SPANISH BROADCASTING SYSTEM, INC. REPORTS RESULTS FOR THE FOURTH QUARTER AND YEAR ENDED 2024

- Company Announces Significantly Improved Double-Digit Adjusted OIBDA Growth of 71% for the Full Year 2024 -

MIAMI, FLORIDA, May 19, 2025 – Spanish Broadcasting System, Inc. (the “Company” or “SBS”) (OTC: SBSAA) recently reported financial results for the quarter and year ended December 31, 2024.

Financial Highlights

(in thousands)	Quarter Ended December 31,		%	Year Ended December 31,		%
	2024	2023	Change	2024	2023	Change
Net Revenue	$ 45,549	$ 44,349	3%	$ 155,057	$ 154,648	0%
Operating Expenses	25,131	29,655	(15%)	105,784	117,013	(10%)
Station Operating Income (SOI), a non-GAAP measure*	$ 20,418	$ 14,694	39%	$ 49,273	$ 37,635	31%
Corporate Expenses, without stock-based compensation*	2,034	3,376	(40%)	8,827	13,922	(37%)
Adjusted OIBDA, a non-GAAP measure*:	$ 18,384	$ 11,318	62%	$ 40,446	$ 23,713	71%

***** 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

“By any and all accounts, 2024 was a watershed year for Spanish Broadcasting System,” stated Raúl Alarcón, SBS Chairman and CEO.

“The Company moved quickly at the start of the year to restructure its executive ranks and focus on the strategic initiatives and operational procedures needed to restore Adjusted OIBDA growth, which has always been our NUMBER ONE priority.

The nuts and bolts of our 2024 efforts involved fine-tuning and reinvigorating our LIVE radio brands, undertaking new talent rollouts in a majority of our markets to stay ahead of whatever’s trending in popular music and live on-air hosted entertainment.

2024 also witnessed the rollout of our DAVid initiative, a real-time nationwide audiovisual redeployment of our popular radio content for live and on-demand digital streaming on our proprietary mobile app LaMusica - the # 1 Latino music app - as well as across our rapidly growing multi-channel network of digital video platforms, including our flagship YouTube channels, connected TV (CTV) distribution, exclusive content drops and “Live” shows through the new partner platforms we’ll soon be announcing. Our strategy also envisions live streaming of our concerts, private shows and podcast-to-video adaptations and viral short-form clips designed for all platforms including Instagram, TikTok, and Facebook Reels — all reinforcing LaMusica’s evolution into a premier audiovisual destination for Latino music, culture and celebrity fandom.

During 2024 we also acquired KROI-FM in Houston, our first radio outlet in the third largest U.S. Hispanic market, which has already successfully catapulted to first place among all Latino competitors in less than 90 days with the introduction of our newest SBS star host and iconic morning-drive jock, Raúl Brindis.

And we once again hosted the finest multi-act concert performances in the Latin entertainment world by enlisting the top entertainers and participating sponsors to further fuel Adjusted OIBDA from these live audience experiences.

Most importantly, we successfully accomplished all of these initiatives while growing the Company's Adjusted OIBDA by a healthy 71% versus the prior year - successfully reducing over $16.3 MILLION in costs and increasing Adjusted OIBDA from $23 Million in 2023 to over $40 Million in 2024 - without any diminution in audience or revenue.

This scrupulous top-to-bottom review of Company personnel and corresponding line-by-line examination of all operational expenses continues to this day.

Looking forward, we will continue to innovate, create, regulate and propagate the Company's assets to better serve our audiences, our brand partners and our diverse constituency of stakeholders," added Alarcón.

Quarter Ended Results

For the quarter ended December 31, 2024, our operating results were positively impacted by continued decreases of our operating and corporate expenses throughout our markets and expense categories.

Our net revenue totaled $45.5 million compared to $44.3 million for the same prior year period, resulting in an increase of $1.2 million or 3%. The increase was primarily the result of increases in special events revenue, digital and national sales, partially offset by decreases in local, network and barter sales.

Our operating expenses totaled $25.1 million compared to $29.7 million for the same prior year period, resulting in a decrease of approximately $4.5 million or 15%. The decrease was primarily due to decreases in compensation and benefits costs, programming production costs, facility and office expenses, professional fees, outside services, advertising and promotions, commissions, travel & entertainment expenses, banking and payroll fees, music license fees and barter expenses, partially offset by an increase in special events expenses.

Our station operating income, a non-GAAP measure, totaled $20.4 million compared to $14.7 million for the same prior year period representing an increase of $5.7 million or 39%. The increase was primarily due to the decrease in operating expenses and the increase in net revenue.

Corporate expenses, excluding stock-based compensation, decreased $1.3 million or 40% primarily due to decreases in compensation & benefits, outside services, professional fees, and travel & entertainment.

Adjusted OIBDA, a non-GAAP measure, totaled $18.4 million compared to $11.3 million in the same prior year period, representing an increase of $7.1 million or 62%. The increase in Adjusted OIBDA was primarily due to the decreases in operating and corporate expenses and an increase in net revenue.

