



July 31, 2025

For immediate release

TVA GROUP REPORTS CONSOLIDATED RESULTS FOR Q2 2025

Montreal, Quebec - TVA Group Inc. (TSX: TVA.B) (“TVA Group” or the “Corporation”) today reported its consolidated financial results for the second quarter of 2025.

Highlights

Second quarter 2025

- \$129,415,000 in revenues, a \$14,536,000 (-10.1%) decrease compared with the second quarter of 2024.
- \$4,793,000 (-\$0.11 per share) net loss attributable to shareholders, a \$1,888,000 (-\$0.04 per share) unfavourable variance compared with the same quarter of 2024.
- \$1,754,000 in consolidated adjusted EBITDA¹, an \$11,416,000 decrease compared with the same quarter of 2024.
- \$2,228,000 in adjusted EBITDA¹ in the Broadcasting segment, a \$5,396,000 decrease due to a favourable non-recurring retroactive adjustment of \$10,184,000 recorded in the second quarter of 2024 in connection with carriage rates for the “LCN” channel, largely offset by savings stemming from the implementation of reorganization plans, particularly in labour costs.
- \$2,191,000 in adjusted EBITDA¹ for the MELS segment, a \$3,234,000 unfavourable variance primarily due to lower volume of soundstage and equipment rental activities, with a lack of major foreign productions filming at its studios.
- \$648,000 in adjusted EBITDA¹ in the Magazines segment, a \$376,000 favourable variance due to a decrease in operating expenses, which more than offset the decrease in revenues for the quarter.
- \$2,859,000 in negative adjusted EBITDA¹ in the Production & Distribution segment, a \$2,599,000 unfavourable variance essentially due to the recognition of an impairment charge on certain rights during the quarter.

Pierre Karl Péladeau, acting President and CEO of TVA Group, commented:

“TVA Group’s results for the second quarter of 2025 again reflect the highly challenging business environment, particularly in the television industry, which is affecting all private broadcasters. TVA Group continues to incur considerable financial losses, mainly due to declining advertising revenues, as well as major competitive imbalances. We have been saying for years that the situation can only deteriorate if no action is taken, with dire consequences for the industry and for jobs. On May 21, TVA Group was forced to eliminate some 30 positions related to its Broadcasting segment, in addition to the 650 jobs it has cut since 2023, representing half of its workforce. These restructuring efforts came on top of significant reductions in operating costs over the years, the optimization of real estate holdings, reduced budgets for original productions and the removal of some popular content from TVA Group’s programming. These

¹ See definition of adjusted EBITDA below.

difficult but necessary and responsible decisions have helped contain the crisis to some extent but they are not, and never will be, enough to secure the future of our business.

Government authorities must act to protect domestic businesses and to correct the many persisting inequities in the industry, particularly those related to the Web giants that are destabilizing our entire ecosystem, and also those related to CBC/Radio-Canada, which for too long has pursued a ferocious commercial strategy in defiance of its mission. Among other things, the CRTC should considerably reduce the scope and complexity of the regulatory burden on Canada's traditional private broadcasters and finally establish a fair regulatory framework for the industry. For their part, governments should eliminate the tax deduction for advertising spend on foreign platforms and introduce an additional tax incentive for advertising on domestic media. There's also a problem with the digital services tax ("DST"), which had no mechanism for excluding domestic companies that already pay income taxes, unlike foreign firms. As a responsible corporate citizen, TVA Group had already paid a DST instalment and must now wait for Parliament to pass a bill in order to be reimbursed. In our precarious situation, this further increases the stress we are under. The federal government must act quickly to correct the situation. Finally, CBC/Radio-Canada's mandate and business practices should be refocused with a view to totally eliminating all forms of advertising on all its platforms. Resolving these issues could have a significant impact on the future of private broadcasters such as TVA Group, which are major vehicles of our culture and our democracy.

