REFINITIV

DELTA REPORT

10-Q

CUMULUS MEDIA INC

10-Q - MARCH 31, 2024 COMPARED TO 10-Q - SEPTEMBER 30, 2023

The following comparison report has been automatically generated

TOTAL DELTAS	768
CHANGES	183
DELETIONS	311
ADDITIONS	274

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark one)

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2023 March 31, 2024

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number: 001-38108

cumulusmediahorizontal2a17.jpg

Cumulus Media Inc.
(Exact Name of Registrant as Specified in its Charter)

Delaware				**82-5134717**
(State or Other Jurisdiction of Incorporation or Organization)				**(I.R.S. Employer Identification No.)**
780 Johnson Ferry Road NE	**Suite 500**	**Atlanta,**	**GA**	**30342**
(Address of Principal Executive Offices)				**(ZIP Code)**

(404) 949-0700
(Registrant’s telephone number, including area code)

N/A
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock par value $0.0000001 per share	CMLS	Nasdaq Global Market
Class A common stock purchase rights	N/A	Nasdaq Global Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes þ No ¨

Indicate by check mark whether the registrant has submitted electronically every Interactive Date File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes þ No ¨

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act:

Large Accelerated Filer	¨	Accelerated Filer	☑
Non-accelerated Filer	¨	Smaller Reporting Company	☑
		Emerging Growth Company	¨

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ¨

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ¨ No þ

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Section 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes þ No ¨

As of October 20, 2023 April 26, 2024, the registrant had 16,508,170 16,885,817 outstanding shares of common stock consisting of: 16,196,129 16,573,776 shares of Class A common stock and 312,041 shares of Class B common stock.

Cumulus Media Inc.

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PART I. FINANCIAL INFORMATION

Item 1. *Financial Statements*

Cumulus Media Inc.
Condensed Consolidated Balance Sheets
(Unaudited)

Dollars in thousands (except for share data)	Dollars in thousands (except for share data)	September 30, 2023	December 31, 2022	Dollars in thousands (except for share data)	March 31, 2024	December 31, 2023
Assets	**Assets**					
Current assets:	Current assets:					
Current assets:						
Current assets:						
Cash and cash equivalents						
Cash and cash equivalents						
Cash and cash equivalents	Cash and cash equivalents	$ 82,807	$ 107,433			
Accounts receivable, less allowance for doubtful accounts of $6,356 and $5,936 at September 30, 2023 and December 31, 2022, respectively		173,459	210,254			
Accounts receivable, less allowance for doubtful accounts of $6,018 and $5,983 at March 31, 2024 and December 31, 2023, respectively						
Accounts receivable, less allowance for doubtful accounts of $6,018 and $5,983 at March 31, 2024 and December 31, 2023, respectively						

Accounts receivable, less allowance for doubtful accounts of $6,018 and $5,983 at March 31, 2024 and December 31, 2023, respectively			
Trade receivable	Trade receivable	2,616	2,044
Prepaid expenses and other current assets			
Prepaid expenses and other current assets			
Prepaid expenses and other current assets	Prepaid expenses and other current assets	29,831	25,540
Total current assets	Total current assets	288,713	345,271
Property and equipment, net	Property and equipment, net	185,628	190,107
Operating lease right-of-use assets	Operating lease right-of-use assets	123,760	135,236
Broadcast licenses	Broadcast licenses	806,237	807,544
Other intangible assets, net	Other intangible assets, net	100,784	115,751
Deferred income tax assets		6,674	5,972
Other assets			
Other assets			
Other assets	Other assets	9,296	9,150
Total assets	Total assets	$1,521,092	$1,609,031
Liabilities and Stockholders' Equity	**Liabilities and Stockholders' Equity**		
Current liabilities:	Current liabilities:		
Current liabilities:			
Current liabilities:			
Accounts payable and accrued expenses			
Accounts payable and accrued expenses			
Accounts payable and accrued expenses	Accounts payable and accrued expenses	$ 103,222	$ 114,826
Current portion of operating lease liabilities	Current portion of operating lease liabilities	27,732	27,970
Trade payable	Trade payable	3,441	2,812
Total current liabilities	Total current liabilities	134,395	145,608

