SPANISH BROADCASTING SYSTEM, INC. REPORTS RESULTS FOR THE SECOND QUARTER 2023

MIAMI, **FLORIDA**, August 29, 2023– Spanish Broadcasting System, Inc. (the "Company" or "SBS") (OTC Pink: SBSAA) today reported financial results for the three and six months ended June 30, 2023.

Financial Highlights

The results of operations of our television segment in the current and prior year periods have been classified as discontinued operations in the financial highlights and unaudited condensed consolidated statements of operations and are no longer included as part of continuing operations or Adjusted OIBDA.

(in thousands)	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022	% Change	Six Months Ended June 30, 2023	Six Months Ended June 30, 2022	% Change
Net revenue from continuing operations	$ 35,447	$ 35,047	1%	$ 69,994	$ 73,078	(4%)
Operating Expenses	25,500	23,626	8%	53,230	50,001	6%
Station Operating Income (SOI), a non-GAAP measure*	$ 9,947	$ 11,421	(13%)	$ 16,764	$ 23,077	(27%)
Corporate Expenses, without stock-based compensation*	3,778	4,569	(17%)	7,200	8,383	(14%)
Adjusted OIBDA, a non-GAAP measure*:	$ 6,169	$ 6,852	(10%)	$ 9,564	$ 14,694	(35%)

***** Please refer to the Non-GAAP Financial Measures section for a definition of Station Operating Income and Adjusted OIBDA and a reconciliation from the most directly comparable GAAP financial measure.

Discussion and Results

"Our second quarter performance reflects further expansion of our Hispanic-centric revenue streams and our proven ability to leverage our leading heritage audio and digital brands and platforms," commented Raúl Alarcón, Chairman and Chief Executive Officer of SBS. "At a time when the nationwide Hispanic population commands a purchasing power of over $2.5 trillion, there is no more effective vehicle in delivering the exposure, penetration and purchasing influence over this rapidly expanding audience group. Our audio footprint has grown meaningfully with the creation of our "trifecta" in Florida (Miami, Orlando, and Tampa) as our total aggregate audience continues to grow.

Our flagship WSKQ-FM in New York City continues to rank as *the most-streamed-station in America in any language or format.* In fact, SBS owns and operates three of the Top Twenty streamed stations in a nation with over 15,000 competitors. Overall, our audio ratings remain at the top of the rankings in many key national Hispanic markets including New York, Los Angeles, Miami, San Francisco, Puerto Rico, and Orlando. At the same time, our digital platforms are driving further audience growth as we connect our leading brands with this highly sought-after demographic group across all our terrestrial, online, mobile, and live event offerings.

As has been amply demonstrated and lauded by the top CMOs of corporate America, there is no better time to connect their brands with the highly lucrative Hispanic demographic - and no better-suited or strategically positioned partner than SBS.

Moving forward, we remain focused on our "Core-is-More" strategic initiative: targeted expansion of our successful audio and digital brands, unequalled market access for our brand partners and clients and a strictly disciplined adherence to operating efficiency - exclusively focused and dedicated to the rapidly expanding Hispanic constituency."

Three Months Ended Results

For the three months ended June 30, 2023, our operating results were positively impacted by the receipt of $1.3 million related to a 2020 business interruption insurance claim recognized as other revenue, partially offset by the rescheduling of certain special events to the latter half of 2023 which led to lower ticket sales, and local sponsorship revenue. Our operating expenses were impacted by investments in our (i) Orlando and Tampa start-up stations purchased on April 29, 2022, (ii) unique Spanish-language programming talent and content for our terrestrial and digital properties and (iii) digital infrastructure and capabilities, personnel, and offerings, such as Digidea, our pure-play digital marketing department.

Our net revenue from continuing operations totaled $35.4 million compared to $35.0 million for the same prior year period, resulting in an increase of approximately $0.4 million or 1%. The increase was primarily due to other revenue, national, network, and barter sales, partially offset by lower local and digital sales, and special events revenue.

Our operating expenses increased $1.9 million or 8% primarily due to increases in compensation & benefits, allowance for doubtful accounts, cost of digital sales, music license fees, sales incentives, and transmitter rent, partially offset by a decrease in advertising & promotions.