Year Ended Results

For the year ended December 31, 2024, our operating results were positively impacted by continued decreases of our operating and corporate expenses throughout our markets and expense categories.

Our net revenue totaled $155.1 million compared to $154.6 million for the same prior year period, resulting in an increase of approximately $0.4 million. The increase was primarily the result of increases in special events revenue and digital sales, partially offset by decreases in national, network, local and barter sales.

Our operating expenses totaled $105.8 million compared to $117.0 million for the same prior year period, resulting in a decrease of $11.2 million or 10%. The decrease was primarily due to decreases in compensation & benefits, programming production costs, outside services, advertising & promotions, commissions, travel & entertainment, banking and payroll fees, facility and office expenses, and professional fees, partially offset by an increase in special events expenses.

Our station operating income, a non-GAAP measure, totaled $49.3 million compared to $37.6 million for the same prior year period representing an increase of approximately $11.6 million or 31%. The increase was primarily due to the decrease in operating expenses and the increase in net revenue.

Corporate expenses, excluding stock-based compensation, decreased $5.1 million or 37% primarily due to decreases in compensation & benefits, outside services, professional fees, and travel & entertainment.

Adjusted OIBDA, a non-GAAP measure, totaled $40.4 million compared to $23.7 million for the same prior year period representing an increase of $16.7 million or 71%. The increase in Adjusted OIBDA was primarily due to a decrease in operating and corporate expenses and an increase in net revenue.

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 “Voz Agreements”) to sell substantially all its television and certain real estate assets (together the “Purchased Assets”) which comprised the Company’s television operations known as MegaTV, serving the United States of America and Puerto Rico, to Voz Media, Inc. (“Voz Media”) for $64.0 million. Pursuant to the Voz Agreements, the Purchased Assets included: licenses, permits and authorizations issued by 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.

On September 20, 2023, the Company terminated the Voz Agreements because Voz Media did not cure its material breach to timely close on the transaction when notified by the Company. On October 10, 2023, the Company filed a lawsuit related to the contemplated sale of its Mega TV television network and other related assets to Voz Media, Inc. On March 13, 2024, the Company settled with Voz Media, Inc. and agreed to the recovery of monetary damages against the plaintiffs.

Although the Company continues to pursue the sale of these television and real estate assets and expects the assets to be sold within one year, in accordance with FASB ASC Topic 360-10-45-9, Long-Lived Assets Classified as Held for Sale, management determined that with the exception of the Puerto Rico television licenses, permits and authorizations issued by the FCC and certain related transmission equipment, and the real properties located in Miami, Florida, the ongoing plans to sell its Mega TV and certain real estate assets in Puerto Rico no longer meet the criteria to classify the assets as held for sale as of the balance sheet date of our consolidated financial statements. The assets which no longer met the held for sale criteria as of December 31, 2024 have been reclassed to their respective held and used classifications as of January 1, 2023.

The table below represents a summary of the assets classified as held for sale as of December 31, 2024 and 2023 on the Company’s Consolidated Balance Sheets (in thousands).

	December 31, 2024	December 31 2023
Assets		
Property and equipment, net	$ 9,972	$ 9,929
FCC broadcasting licenses	2,358	2,358
Assets held for sale	$ 12,330	$ 12,287

During the years ended December 31, 2024 and 2023, the Company made capital expenditures of less than $0.1 million which are included in assets held for sale for the years ended December 31, 2024 and 2023, listed above.

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 does not represent 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 Puerto Rico television operations shall not be reported as discontinued operations. None of the Company’s operations meet the criteria to be classified as discontinued operations and have been reclassified to continuing operations.

Acquisition of FM Radio Stations

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 “KROI 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 KROI Agreement, Radio One, 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.

On December 20, 2024, the Company closed on the purchase of the KROI(FM) radio station. The aggregate purchase price including transaction costs was $7.6 million which consisted of a $6.8 million of FCC license and $0.8 million of property and equipment.

In accordance with ASC 805 Business Combinations, the Company must determine whether a transaction or event that results in an entity obtaining control of a set of net assets meets the definition of a business. Based on the Company’s evaluation, it was concluded that the acquired set of assets did not meet the definition of a business and was accounted for as an acquisition of assets.

Fourth Quarter 2024 Conference Call

The Company will host a conference call to discuss its fourth quarter 2024 financial results on Wednesday, May 21, 2025, at 11:00 a.m. Eastern Time. Questions from analysts, bondholders or institutional investors should be submitted in writing to investor.relations@sbscorporate.com 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 Wednesday, June 4, 2025, 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: 6319665

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, Miami, Houston, Chicago, San Francisco, Orlando, Tampa, and Puerto Rico, 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 300 affiliated stations reaching 95% of the U.S. Hispanic audience. SBS also owns MegaTV, a network television operation with over-the-air, cable, and satellite distribution throughout the U.S. and Puerto Rico, 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 podcast community. For more information, visit us online at www.spanishbroadcasting.com.