From April 1 to June 30, 2025, TVA Group's Broadcasting segment had a market share of 43.8%, a 1.3-point increase over the same period of 2024. For the Spring season, March 31 to June 1, 2025, the increase was 1.7 points compared with the same period of 2024. Given the challenging environment, and the fact that the market shares of Radio-Canada and Bell Media were down 0.4 and 0.5 points, respectively, in Spring 2025, this result is a clear indication of the excellent quality of our productions, which continue to stand out and rank among the most popular shows on television. For example, *Sortez-moi d'ici* was the most-watched weekly program in Quebec in Spring 2025, with a 35.5% share. However, while we have a large lead in market share, the total number of viewers tuning in to Quebec's three French-language over-the-air channels throughout the day fell by 13% for the period of March 31 to June 1, 2025 compared with the same period of 2024. This significant, across-the-board decline in viewing figures inevitably exacerbates the fall in television advertising revenues, the sole source of income for over-the-air channels.

On the news front, I would like to begin by mentioning the retirement of anchor Sophie Thibault, who presented her last newscast on June 19 after 37 years on the air. On behalf of TVA Group, I thank her sincerely for her remarkable contribution to Quebec journalism and the success of the *TVA Nouvelles* newscast, and I wish her all the best in retirement.

The "LCN" channel remained the undisputed news channel leader with an 8.5% market share from March 31 to June 1, 2025, a 1.4-point increase over the same period of 2024. The various editions of the *TVA Nouvelles* newscast on TVA Network and "LCN," maintain their lead in every time slot. These results demonstrate the vital role played by TVA Network and "LCN" in informing the public. We therefore believe there is an urgent need for governments to extend the journalism labour tax credit to television journalism rather than confining it to print media.

The "TVA Sports" channel was boosted by its broadcast of the National Hockey League playoffs. Between April 19 and June 17, 2025, it registered a 10.9% market share in primetime, an impressive 3.5-point increase over the same period of 2024. The "TVA Sports" broadcasts of the five Montreal Canadiens games in the first round of the playoffs averaged a 35.6% market share. They were the most-watched sports program in Quebec in 2025 thus far.

To conclude our comments on the Broadcasting segment, we are pleased to report that we have completed the process of moving our studios to 4545 Frontenac St. in Montreal and our crews are now working in their new state-of-the-art facilities.

In Film Production & Audiovisual Services, our quarterly results were again affected by the absence of foreign blockbusters at MELS, although our facilities did see considerable traffic. Among other things, the American game show *Match Game*, a format owned by Fremantle and produced by Attraction, an independent producer that is a member of the *Association québécoise de la production médiatique* (“AQPM”), was filmed at MELS in June 2025. As we have said, to remain competitive in the marketplace, our partners must have access to attractive incentives comparable to those available elsewhere in Canada and internationally. We are calling on the Quebec government to extend the refundable tax credit for film and television production services to audiovisual variety programs and to align its rules for variety productions with those of the federal government. Quebec companies are at a disadvantage compared with those in other Canadian jurisdictions, Quebec being the only province in which production of variety programming, a format in which we have extensive expertise, is not eligible.

In the Magazines segment, our publications are also experiencing a decline in advertising revenue, as are other traditional media. This has now been compounded by the drastic increase in rates for the new curbside recycling system introduced by the Quebec government. The sharp rise only adds to the pressure and uncertainty experienced by this already troubled industry. We repeat: the Quebec government must move swiftly to exempt magazines and newspapers from any financial contribution to the curbside recycling system managed by *Éco Entreprises Québec*, as is currently the case for books. We also continue advocating for a quick review of the current framework for the Canada Periodical Fund’s regular program by Canadian Heritage, as its transformation has led to a steady decline in government support.

The Production and Distribution segment recorded a rights impairment charge on some films produced in 2021 and 2022. At the same time, it completed the shooting of two Christmas movies during the quarter and continued developing other projects.

In conclusion, TVA Group remains firmly committed to preserving what we have been offering Quebecers for over 60 years: television that brings people together, strong content and rigorous news coverage. We will continue pouring our energies into this effort, working to bring all stakeholders on board to find viable solutions that address the current economic environment, enabling us to navigate this critical period and protect our industry.”