Our station operating income, a non-GAAP measure, totaled $9.9 million compared to $11.4 million for the same prior year period representing a decrease of 13%. The decrease was related to higher operating expenses related to the line items discussed above.

Corporate expenses decreased $0.8 million or 17% due to decreases in compensation & benefits and travel & entertainment, partially offset by increases in outside services and professional fees.

Adjusted OIBDA, a non-GAAP measure, totaled $6.2 million compared to $6.9 million in the same prior year period, representing a decrease of $0.7 million or 10%.

Six Months Ended Results

For the six months ended June 30, 2023, our operating results were impacted by our special events which had fewer show nights as well as the rescheduling of certain concerts to the latter half of the year which led to lower ticket sales, local sponsorship revenue and event expenses, partially offset by the receipt of $1.3 million related to a 2020 business interruption insurance claim recognized as other revenue. Additionally, our operating expenses were impacted by investments in our (i) Orlando and Tampa start-up stations purchased on April 29, 2022, (ii) unique Spanish-language programming talent and content for our terrestrial and digital properties and (iii) digital infrastructure and capabilities, personnel, and offerings, such as Digidea, our pure-play digital marketing department.

Our net revenue from continuing operations totaled $70.0 million compared to $73.1 million for the same prior year period, resulting in a decrease of approximately $3.1 million or 4%. The decrease was primarily the result of lower special events revenue, as well as lower local, barter, and digital sales, partially offset by increases in national, network, digital sales, and other revenue.

Our operating expenses increased $3.2 million or 6% primarily due to increases in compensation & benefits, allowance for doubtful accounts, music license fees, cost of digital sales, rating services, sales incentives and transmitter rent, partially offset by decreases in special events expenses, advertising & promotions, and sales commissions.

Our station operating income, a non-GAAP measure, totaled $16.8 million compared to $23.1 million for the same prior year period representing a decrease of 27%. The decrease was related to lower net revenue and higher operating expenses related to the items discussed above.

Corporate expenses decreased $1.2 million or 14% due to decreases in compensation & benefits and travel & entertainment, partially offset by increases in outside services and professional fees.

Adjusted OIBDA, a non-GAAP measure, totaled $9.6 million compared to $14.7 million in the same prior year period, representing a decrease of $5.1 million or 35%.

Discontinued Operations

On February 9, 2023, we adopted the provisions of Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 205-20-45, Discontinued Operations, and Topic 360-10-45-9, Long-Lived Assets Classified as Held for Sale. Under ASC 205 & 360, discontinued businesses or assets held for sale are removed from the results of continuing operations. We determined that the pending sale of our television segment and related real estate assets met the criteria in accordance with ASC 205 & 360.

For the three and six months ended June 30, 2023 and 2022, our television segment and its related real estate assets that are pending to be sold were classified as held for sale and their operations as discontinued operations. The results of operations of our television segment in the current and prior year periods have been classified as discontinued operations in the financial highlights and unaudited condensed consolidated statements of operations.

Sale of Television Assets (Assets Held for Sale & Discontinued Operations)

On February 9, 2023, the Company entered into various asset and real property purchase agreements (together the "Purchase Agreements") to sell substantially all its television and certain real estate assets (together the "Purchased Assets") which comprise the Company's television operations known as MegaTV, serving the United States of America and Puerto Rico, to Voz Media, Inc. Pursuant to the Purchase Agreements, the Purchased Assets include: licenses, permits and authorizations issued by the Federal Communications Commission (the "FCC"); programming content, equipment, leases and contracts used in or related to the operation of MegaTV; and certain real properties located in Miami, Florida and Puerto Rico as part of the transaction.

