



SPANISH BROADCASTING SYSTEM, INC. MATERIAL CHANGE REPORT

November 20, 2023

Reference is made to that certain indenture (the “Indenture”), dated February 17, 2021, by and between Spanish Broadcasting System, Inc. (the “Company”) and Wilmington Trust, National Association, as trustee (the “Trustee”) governing the Company’s 9.75% senior secured notes due 2026 (the “Notes”). This material change report has been prepared and delivered to holders of Notes in accordance with Section 4.11 of the Indenture. The Company shall be deemed to have satisfied its obligation to furnish this material change report to holders of the Notes by posting of such report to the Company’s website to which holders of Notes are given access.

Item 1.01 Material Amendment to a Material Definitive Agreement.

Acquisition of FM Radio Station Asset

On April 3, 2023, Spanish Broadcasting System SouthWest, Inc. and SBS Houston Licensing, Inc., subsidiaries of the Company (collectively, “SBS SouthWest”), entered into an asset purchase agreement (the “Purchase Agreement”) to acquire KROI(FM), a FM radio broadcast station (the “Radio Station”) serving the Houston, Texas radio market, from Radio One Licenses, LLC and Radio One of Texas II, LLC (collectively, “Radio One”). Pursuant to the Purchase Agreement, Radio One, has agreed to convey certain assets, including licenses, permits and authorizations issued by the FCC, tangible personal property and certain leases used in or related to the operation of the Radio Station to SBS SouthWest.

The purchase price is equal to \$7.5 million plus or minus certain customary prorations and adjustments. On April 5, 2023, pursuant to the Purchase Agreement and the related escrow agreement, SBS SouthWest deposited approximately \$0.4 million into an escrow account. On November 15, 2023, SBS Southwest and Sugarland Station Trust, LLC, (the trustee charged with the management and sale of KROI on behalf of Radio One) entered into an amendment to the Purchase Agreement (the “Amendment”) providing the Company the right to delay the closing until a date that is no later than the first to occur of: (a) the date that is five business days prior to the last day that the FCC Consent is in effect, and (b) July 1, 2024. Also, as part of the Amendment, the Company agreed to release its deposit in escrow of \$0.4 million and made a payment of \$1.5 million and will make the following \$1.0 million payments on January 16th, March 29th, April 30th and May 31st of 2024 to the seller which are applicable towards the purchase price. At closing, the Company will pay the remaining balance of \$1.6 million with immediately available funds.

The Purchase Agreement contains customary representations, warranties, covenants and closing conditions, including FCC regulatory approval, and the transaction is expected to close during the third quarter of 2024.