Definition

Adjusted EBITDA

In its analysis of operating results, the Corporation defines adjusted EBITDA, as reconciled to net income (loss) under IFRS, as net income (loss) before depreciation and amortization, financial expenses, restructuring costs, impairment of assets and other, income tax expense (recovery) and share of income of associates. Adjusted EBITDA as defined above is not a measure of results that is consistent with IFRS. It is not intended to be regarded as an alternative to other financial operating performance measures or to the statement of cash flows as a measure of liquidity. This measure should not be considered in isolation or as a substitute for other performance measures prepared in accordance with IFRS. This measure is used by management and the Board of Directors to evaluate the Corporation’s consolidated results and the results of its segments. This measure eliminates the significant level of depreciation and amortization of tangible and intangible assets, including any asset impairment charges, as well as the cost associated with one-time restructuring measures, and is unaffected by the capital structure or investment activities of the Corporation and its segments. Adjusted EBITDA is also relevant because it is a significant component of the Corporation’s annual incentive compensation programs. The Corporation’s definition of adjusted EBITDA may not be the same as similarly titled measures reported by other companies.

Forward-looking information disclaimer

The statements in this news release that are not historical facts may be forward-looking statements and are subject to important known and unknown risks, uncertainties and assumptions which could cause the Corporation's actual results for future periods to differ materially from those set forth in the forward-looking statements. Forward-looking statements generally can be identified by the use of the conditional, the use of forward-looking terminology such as "propose," "will," "expect," "may," "anticipate," "intend," "estimate," "plan," "foresee," "believe" or the negative of these terms or variations of them or similar terminology. Certain factors that may cause actual results to differ from current expectations include seasonality, operational risks (including pricing actions by competitors and the risk of loss of key customers in the Film Production & Audiovisual Services and Production & Distribution segments), programming, content and production cost risks, credit risk, government regulation risks, government assistance risks, changes in economic conditions, fragmentation of the media landscape, risk related to the Corporation's ability to adapt to fast-paced technological change and to new delivery and storage methods, labour relations risks, and risks related to public health emergencies, as well as any urgent steps taken by government.

The forward-looking statements in this document are made to give investors and the public a better understanding of the Corporation's circumstances and are based on assumptions it believes to be reasonable as of the day on which they were made. Investors and others are cautioned that the foregoing list of factors that may affect future results is not exhaustive and that undue reliance should not be placed on any forward-looking statements.

For more information on the risks, uncertainties and assumptions that could cause the Corporation's actual results to differ from current expectations, please refer to the Corporation's public filings, available at www.sedarplus.ca and www.groupe TVA.ca, including in particular the "Risks and Uncertainties" section of the Corporation's annual Management's Discussion and Analysis for the year ended December 31, 2024.

The forward-looking statements in this news release reflect the Corporation's expectations as of July 31, 2025 and are subject to change after this date. The Corporation expressly disclaims any obligation or intention to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required to do so by the applicable securities laws.

TVA Group

TVA Group Inc., a subsidiary of Quebecor Media Inc., is a communications company engaged in the broadcasting, film production and audiovisual services, international production and distribution of television content, and magazine publishing industries. TVA Group Inc. is North America's largest broadcaster of French-language entertainment, information and public affairs programming and one of the largest private-sector producers of French-language content. It is also the largest publisher of French-language magazines and publishes some of the most popular English-language titles in Canada. The Corporation's Class B shares are listed on the Toronto Stock Exchange under the ticker symbol TVA.B.

The Condensed Consolidated Financial Statements as at June 30, 2025, with notes, and the interim Management's Discussion and Analysis, can be consulted on the Corporation's website at www.groupe TVA.ca.