The Purchase Agreements aggregate to $64.0 million of total cash consideration, as follows.

i. Asset Purchase Agreement to sell WSBS(TV) and WSBS(CD) in Miami, Florida and the MegaTV television network for consideration in the amount of $19.0 million. In addition, Voz Media, Inc. will buy $7.0 million of prepaid advertising from the Company and its affiliates to promote Voz's newly acquired television business during the 4 years following the closing;

ii. Asset Purchase Agreement to sell WTCV(TV), WVEO(TV) and WVOZ(TV) in Puerto Rico for consideration in the amount of $10.0 million;

iii. Real Property Purchase and Sale Agreement to sell certain real property in Miami, Florida for consideration in the amount of $22.0 million; and

iv. Real Property Purchase and Sale Agreement to sell certain real property in Puerto Rico for consideration in the amount of $6.0 million.

The Purchase Agreements are not contingent on financing and, at closing, Voz Media will pay the remaining balances, net of a $3.8 million non-refundable deposit, with immediately available funds. As it relates to the prepaid advertising that will be bought by Voz Media, such $7.0 million will be paid to the Company as follows: $5.0 million at closing and $2.0 million by the first anniversary of the closing.

The Purchase Agreements contain representations, warranties, covenants, closing conditions, termination rights, and other provisions customary in asset sale transactions in the broadcast television industry, including that the transaction is subject to the prior approval of the FCC for which the grants have since been approved. The Company expects to close during the second half of 2023 as it has received the FCC's approval. Although there can be no assurance that this sale will be completed, the Company expects to recognize a gain, net of closing costs and taxes, on the disposal of assets upon closing.

In accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 360-10-45-9, Long-Lived Assets Classified as Held for Sale, management determined that the pending sale of its television and certain real estate assets met the held for sale criteria as of the balance sheet date of this Earnings Release. The Company has $16.2 million of intangible FCC broadcasting licenses, $14.1 million of property and equipment which includes the real estate production facility assets in Miami, Florida and Puerto Rico, and lease related right of use assets of $0.9 million, classified as assets held for sale as of June 30, 2023. Additionally, the Company has $1.1 million of lease-related commitments classified as liabilities held for sale.

Additionally, the Company had no investments in capital expenditures during the three months ended June 30, 2023 and invested $0.1 million during the three months ended June 30, 2022. During the six months ended June 30, 2023 and 2022, the Company invested $0.1 million and $0.3 million respectively. Capital expenditures incurred during the six months ended June 30, 2023 are included in assets held for sale for the period ended June 30, 2023.

Once assets are classified as held for sale, management is required to evaluate if under ASC Topic 205-20-45, Discontinued Operations, the disposal of a component of an entity shall be reported in discontinued operations. Management determined that the disposal represents a strategic shift that will have a major effect on operations and financial results, at the balance sheet date, and that the results of the Television segment shall be reported as discontinued operations. The operational and financial results related to the held for sale assets of the Television segment, which include the real estate assets and production facility located in Miami, Florida, are classified as discontinued operations in the current and prior year periods in the Unaudited Condensed Consolidated Statements of Operations.

The table below represents the amounts classified as discontinued operations during the three and six months ended June 30, 2023 and 2022 on the Company's Unaudited Condensed Consolidated Statements of Operations.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Net revenue from discontinued operations	$ 1,826	$ 2,469	$ 3,618	$ 4,834
Operating expenses from discontinued operations:				
Operating expenses	2,948	3,794	6,181	7,322
Depreciation and amortization	—	331	112	659
Gain on the disposal of assets	—	—	—	(11)
Operating loss from discontinued operations	(1,122)	(1,656)	(2,675)	(3,136)
Other expenses from discontinued operations:				
Interest expense	—	—	(6)	—
Pre-tax loss from discontinued operations	(1,122)	(1,656)	(2,681)	(3,136)
Income tax expense (benefit)	6,627	(519)	3,856	(1,019)
Loss from discontinued operartions	$ (7,749)	$ (1,137)	$ (6,537)	$ (2,117)

Acquisition of FM Radio Station

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), an 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. At closing, the Company will pay the remaining balance, net of the escrowed funds, with immediately available funds and instruct the escrow agent to release the escrow deposit to Radio One.

The Purchase Agreement contains customary representations, warranties covenants and closing conditions, including FCC regulatory approval, and the transaction is expected to close during the fourth quarter of 2023.