Forward-Looking Statements

This press release, and oral statements made on the conference call in connection with the press release, 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, prevent us from fulfilling our financial obligations; impact our ability to invest in the growth of our business or continue as a going concern, cause us to explore the sale of additional assets or adversely impact our ability to acquire additional assets; 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 and may continue to experience net losses in the future, which may impact our cash flow, our ability to fulfill our financial obligations and our ability to raise capital may be adversely affected; we may be unable to successfully refinance our indebtedness on commercially acceptable terms, or at all; 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 sell our Television assets for the same purchase price and on as favorable terms under the terminated transaction with Voz Media, or at all, and our ability to consummate the purchase of the FM Radio Station in Houston within the contemplated extended 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 or the FCC's regulations and policies may have an adverse effect on our business or the cost with operating 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)

Contacts:
Analysts and Investors
Frank M. Soricelli
Chief Financial Officer
(305) 441-6901
investor.relations@sbscorporate.com

Analysts, Investors or Media
Chris Plunkett
The Plunkett Group
(646) 400-1868

Below are the Unaudited Condensed Consolidated Statements of Operations for the quarter and year ended December 31, 2024 and 2023.

	Quarter Ended December 31,		Year Ended December 31,	
	2024	2023	2024	2023
Net revenue	$ 45,549	$ 44,349	$ 155,057	$ 154,648
Operating expenses:				
Operating expenses	25,131	29,655	105,784	117,013
Corporate expenses	2,098	3,440	9,080	14,175
Depreciation and amortization	1,427	622	3,106	2,434
Impairment charges	2,729	—	2,729	43,583
Severance expense	462	362	462	362
Other operating (income) expenses	1,781	215	86	(2,290)
Total operating expenses	33,628	34,294	121,247	175,277
Operating income (loss)	11,921	10,055	33,810	(20,629)
Other income (expenses):				
Interest expense, net	(8,215)	(8,141)	(32,639)	(32,409)
Gain (loss) on the disposal of assets	22	(2)	22	(106)
Income (loss) before income taxes	3,728	1,912	1,193	(53,144)
Income tax benefit (expense)	(647)	1,071	468	12,445
Net income (loss)	$ 3,081	$ 2,983	$ 1,661	$ (40,699)
Class A weighted average common shares outstanding (Note 2(n))				
Basic	6,224	6,210	6,214	6,091
Diluted	6,224	6,258	6,233	6,091
Class B weighted average common shares outstanding (Note 2(n))				
Basic and Diluted	2,340	2,340	2,340	2,340
Series C (as converted) weighted average common shares outstanding (Note 2(n))				
Basic and Diluted	760	760	760	760
Class A, B and Series C (as converted) net income (loss) per common share (Note 2(n))				
Basic and Diluted	$ 0.33	$ 0.32	$ 0.18	$ (4.43)

Non-GAAP Financial Measures

Station Operating Income ("SOI") and Adjusted Operating Income before Depreciation and Amortization, Impairment Charges, Severance Expense, Other Operating Income or 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.

	Quarter Ended December 31,	
	2024	2023
Net revenue	$ 45,549	$ 44,349
Operating expenses	25,131	29,655
Station Operating Income (SOI), a non-GAAP measure	20,418	14,694
Corporate expenses, without stock-based compensation	2,034	3,376
Adjusted OIBDA, a non-GAAP measure	18,384	11,318
Less amounts excluded from Adjusted OIBDA but included in operating income:		
Stock-based compensation	64	64
Depreciation and amortization	1,427	622
Impairment charges	2,729	—
Severance expense	462	362
Other operating expenses	1,781	215
Operating income (loss)	$ 11,921	$ 10,055

	Year Ended December 31,	
	2024	2023
Net revenue	$ 155,057	$ 154,648
Operating expenses	105,784	117,013
Station Operating Income (SOI), a non-GAAP measure	49,273	37,635
Corporate expenses, without stock-based compensation	8,827	13,922
Adjusted OIBDA, a non-GAAP measure	40,446	23,713
Less amounts excluded from Adjusted OIBDA but included in operating income:		
Stock-based compensation	253	253
Depreciation and amortization	3,106	2,434
Impairment charges	2,729	43,583
Severance expense	462	362
Other operating (income) expenses	86	(2,290)
Operating income (loss)	$ 33,810	$ (20,629)

Selected Balance Sheet Data
(in thousands)

	December 31, 2024	December 31, 2023
Cash and cash equivalents	$ 14,429	$ 6,167
Working capital*	18,010	22,672
Total assets	396,517	391,536
9.75% senior secured notes due 2026, net of deferred financing costs of $2,623 at September 30, 2024 and $4,054 at December 31, 2023	307,855	305,946
Total stockholder's deficit	$ (20,442)	$ (22,351)

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

Selected Statement of Cash Flows Data
(in thousands)

	Year Ended December 31, 2024	Year Ended December 31, 2023
Capital expenditures	$ 847	$ 2,481
Net cash flows provided by (used in) operating activities	$ 9,892	$ (1,798)
Net cash flows provided by (used in) investing activities	(6,524)	448
Net cash flows provided by financing activities	4,894	—
Net increase (decrease) in cash	$ 8,262	$ (1,350)