Source:

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TVA GROUP INC.
CONSOLIDATED STATEMENTS OF LOSS

(unaudited)
(in thousands of Canadian dollars, except per share amounts)

		Three-month periods ended June 30		Six-month periods ended June 30	
	Note	2025	2024	2025	2024
Revenues	2	\$ 129,415	\$ 143,951	\$ 249,083	\$ 273,112
Purchases of goods and services	3	102,843	103,405	217,161	221,961
Employee costs		24,818	27,376	50,662	57,282
Depreciation and amortization		4,682	5,592	9,652	11,802
Financial expenses	4	913	1,513	1,239	2,751
Restructuring costs, impairment of assets and other	5	2,740	7,850	4,612	5,958
Loss before (income tax recovery) income taxes and share of income of associates		(6,581)	(1,785)	(34,243)	(26,642)
(Income tax recovery) income taxes		(1,640)	1,461	(8,909)	(5,215)
Share of income of associates		(148)	(341)	(232)	(619)
Net loss attributable to shareholders		\$ (4,793)	\$ (2,905)	\$ (25,102)	\$ (20,808)
Basic and diluted loss per share attributable to shareholders		\$ (0.11)	\$ (0.07)	\$ (0.58)	\$ (0.48)
Weighted average number of outstanding and diluted shares		43,205,535	43,205,535	43,205,535	43,205,535

See accompanying notes to condensed consolidated financial statements.

TVA GROUP INC.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

(unaudited)
(in thousands of Canadian dollars)

	Note	Three-month periods ended June 30		Six-month periods ended June 30	
		2025	2024	2025	2024
Net loss attributable to shareholders		\$ (4,793)	\$ (2,905)	\$ (25,102)	\$ (20,808)
Other comprehensive items that will not be reclassified to loss:					
Defined benefit plans:					
Re-measurement gain	10	-	2,600	-	16,600
Deferred income taxes		-	(700)	-	(4,400)
		-	1,900	-	12,200
Comprehensive loss attributable to shareholders		\$ (4,793)	\$ (1,005)	\$ (25,102)	\$ (8,608)

See accompanying notes to condensed consolidated financial statements.

TVA GROUP INC.
CONSOLIDATED STATEMENTS OF EQUITY

(unaudited)
(in thousands of Canadian dollars)

	Equity attributable to shareholders					Total equity
	Capital stock (note 8)	Contributed surplus	Retained earnings	Accumulated other comprehensive income - Defined benefit plans		
Balance as of December 31, 2023	\$ 207,280	\$ 581	\$ 81,919	\$ 57,568	\$ 347,348	
Net loss	-	-	(20,808)	-	(20,808)	
Other comprehensive income	-	-	-	12,200	12,200	
Balance as of June 30, 2024	207,280	581	61,111	69,768	338,740	
Net income	-	-	1,465	-	1,465	
Other comprehensive loss	-	-	-	(2,931)	(2,931)	
Balance as of December 31, 2024	207,280	581	62,576	66,837	337,274	
Net loss	-	-	(25,102)	-	(25,102)	
Balance as of June 30, 2025	\$ 207,280	\$ 581	\$ 37,474	\$ 66,837	\$ 312,172	

See accompanying notes to condensed consolidated financial statements.

TVA GROUP INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(unaudited)
(in thousands of Canadian dollars)

(unaudited) (in thousands of Canadian dollars)		Three-month periods ended June 30		Six-month periods ended June 30	
	Note	2025	2024	2025	2024
Cash flows related to operating activities					
Net loss		\$ (4,793)	\$ (2,905)	\$ (25,102)	\$ (20,808)
Adjustments for:					
Depreciation and amortization		4,682	5,592	9,652	11,802
Impairment of assets	5	-	7,781	-	7,781
Loss (gain) on disposal and write-off of assets	5	-	70	-	(2,239)
Share of income of associates		(148)	(341)	(232)	(619)
Deferred income taxes		(1,422)	4,412	(8,452)	(2,033)
Other		113	33	(191)	52
		(1,568)	14,642	(24,325)	(6,064)
Net change in non-cash balances related to operating items		17,486	(572)	9,642	20,951
Cash flows provided by (used in) operating activities		15,918	14,070	(14,683)	14,887
Cash flows related to investing activities					
Additions to property, plant and equipment		(1,999)	(5,844)	(6,274)	(8,136)
Additions to intangible assets		(145)	(2,108)	(573)	(3,126)
Disposals of property, plant and equipment	5	-	163	-	2,763
Other		-	-	322	-
Cash flows used in investing activities		(2,144)	(7,789)	(6,525)	(8,499)
Cash flows related to financing activities					
Net change in bank indebtedness		(6,339)	(2,622)	(1,775)	776
Net change of debt due to the parent corporation	7	(7,000)	(3,000)	24,000	(6,000)
Repayment of lease liabilities		(435)	(509)	(1,017)	(1,014)
Other		-	(150)	-	(150)
Cash flows (used in) provided by financing activities		(13,774)	(6,281)	21,208	(6,388)
Net change in cash		-	-	-	-
Cash at beginning of period		-	-	-	-
Cash at end of period		\$ -	\$ -	\$ -	\$ -