Second Quarter 2023 Conference Call

The Company will host a conference call to discuss its second quarter 2023 financial results on Friday, September 8, 2023, at 11:00 a.m. Eastern Time. Questions from analysts, bondholders or institutional investors should be submitted in writing to investor.relations@sbscorporate.com, by close of business Friday, September 1, 2023, so that we can review and consider your questions either as part of our prepared remarks or during the Q&A portion of the call.

The call can be accessed via the live webcast link found on the Company's website at http://www.spanishbroadcasting.com/webcasts-presentations or by dialing 412-317-5441 ten minutes prior to its scheduled start time.

A replay of the webcast will also be available for fourteen days, through Friday, September 22, 2023, and can be accessed either through our Company's website at http://www.spanishbroadcasting.com/webcasts-presentations or by dialing 877-344-7529 (U.S) or 412-317-0088 (Int'l), passcode: 4492738.

About Spanish Broadcasting System, Inc.

Spanish Broadcasting System, Inc. (SBS) owns and operates radio stations located in the top U.S. Hispanic markets of Los Angeles, New York, Puerto Rico, Chicago, Miami, San Francisco, Orlando, and Tampa, airing the Tropical, Regional Mexican, Spanish Adult Contemporary, Top 40 and Urbano format genres. SBS also operates AIRE Radio Networks, a national radio platform of over 290 affiliated stations reaching 95% of the U.S. Hispanic audience. SBS also produces a nationwide roster of live concerts and events, and owns a stable of digital properties, including LaMusica, a mobile app providing Latino-focused audio and video streaming content, and HitzMaker, a new-talent destination for aspiring artists. We also provide digital marketing solutions through our pure-play digital marketing department, Digidea and access to the digital realm where brands can explore a diverse range of engaging content, unlock valuable insights, and connect with our thriving podcast community. For more information, visit us online at www.spanishbroadcasting.com.

Forward Looking Statements

This press release, and oral statements made in connection with it, contain certain forward-looking statements. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. Spanish Broadcasting System, Inc. intends such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995 and includes this statement for purposes of such safe harbor provisions. These forward-looking statements may involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results and performance in future periods to be materially different from any future results or performance suggested by the forward-looking statements in this press release. Although we believe the expectations reflected in such forward-looking statements are based upon reasonable assumptions, we can give no assurance that actual results will not differ materially from these expectations.

