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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 39tur re tanu17iorayernri22.3 (o)-10.2 (e)]TJ0 0 Tw 35.048 0 Td(s)Tj0.386 0 Td( )Tj-0.0

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 spe

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

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.

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-9.3lY11.1 (d)0usupipailsnci-10.1 (n)0.9 (0.193 0 Td[c)(o)-10.1 an)0.9 (g (n)1 (i 3 (o)1.9 (u)0.9(s)0.5 (u.4 ( )]TJ[se)01 Tw 10

(Financial Tables Follow)

Contacts:

Analysts and Investors
José I. Molina
Chief Financial Officer
(305) 441-6901
investor.relations@sbscorporate.com

Analysts, Investors or Media
Brad Edwards
The Plunkett Group
(212) 739-6740

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.

	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**

	2023	2022