See accompanying notes to condensed consolidated financial statements.

TVA GROUP INC.

CONSOLIDATED BALANCE SHEETS

(unaudited)
(in thousands of Canadian dollars)

	Note	June 30 2025	December 31 2024
Assets			
Current assets			
Accounts receivable		\$ 120,788	\$ 134,835
Income taxes		8,838	10,984
Audiovisual content		94,309	101,195
Prepaid expenses		5,772	2,291
		229,707	249,305
Non-current assets			
Audiovisual content		71,416	82,517
Investments		12,956	12,724
Property, plant and equipment		141,624	147,397
Intangible assets		8,673	8,934
Right-of-use assets		7,011	7,519
Goodwill		9,102	9,102
Defined benefit plan asset	10	50,074	50,550
Deferred income taxes		14,122	6,578
		314,978	325,321
Total assets		\$ 544,685	\$ 574,626
Liabilities and equity			
Current liabilities			
Bank indebtedness		\$ 1,892	\$ 3,667
Accounts payable, accrued liabilities and provisions		120,399	145,454
Content rights payable		30,573	28,835
Deferred revenues		5,784	8,142
Income taxes		359	653
Current portion of lease liabilities		2,047	2,515
Current portion of debt due to the parent corporation	7	57,992	33,976
		219,046	223,242
Non-current liabilities			
Lease liabilities		5,758	6,180
Other liabilities		7,587	6,900
Deferred income taxes		122	1,030
		13,467	14,110
Equity			
Capital stock	8	207,280	207,280
Contributed surplus		581	581
Retained earnings		37,474	62,576
Accumulated other comprehensive income		66,837	66,837
Equity		312,172	337,274
Total liabilities and equity		\$ 544,685	\$ 574,626

See accompanying notes to condensed consolidated financial statements.

TVA GROUP INC.

Notes to condensed consolidated financial statements

Three-month and six-month periods ended June 30, 2025 and 2024 (unaudited)
(tabular amounts are expressed in thousands of Canadian dollars, except per share and per option amounts)

TVA Group Inc. ("TVA Group" or the "Corporation") is governed by the Quebec *Business Corporations Act*. TVA Group is a communications company engaged in broadcasting, film production & audiovisual services, international production & distribution of television content, and magazine publishing (note 11). The Corporation is a subsidiary of Quebecor Media Inc. ("Quebecor Media" or the "parent corporation") and its ultimate parent corporation is Quebecor Inc. ("Quebecor"). The Corporation's head office is located at 612 Saint-Jacques St., Montreal, Quebec, Canada.

The Corporation's businesses experience significant seasonality due to, among other factors, seasonal advertising patterns, consumers' viewing, reading and listening habits, demand for production services from international and local producers, and demand for content from global broadcasters. Because the Corporation depends on the sale of advertising for a significant portion of its revenues, operating results are also sensitive to prevailing economic conditions, particularly as they may affect corporate advertising spending. In view of the seasonal nature of some of the Corporation's activities, the results of operations for interim periods should not necessarily be considered indicative of full-year results.

1. Basis of presentation

These consolidated financial statements were prepared in accordance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"), except that they do not include all disclosures required under IFRS for annual consolidated financial statements. In particular, these consolidated financial statements were prepared in accordance with IAS 34, *Interim Financial Reporting*, and accordingly are condensed consolidated financial statements. These condensed consolidated financial statements should be read in conjunction with the Corporation's 2024 annual consolidated financial statements, which describe the material accounting policies used to prepare these condensed consolidated financial statements.