"Forward-looking" statements represent our expectations or beliefs, including, but not limited to, statements concerning our operations, economic performance, financial condition, growth and acquisition strategies, investments, and future operational plans. Without limiting the generality of the foregoing, words such as "may," "will," "expect," "believe," "anticipate," "intend," "forecast," "seek," "plan," "predict," "project," "could," "estimate," "might," "continue," "seeking" or the negative or other variations thereof or comparable terminology are intended to identify forward-looking statements. These statements, by their nature, involve substantial risks and uncertainties, certain of which are beyond our control. Additional risks and uncertainties that we are not aware of or that we currently deem immaterial also may impair our business. If any of the following risks actually occur, our business, financial condition and operating results could be materially adversely affected, and actual results may differ materially depending on a variety of important factors, including, but not limited to the following: we are highly leveraged and our substantial level of indebtedness or the inability to access our senior secured asset-based revolving credit facility could adversely affect our financial condition and prevent us from fulfilling our financial obligations; our substantial debt could make us more vulnerable to downturns in our business or in the general economy and increases in interest rates may limit our ability to withstand competitive pressures and may reduce our flexibility in responding to changing business and economic conditions; we have experienced net losses in the past and, to the extent that we experience net losses in the future, our ability to raise capital may be adversely affected; we face risks relating to our NOL carry-forwards since they became subject to limitations under Section 382 of the Internal Revenue Code of 1986 (IRC) due to the recapitalization of the Company in 2021; we face risks relating to our ability to realize the anticipated synergies and growth as a result of our recent start-up acquisitions in the Orlando and Tampa markets; our ability to consummate the sale of our Television assets to Voz Media, Inc. and our ability to consummate the purchase of the FM Radio Station in Houston within the contemplated timeline, or at all, and our ability to realize the anticipated benefits/synergies of those transactions; our industry is highly competitive, and we compete for advertising revenue with other broadcast stations, as well as other media, many operators of which have greater resources than we do, a large portion of our net revenue and operating income currently comes from our New York, Los Angeles and Miami markets, an economic downturn, increased competition or another significant negative event in any of these markets could reduce our revenues and results of operations more dramatically than other companies that do not depend as much on these markets; cancellations, reductions, delays and seasonality in advertising could adversely affect our net revenues; the success of our radio stations depends on the popularity and appeal of our content, which is difficult to predict; the loss of distribution agreements could materially adversely affect our results of operations; our business is affected by natural catastrophes that can disrupt our operations, by causing failure or destruction of satellites and transmitter facilities that we depend upon to distribute our programming; we may incur property and other losses that are not adequately covered by insurance; we must respond to rapid changes in technology, content creation, services and standards in order to remain competitive; cybersecurity risks could affect our operations and adversely affect our business; our business is dependent upon the performance of key employees, on-air talent and program hosts, cost increases in the retention of such employees and talent may adversely affect our profits; impairment of our goodwill and other intangible assets deemed to have indefinite useful lives can cause our net income or net loss to fluctuate significantly; piracy of our programming and other content, including digital and Internet piracy, may decrease revenue received from the exploitation of our programming and other content and adversely affect our business and profitability; damage to our brands or reputation could adversely affect our Company; our business may be adversely affected by legal or governmental proceedings brought by or on behalf of our employees; Raúl Alarcón, the Chairman of our Board of Directors and Chief Executive Officer, has majority voting control of our common stock and 100% voting control of our Series C preferred stock and this control may discourage or influence certain types of transactions or strategic initiatives; our deregistered stock's liquidity can be adversely affected because we are no longer required to report to the SEC and our stock continues to trade on the OTC Pink Market; there may not be sufficient liquidity in the market for our securities for investors to sell their securities; the market price of our common stock may be volatile; changes in U.S. communications laws or other regulations may have an adverse effect on our business; proposed legislation would require radio broadcasters to pay increased royalties to record labels and recording artists; the FCC vigorously enforces its indecency and other program content rules against the broadcast industry, which could have a material adverse effect on our business; our businesses depend upon licenses issued by the FCC, and if any of those licenses were not renewed or we were to be out of compliance with FCC regulations and policies, our business may be materially impaired; there is significant uncertainty regarding the FCC's media ownership rules, and any changes to such rules could restrict our ability to acquire broadcast stations; we may be adversely affected by comprehensive tax reform; and new or changing federal, state or international privacy legislation or regulation could hinder the growth of our internet business. We do not have any obligation to publicly update any forward-looking statements to reflect subsequent events or circumstances, except as required by law.

(Financial Tables Follow)

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Below are the Unaudited Condensed Consolidated Statements of Operations for the three and six months ended June 30, 2023 and 2022.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Net revenue from continuing operations	$ 35,447	$ 35,047	$ 69,994	$ 73,078
Operating expenses from continuing operations:				
Operating expenses	25,500	23,626	53,230	50,001
Corporate expenses	3,841	4,632	7,325	8,508
Depreciation and amortization	564	478	1,125	943
Loss (Gain) on the disposal of assets	95	(2)	104	(2)
Other operating expenses	—	—	335	—
Operating income from continuing operations	5,447	6,313	7,875	13,628
Other expenses from continuing operations:				
Interest expense	(8,076)	(8,064)	(16,154)	(16,287)
Income tax benefit	(1,829)	(309)	(3,673)	(525)
Loss from continuing operations before discontinued operations	(800)	(1,442)	(4,606)	(2,134)
Loss from discontinued operations, net of tax	(7,749)	(1,137)	(6,537)	(2,117)
Net loss	$ (8,549)	$ (2,579)	$ (11,143)	$ (4,251)
Class A weighted average common shares outstanding				
Basic and Diluted	6,210	5,042	5,971	5,042
Class B weighted average common shares outstanding				
Basic and Diluted	2,340	2,340	2,340	2,340
Series C (as converted) weighted average common shares outstanding				
Basic and Diluted	760	760	760	760
Class A, B and Series C (as converted) loss from continuing operations per common share				
Basic and Diluted	$ (0.09)	$ (0.18)	$ (0.51)	$ (0.26)
Class A, B and Series C (as converted) loss from discontinued operations per common share				
Basic and Diluted	$ (0.83)	$ (0.14)	$ (0.72)	$ (0.26)
Class A, B and Series C (as converted) net loss per common share				
Basic and Diluted	$ (0.92)	$ (0.32)	$ (1.23)	$ (0.52)

