378,000 shares are held in treasury. The Company's shares listing started on December 12, 2003.

Share options

On May 28, 2008, the Company's BOD approved the grant of share option to its Chief Executive Officer (CEO). The CEO has been largely responsible for bringing the Company to its present financial condition. Furthermore, the CEO has not been compensated since his assumption of management in 2000. Hence, the grant of share option to the CEO is in order.

The share option comprises the following:

- (i) 350 million shares of TBGI at par value of P0.10 per share as compensation for services rendered as CEO of the Company during the period 2001 to 2007, and;
- (ii) 50 million shares of TBGI at par value of P0.10 per share as compensation for services rendered as CEO of the Company during 2008 and onwards, provided, that the subject shares will not be sold in quantities exceeding 20% of the trading volume of Philippine Stock Exchange in any single business day.

The share options were measured using the intrinsic value method since the fair value of the options cannot be measured reliably.

On April 23, 2009 in a special meeting of the BOD, additional terms and conditions were agreed upon defining the vesting schedule of the options as management believes that the Company cannot afford a one-time recognition of the options in 2008. The vesting period was stretched up to 2023 of which 5,000,000 shares may be exercised starting 2013 up to 2022. Another 55 million shares in 2022 and finally, 300 million shares in 2023

During 2022, a special meeting was held to extend the vesting period for another 3 years in consideration of the Covid-19 pandemic. Accordingly, the period in which the options can be exercised was stretched up to 2026.

As of March 31, 2026 and December 31, 2025, the stock options has a carrying value of P8,921,814.

17. Service Income

This account is broken down as follows:

	31-Mar-26		31-Mar-25	
VSAT uplink services				
In local currency	P	350,752	P	325,681
In foreign currency		7,786,262		7,894,543
	P	8,137,014	P	8,220,224

As discussed in Note 1, the Company is duly enfranchised to provide telecommunication services to various clients. Services include provision for uplink services, VSAT-based internet service, wireless networking, hosting and content conversion. Subscription fees pertain to broadband and uplink services that are based on fixed monthly fee.

18. Direct Costs

This account consists of:

	31-Mar-26		31-Mar-25	
Depreciation	P	5,121,887	P	5,121,887
Taxes and licenses		775,891		775,891
Rental		719,558		1,171,197
Salaries, wages & other benefits		329,541		323,498
Transportation and travel		215,828		224,295
Security services		158,311		125,345
Utilities and communication		155,457		93,514
Amortization of franchise		15,660		15,660
Insurance		8,670		116,389
	P	7,500,803	P	7,967,676

19. Other Income

The composition of this account is as follows:

	31-Mar-26		31-Mar-25	
Rent income (see Note 16)	P	331,031	P	538,821
Interest income		476		539
	P	331,507	P	539,360

20. Administrative expenses

This account consists of:

	31-Mar-26		31-Mar-25	
Legal and professional fees	P	307,000	P	317,000
Miscellaneous		12,733		7,350
Permits, taxes and licenses		10,357		10,230
Office supplies		42,797		87,325
	P	372,887	P	421,905

21. Related party transactions

The following related party transactions occurred as of March 31, 2026 and December 31, 2025:

Related party	Nature of transaction	Amount of Transaction		Year-end balances		Terms and condition
		31-Mar-26	2025	31-Mar-26	2025	
Associate						
ATN Solar	Advances	-	312,819 P	70,847,312	70,847,312	Unsecured, unimpaired and no payment terms
Affiliated companies						
Palladian Land Devt. Inc (PLDI)	(i) Rent income	370,754	1,449,500	499,662	128,908	Unsecured, unimpaired and no payment terms
ATN Holdings (ATN)	Availment of intercompany advances	-	-	(2,137,829)	(2,137,829)	Unsecured, unimpaired and no payment terms
Unipage Mgt. Inc. (UMI)	Availment of advances	7,166,304	19,296,760	7,195,686	29,382	Unsecured, unimpaired and no payment terms
Stockholder	(ii) Advances	-	3,791,603	2,100,208	2,100,208	Unsecured, unimpaired and no payment terms
Total advances to related parties				80,642,868	73,105,810	
Total advances from related parties				(2,137,829)	(2,137,829)	
Total				78,505,039	70,967,981	

For the period March 31, 2026 year ended December 31, 2025, the Company did not provide compensation to its key management personnel.

22. Registration with Clark Special Economic Zone

The Company is a duly registered Clark Special Economic Zone (“CSEZ”) enterprise with Registration Certificate No. C2013-683 issued last January 10, 2014. This certificate supersedes Certificate of Registration No. 2002-065 dated July 25, 2002 and 95-53 dated November 29, 1995, issued by Clark Development Corporation (“CDC”) to the Company, and shall be valid until such time the new Certificate of Registration is issued pursuant to the Implementing Rules and Regulations of Republic Act 9400 or unless earlier revoked by CDC or declared invalid by virtue of any legal issuance.