These condensed consolidated financial statements were approved by the Corporation's Board of Directors on July 31, 2025.

Certain comparative figures for the three-month and six-month periods ended June 30, 2024 have been restated to conform to the presentation adopted for the three-month and six-month periods ended June 30, 2025.

TVA GROUP INC.

Notes to condensed consolidated financial statements (continued)

Three-month and six-month periods ended June 30, 2025 and 2024 (unaudited)

(tabular amounts are expressed in thousands of Canadian dollars, except per share and per option amounts)

2. Revenues

	Three-month periods ended June 30		Six-month periods ended June 30	
	2025	2024	2025	2024
Advertising services	\$ 63,245	\$ 60,806	\$ 122,856	\$ 123,821
Carriage rates ⁽¹⁾	34,534	43,928	66,579	76,097
Rental, postproduction and distribution services and other services rendered ⁽²⁾	20,034	26,246	36,979	48,054
Product sales ⁽³⁾	11,602	12,971	22,669	25,140
	\$ 129,415	\$ 143,951	\$ 249,083	\$ 273,112

⁽¹⁾ During the second quarter of 2024, a favourable retroactive adjustment of \$10,184,000 was recorded for the period from September 1, 2017 to December 31, 2023 in connection with carriage rates of the "LCN" channel.

⁽²⁾ Revenues from rental of soundstages, mobiles, equipment and rental space amounted to \$7,593,000 and \$11,928,000 for the three-month and six-month periods ended June 30, 2025 respectively (\$13,967,000 and \$22,769,000 for the same periods of 2024). Service revenues also include the activities of the Production & Distribution segment.

⁽³⁾ Revenues from product sales include newsstand and subscription sales of magazines and sales of audiovisual content.

3. Purchases of goods and services

	Three-month periods ended June 30		Six-month periods ended June 30	
	2025	2024	2025	2024
Rights, audiovisual content and services rendered	\$ 78,321	\$ 76,248	\$ 165,161	\$ 165,667
Printing and distribution	2,658	3,063	5,213	6,147
Services rendered by the parent corporation:				
- Commissions on advertising sales	5,230	5,045	10,165	10,316
- Other	2,751	3,218	5,624	6,653
Building costs	2,998	3,940	7,427	8,582
Marketing costs	3,217	4,257	7,596	8,652
Other	7,668	7,634	15,975	15,944
	\$ 102,843	\$ 103,405	\$ 217,161	\$ 221,961

TVA GROUP INC.

Notes to condensed consolidated financial statements (continued)

Three-month and six-month periods ended June 30, 2025 and 2024 (unaudited)

(tabular amounts are expressed in thousands of Canadian dollars, except per share and per option amounts)

4. Financial expenses

	Three-month periods ended June 30		Six-month periods ended June 30	
	2025	2024	2025	2024
Interest on debt ⁽¹⁾	\$ 1,224	\$ 1,679	\$ 2,053	\$ 3,445
Amortization of financing costs	6	33	24	52
Interest on lease liabilities	220	95	328	193
Interest income related to defined benefit plans	(552)	(374)	(1,104)	(791)
Other	15	80	(62)	(148)
	\$ 913	\$ 1,513	\$ 1,239	\$ 2,751

⁽¹⁾ For the three-month and six-month periods ended June 30, 2025, interest totalling \$1,134,000 and \$1,954,000, respectively, were recorded on the renewable credit facility with Quebecor Media (\$1,540,000 and \$3,256,000 for the same periods of 2024).