Non-GAAP Financial Measures

Station Operating Income ("SOI") and Adjusted Operating Income (Loss) before Depreciation and Amortization, Gain (Loss) on the Disposal of Assets, Other Operating Expenses, excluding non-cash stock-based compensation ("Adjusted OIBDA") are not a measure of performance or liquidity determined in accordance with Generally Accepted Accounting Principles ("GAAP") in the United States. However, we believe that these measures are useful in evaluating our performance because they reflect measures of performance for our stations before considering costs and expenses related to our capital structure and dispositions. These measures are widely used in the broadcast industry to evaluate a company's operating performance and are used by us for internal budgeting purposes and to evaluate the performance of our stations, locations, management, and consolidated operations. However, these measures should not be considered in isolation or as a substitute for Operating Income, Net Income, Cash Flows from Operating Activities, or any other measure used in determining our operating performance or liquidity that is calculated in accordance with GAAP. In addition, because Station Operating Income and Adjusted OIBDA are not calculated in accordance with GAAP, they are not necessarily comparable to similarly titled measures used by other companies.

Included below are unaudited tables, in thousands, that reconcile Station Operating Income and Adjusted OIBDA to Operating Income, which is the most directly comparable GAAP financial measure.

	Three Months Ended June 30,	
	2023	2022
Net revenue from continuing operations	$ 35,447	$ 35,047
Operating expenses	25,500	23,626
Station Operating Income (SOI), a non-GAAP measure	$ 9,947	$ 11,421
Corporate expenses, without stock-based compensation	3,778	4,569
Adjusted OIBDA, a non-GAAP measure	$ 6,169	$ 6,852
Less amounts excluded from Adjusted OIBDA but included in operating income:		
Stock-based compensation	63	63
Depreciation and amortization	564	478
Loss (Gain) on the disposal of assets, net	95	(2)
Operating income from continuing operations	$ 5,447	$ 6,313

	Six Months Ended June 30,	
	2023	2022
Net revenue from continuing operations	$ 69,994	$ 73,078
Operating expenses	53,230	50,001
Station Operating Income (SOI), a non-GAAP measure	$ 16,764	$ 23,077
Corporate expenses, without stock-based compensation	7,200	8,383
Adjusted OIBDA, a non-GAAP measure	$ 9,564	$ 14,694
Less amounts excluded from Adjusted OIBDA but included in operating income:		
Stock-based compensation	125	125
Depreciation and amortization	1,125	943
Loss (Gain) on the disposal of assets, net	104	(2)
Other operating expenses	335	—
Operating income from continuing operations	$ 7,875	$ 13,628

Selected Balance Sheet Data- Unaudited
(in thousands)

	June 30, 2023	December 31, 2022
Cash and cash equivalents	$ 7,526	$ 7,517
Working capital*	38,844	19,351
Total assets	435,836	441,615
9.75% Senior Secured Notes due 2026, net of deferred financing costs of $5,009 at June 30, 2023 and $5,963 at December 31, 2022	304,991	304,037
Stockholder's equity	$ 7,077	$ 18,095

**Working capital is defined as the excess of total current assets over total current liabilities.*

Selected Statement of Cash Flows Data- Unaudited
(in thousands)

	Six Months Ended June 30,	
	2023	2022
Capital expenditures	$ 1,628	$ 1,872
Net cash flows (used in) provided by operating activities	$ (1,788)	$ 6,426
Net cash flows provided by (used in) investing activities	1,797	(14,139)
Net cash flows provided by (used in) financing activities	—	—
Net increase (decrease) in cash and cash equivalents	$ 9	$ (7,713)