Pursuant to Section 15 of Republic Act No. 7227, Section 5 of Executive Order No. 80 and Proclamation 163, and as further confirmed by BIR Ruling No. 046-95 dated March 3, 1995, the Company is entitled to all incentives available to a CSEZ-registered enterprise, including but not limited to exemption from customs and import duties and national and internal revenues taxes on importation of capital of goods, equipment, raw materials, supplies and other articles including household and personal items.

Subject to compliance with BIR Revenue Regulations and such other laws on export requirements, exemption from all local and national taxes, including but not limited to **corporate withholding taxes and value added taxes (“VAT”)**. In lieu of said taxes, the enterprise shall pay 3% of gross income earned to the national government, 1% to the local government units affected by the declaration of the CSEZ and 1% to the development fund to be utilized for the development of the municipalities contiguous to the base area.

Exemption from inspection of all importations at the port of origin by the Societe Generale de Surveillance (“SGS’), if still applicable, pursuant to Chapter III, C.1 of Customs Administrative Order No. 6-94.

However, in cases where the Company generated income from its sale of services to customs territory customers exceeding 30% of its total income, the entire income from all sources is subjected to the regular corporate income tax of 30% based on net income (e.i. gross income less allowable deductions) rather than the 5% preferential tax based on gross income.

23. Earnings (loss) per share

Earnings (loss) per share is computed by dividing the profit (loss) for the year by the weighted average number of common shares outstanding during the year as follows:

	31-Mar-25	31-Mar-25
Profit (loss) for the year (a)	P 499,710	P 282,504
Weighted average number of shares outstanding during the year (b)	3,795,622,000	3,795,622,000
Earnings (loss) per share (a/b)	0.0001	0.0001

24. Lease commitments

Company as a Lessee

(a) Lease Agreement with Clark Development Corporation

The Company leases a land it presently occupies in Clarkfield, Pampanga with Clark Development Corporation for a period of twenty-five years up to July 10, 2020. Pending resolution of certain terms in the contract the Company recognizes rent expense on a year to year basis up to August 2023.

On August 31, 2023, the final terms on the renewal of the lease agreement was mutually agreed by both parties for a period of four years and seven months up to March 31, 2028.

(b) Staff Housing and Guest House

The Company leases its staff houses and a residential unit in Clarkfield, Pampanga. Both leases have minimum term of one year and renewable within one year upon mutual agreement of both parties.

Upon adoption of PFRS 16, the Company recognized right-of-use asset amounting to P20,607,320. As of March 31, 2026, the carrying value of right-of-use asset amounted to P10,116,320. (see Note 11)

The carrying amount of lease liabilities and the movement during the period is as follows:

	31-Mar-26	2025
Beginning balance	P 10,255,657	P 14,380,012
Interest charge	5,964	24,422
Effect of foreign exchange fluctuation		215,954
Payment made	(1,151,068)	(4,364,731)
Ending balance	P 9,110,553	P 10,255,657
Less: current portion	3,590,942	4,736,042
Non-current Portion	P 5,519,611	P 5,519,615

Company as a Lessor

Lease Agreement with Various Lessees

Through PLDI, the Company's investment properties are leased out to various third parties. The lease is for a period of one year subject to renewal upon mutual agreement of the lessee and the lessor.

Rent income recognized in the Statements of Income amounted to P331,031 in March 31, 2026 and P538,821 in March 31, 2025.

Engineering, Procurement and Construction (EPC) contract

On January 15, 2020, the Company entered into an EPC contract with a related party for the expansion of its VSAT network hub in Clark, Pampanga. The expansion involves 2-phase EPC for (1) KA-Band Ground Station for a total contract price of US\$1.3 million and (2) Telemetry Ground Station for a total contract price of US\$ 1.1 million. Turnover of Phase 1 was accepted in October 2022 (capitalized under Uplink/data equipment in the Property and equipment). **As of December 31, 2025, delivery of Phase 2 is yet to be completed as the installation, integration and commissioning remain pending. The EPC is expected to enhance the internet and broadcasting capability of the Company.**

The remaining commitment under this contract amounted to P121.7 million. The amount is not recognized in the Company's liabilities as of December 31, 2025 and 2024.

25. Segment Reporting

The Company has one reportable operating segment, which is the broadband and internet services. This is consistent with how the Company's management internally monitors and analyzes the financial information for reporting to the chief operating decision-maker, who is responsible for allocating resources, assessing performance and making operating decisions.

Management Discussion and Analysis of Operation

The earnings per share (EPS) are computed based on the following number of outstanding shares:

	March 31, 2026	March 31, 2025
Profit for the period	P499,710	P282,504
Number of Outstanding Shares	3,795,622,000	3,795,622,000
Earnings per Share	P0.0001	P0.0001

Disclosures on the issuer's interim financial report, in compliance with Philippine Financial Reporting Standards:

1. The same accounting policies and methods of computation are followed in the interim financial statements as compared to the most recent and previous financial statements.
2. There is no seasonality or cyclical of interim operations.
3. There is no item that has unusual effect on asset, liabilities, equity, net income and cash flows.
4. There is no change in the nature and amounts reported in prior interim periods of the current financial year or prior financial year.
5. There is no issuance, repurchase nor repayment of debt and equity securities during the interim period.
6. There is no dividend paid for ordinary or other shares.
7. Disclosure on segment revenue is not required.
8. There is no material event subsequent to the end of the interim period that has not been reflected in the financial statements.
9. There is no change in the composition of the issuer such as business combination, acquisition, disposal of subsidiary and long-term investment, and restructuring during the interim period.
10. There is no change in contingent assets or contingent liabilities since the last annual balance sheet date.
11. There is no seasonal effect that had material effect on financial condition or result of operation.