5. Restructuring costs, impairment of assets and other

	Three-month periods ended June 30		Six-month periods ended June 30	
	2025	2024	2025	2024
Restructuring costs	\$ 2,633	\$ 232	\$ 4,827	\$ 649
Impairment of assets	–	7,781	–	7,781
Gain on disposal of property, plant and equipment	–	(163)	–	(2,472)
Other	107	–	(215)	–
	\$ 2,740	\$ 7,850	\$ 4,612	\$ 5,958

Restructuring costs

For the three-month and six-month periods ended June 30, 2025 and 2024, the Corporation recorded an operational restructuring charge in connection with the elimination of positions and the implementation of cost-reduction measures, mainly in the Broadcasting segment.

TVA GROUP INC.

Notes to condensed consolidated financial statements (continued)

Three-month and six-month periods ended June 30, 2025 and 2024 (unaudited)

(tabular amounts are expressed in thousands of Canadian dollars, except per share and per option amounts)

5. Restructuring costs, impairment of assets and other (continued)

Impairment of assets

During the second quarter of 2024, the Corporation performed an impairment test on the Production & Distribution cash-generating unit ("CGU") due to the competitive industry environment and the slowdown in its volume of activities. The Corporation concluded that the recoverable amount of the CGU, based on value in use, was less than its carrying amount. Accordingly, a \$7,781,000 goodwill impairment charge (without any tax consequence) was recognized.

Gain on disposal of property, plant and equipment

During the first quarter of 2024, the Corporation closed the sale of a building in Saguenay to the parent corporation for proceeds on disposal of \$2,600,000. The transaction gave rise to the recognition of a \$2,309,000 gain on disposal.

During the second quarter of 2024, the Corporation also recognized a gain on disposal of assets of \$163,000.

6. Supplementary cash flow information

Net interest and income taxes paid (received) are classified in operating activities and are detailed as follows:

	Three-month periods ended June 30		Six-month periods ended June 30	
	2025	2024	2025	2024
Interest paid	\$ 1,474	\$ 2,085	\$ 2,266	\$ 3,868
Income taxes (received) paid (net of payments or refunds)	(2,953)	78	(2,309)	443

TVA GROUP INC.

Notes to condensed consolidated financial statements (continued)

Three-month and six-month periods ended June 30, 2025 and 2024 (unaudited)

(tabular amounts are expressed in thousands of Canadian dollars, except per share and per option amounts)

7. Long-term debt

The components of long-term debt are as follows:

	June 30, 2025	December 31, 2024
Renewable credit facility – Quebecor Media	\$ 58,000	\$ 34,000
Financing costs, net of accumulated amortization	(8)	(24)
	57,992	33,976
Less the current portion	(57,992)	(33,976)
	\$ –	\$ –

On June 12, 2025, the Corporation amended its \$120,000,000 secured renewable credit facility with Quebecor Media as lender to extend its term from June 15, 2025, to June 30, 2026. This renewable credit facility bears interest at the Canadian Overnight Repo Rate Average (“CORRA”) or the Canadian prime rate, plus a premium based on the Corporation’s debt ratio.

8. Capital stock

a) Authorized capital stock

An unlimited number of Class A common shares, participating, voting, without par value.

An unlimited number of Class B shares, participating, non-voting, without par value.

An unlimited number of preferred shares, non-participating, non-voting, with a par value of \$10 each, issuable in series.

b) Issued and outstanding capital stock

	June 30, 2025	December 31, 2024
4,320,000 Class A common shares	\$ 72	\$ 72
38,885,535 Class B shares	207,208	207,208
	\$ 207,280	\$ 207,280

TVA GROUP INC.

Notes to condensed consolidated financial statements (continued)

Three-month and six-month periods ended June 30, 2025 and 2024 (unaudited)
(tabular amounts are expressed in thousands of Canadian dollars, except per share and per option amounts)

9. Stock-based compensation and other stock-based payments

(a) Stock option plans

	Outstanding options	
	Number	Weighted average exercise price
TVA Group		
Balance as at December 31, 2024	685,774	\$ 1.96
Cancelled	(65,000)	1.83
Expired	(25,000)	6.85
Balance as at June 30, 2025	595,774	\$ 1.77
Vested options as at June 30, 2025	150,390	\$ 1.88
Quebecor		
Balance as at December 31, 2024	227,656	\$ 30.63
Exercised	(17,739)	31.59
Cancelled	(67,000)	30.15
Transferred	(60,000)	30.97
Balance as at June 30, 2025	82,917	\$ 30.55
Vested options as at June 30, 2025	11,944	\$ 33.19

(b) Deferred stock unit ("DSU") plan for directors

	Outstanding units
	Corporation stock units
Balance as at December 31, 2024	545,298
Granted	62,594
Redeemed	(96,421)
Balance as at June 30, 2025	511,471

(c) Stock-based compensation expense

For the three-month and six-month periods ended June 30, 2025, a compensation expense in the amount of \$107,000 and a compensation expense reversal in the amount of \$80,000, respectively, related to all of the stock-based compensation plans were recorded (compensation expense reversals of \$135,000 and \$49,000, respectively, for the same periods of 2024).

TVA GROUP INC.

Notes to condensed consolidated financial statements (continued)

Three-month and six-month periods ended June 30, 2025 and 2024 (unaudited)

(tabular amounts are expressed in thousands of Canadian dollars, except per share and per option amounts)

10. Pension plans and postretirement benefits

The gain on re-measurement of defined benefit plans recognized in the consolidated statement of comprehensive loss for the three-month and six-month periods ended June 30, 2024 mainly reflects the increase in the discount rate.

11. Segmented information

The Corporation's operations consist of the following segments:

- The **Broadcasting segment**, which includes the operations of TVA Network, specialty services, the marketing of digital products associated with the various televisual brands, and commercial production and custom publishing services, including those of its Communications Qolab inc. subsidiary;
- The **Film Production & Audiovisual Services segment**, which provides soundstage, mobile and production equipment rental services, as well as dubbing and described video ("media accessibility services"), postproduction and virtual production services;
- The **Magazines segment**, which publishes magazines and markets digital products associated with the various magazine brands;
- The **Production & Distribution segment**, which through the companies in the Incendo group and the TVA Films division, among others, produces and distributes television shows, movies and television series for the world market.

TVA GROUP INC.

Notes to condensed consolidated financial statements (continued)

Three-month and six-month periods ended June 30, 2025 and 2024 (unaudited)

(tabular amounts are expressed in thousands of Canadian dollars, except per share and per option amounts)

11. Segmented information (continued)

	Three-month periods ended June 30		Six-month periods ended June 30	
	2025	2024	2025	2024
Revenues				
Broadcasting	\$ 109,696	\$ 117,905	\$ 211,589	\$ 225,568
Film Production & Audiovisual Services	14,607	20,023	27,107	36,273
Magazines	7,625	8,415	14,635	16,034
Production & Distribution	1,362	1,455	3,264	3,331
Intersegment items	(3,875)	(3,847)	(7,512)	(8,094)
	129,415	(143,951)	249,083	273,112
Adjusted EBITDA (negative adjusted EBITDA) ⁽¹⁾				
Broadcasting	2,228	7,624	(17,485)	(13,635)
Film Production & Audiovisual Services	2,191	5,425	2,314	8,030
Magazines	648	272	467	(47)
Production & Distribution	(2,859)	(260)	(2,842)	(630)
Intersegment items	(454)	109	(1,194)	151
	1,754	13,170	(18,740)	(6,131)
Depreciation and amortization	4,682	5,592	9,652	11,802
Financial expenses	913	1,513	1,239	2,751
Restructuring costs, impairment of assets and other	2,740	7,850	4,612	5,958
Loss before (income tax recovery) income taxes and share of income of associates	\$ (6,581)	\$ (1,785)	\$ (34,243)	\$ (26,642)

The above-noted intersegment items represent the elimination of normal course business transactions between the Corporation's business segments.

⁽¹⁾ The Chief Executive Officer uses adjusted EBITDA as a measure of financial performance for assessing the performance of each of the Corporation's segments. Adjusted EBITDA is defined as net loss before depreciation and amortization, financial expenses, restructuring costs, impairment of assets and other, (income tax recovery) income taxes and share of income of associates. Adjusted EBITDA as defined above is not a measure of results that is consistent with IFRS.