Disclosure on material events and uncertainties

1. There is no known trend, demands, commitments, events or uncertainties that will have material impact on the issuer's liquidity
2. There is no event that will trigger direct or contingent financial obligation that is material to the company.
3. There is no material off-balance sheet transaction, arrangement, obligations and other relationships of the company.
4. There is no material commitment for capital expenditures.
5. There is no known unfavorable trend, events, or uncertainties that have material impact on net sales except for the potential impact of the Covid-19 pandemic.
6. There is no significant element of income that did not arise from the issuer's operations.

Vertical and Horizontal Analysis

Total corporate assets almost the same from Php615.9 million in December 31, 2025 compared to Php615.1 million in March 31, 2026. The net decrease of Php763 thousand (0%) in total assets arose from the following items:

1. Decrease in cash in bank by Php7 million (-72%).
2. Increase in receivables by Php5 million (131%).
3. Decrease in other current assets by P0.8 million (-44%)
4. Decrease in property and equipment by Php5.1 million (-7%) due to depreciation.
5. Increase in other non-current assets by Php7.5 million (10%)

Total liabilities decreased by Php1.2 million (-6%) from Php20 million in December 2025 to Php18.8 million in March 31, 2026. The net decrease in liabilities resulted from the following significant items:

1. Decrease in accounts payable and accrued expenses by Php150 thousand (-23%).
2. Decrease in lease liability by Php1.1 million (-24%) due to payment.
3. Increase in income payable by Php31 thousand (40%).

Stockholders' equity almost the same from Php595 million as of December 31, 2025 to Php596 million in March 31, 2026. The net increase of Php499 thousand resulted from the net income during the quarter ending March 31, 2026.

Total revenue almost the same from Php8.7 million as of March 31, 2025 to Php8.4 million as of March 31, 2026.

Direct costs decreased from Php7.9 million in the 1st quarter ending March 31, 2025 to Php7.5 million (-6%) in the 1st quarter ending March 31, 2026. The net decrease arose from the following accounts:

1. Rentals decreased by Php451 thousand (-38%) from Php1.1 million to Php719 thousand due to adjustments.
2. Insurance decreased by Php107 thousand (-62%) from Php116 thousand to Php8 thousand.
3. Utilities and communication increased by P61 thousand (66%) from P93 thousand to P155 thousand.
4. Security services increased by Php32 thousand (26%) from Php125 thousand to Php158 thousand.

Administrative expenses decreased from Php451 thousand to Php372 thousand. The net decrease arose from the following account:

1. Miscellaneous expenses increased by Php5 thousand (73%)
2. Office supplies decreased by Php44 thousand (-50%).

The following are 7 (seven) key performance and financial soundness indicators of the company:

Current Ratio	Calculated ratio of current assets into current liabilities. Indicates the ability of the company to finance current operations without need for long term capital
Debt-to Equity Ratio	Calculated ratio of total debt into total equity. Indicates the level of indebtedness of the company in relation to buffer funds provided by equity against any operating losses. Also indicates the capacity of the company to absorb or take in more debt.
Asset-to-Equity Ratio	Calculated ratio of total asset into total equity. Indicates the long-term or future solvency position or general financial strength of the company.
Interest Rate Coverage Ratio	Calculated ratio of earnings before interest and taxes into interest expenses. Indicates the ability to meet its interest payments.
Gross profit Margin	Calculated ratio expressed in percentage of the gross margin into total revenues. Indicates the ability of the company to generate margin sufficient to cover administrative charges, financing charges and provide income for the stockholders.
EBITDA	Calculated earnings before income tax, and non-cash charges. Indicates the efficiency of the company in generating revenues in excess of cash operating expenses.
Net Income to Sales Ratio, and Earnings per Share	Calculated ratio of net income into total revenues. Indicates the efficiency of the company in generating revenues in excess of cash operating expenses and non-cash charges, and the ability of the company to declare dividends for stockholders.

Computed performance indicators are as follows:

	March 31, 2025	March 31, 2025
Current Ratio	1.68	1.69
Debt-to-Equity Ratio	0.03	0.05
Asset-to-Equity Ratio	1.03	1.05
Interest Rate Coverage Ratio	7	4
Gross Profit Margin	7.82%	3.07%
EBITDA	P 5,732,378	P 5,431,032
Net Income to Sales Ratio	6.14%	3.23%
Earning per share	P -	P -


SIGNATURES

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

COMPANY : TRANSPACIFIC BROADBAND GROUP INTERNATIONAL INC.

Signature and Title:


PAUL B. SARIA
Principal Operating Officer
May 15, 2026


CELINIA FAELMOQA
Principal Accounting Officer
May 15, 2026