Term loan due 2026, net of debt issuance costs of $1,355 and $1,785 at September 30, 2023 and December 31, 2022, respectively		328,155	336,667	
6.75% senior notes, net of debt issuance costs of $2,298 and $3,138 at September 30, 2023 and December 31, 2022, respectively		343,947	377,789	
Total current liabilities				
Total current liabilities				
Term loan due 2026, net of debt issuance costs of $1,090 and $1,223 at March 31, 2024 and December 31, 2023, respectively				
Term loan due 2026, net of debt issuance costs of $1,090 and $1,223 at March 31, 2024 and December 31, 2023, respectively				
Term loan due 2026, net of debt issuance costs of $1,090 and $1,223 at March 31, 2024 and December 31, 2023, respectively				
6.75% senior notes, net of debt issuance costs of $1,913 and $2,108 at March 31, 2024 and December 31, 2023, respectively				
Operating lease liabilities	Operating lease liabilities	116,499	119,925	
Financing liabilities, net	Financing liabilities, net	207,725	212,993	
Other liabilities	Other liabilities	6,251	6,991	
Deferred income tax liabilities	Deferred income tax liabilities	653	653	
Total liabilities	Total liabilities	1,137,625	1,200,626	
Commitments and contingencies (Note 10)	Commitments and contingencies (Note 10)			Commitments and contingencies (Note 10)
Stockholders’ equity:	Stockholders’ equity:			
Class A common stock, par value $0.0000001 per share; 100,000,000 shares authorized; 21,414,865 and 20,852,749 shares issued; 16,196,129 and 17,925,010 shares outstanding at September 30, 2023 and December 31, 2022, respectively		—	—	
Convertible Class B common stock, par value $0.0000001 per share; 100,000,000 shares authorized; 312,041 shares issued and outstanding at September 30, 2023 and December 31, 2022		—	—	
Treasury stock, at cost, 5,218,736 and 2,927,739 shares at September 30, 2023 and December 31, 2022, respectively		(45,747)	(36,533)	

Class A common stock, par value $0.0000001 per share; 100,000,000 shares authorized; 22,054,180 and 21,456,675 shares issued; 16,573,776 and 16,237,939 shares outstanding at March 31, 2024 and December 31, 2023, respectively			
Class A common stock, par value $0.0000001 per share; 100,000,000 shares authorized; 22,054,180 and 21,456,675 shares issued; 16,573,776 and 16,237,939 shares outstanding at March 31, 2024 and December 31, 2023, respectively			
Class A common stock, par value $0.0000001 per share; 100,000,000 shares authorized; 22,054,180 and 21,456,675 shares issued; 16,573,776 and 16,237,939 shares outstanding at March 31, 2024 and December 31, 2023, respectively			
Convertible Class B common stock, par value $0.0000001 per share; 100,000,000 shares authorized; 312,041 shares issued and outstanding at March 31, 2024 and December 31, 2023			
Treasury stock, at cost, 5,480,404 and 5,218,736 shares at March 31, 2024 and December 31, 2023, respectively			
Additional paid-in-capital	Additional paid-in-capital	352,551	348,462
Retained earnings		76,663	96,476
Accumulated deficit			
Total stockholders' equity	Total stockholders' equity	383,467	408,405
Total liabilities and stockholders' equity	Total liabilities and stockholders' equity	$1,521,092	$1,609,031

See accompanying notes to the unaudited condensed consolidated financial statements.

Cumulus Media Inc.
Condensed Consolidated Statements of Operations
(Unaudited)

Dollars in thousands (except for share and per share data)	Dollars in thousands (except for share and per share data)	Three Months Ended September 30,		Nine Months Ended September 30,	
Dollars in thousands (except for share and per share data)					
Dollars in thousands (except for share and per share data)					
		2023	2022	2023	2022
Net revenue	Net revenue	$ 207,419	$ 233,463	$ 623,247	$ 702,236
Net revenue					
Net revenue					
Operating expenses:					
Operating expenses:					
Operating expenses:	Operating expenses:				
Content costs	Content costs	76,740	83,284	238,939	257,793
Content costs					
Content costs					
Selling, general and administrative expenses					
Selling, general and administrative expenses					
Selling, general and administrative expenses	Selling, general and administrative expenses	91,834	93,200	280,536	285,327
Depreciation and amortization	Depreciation and amortization	13,950	14,034	43,780	41,403
Depreciation and amortization					
Depreciation and amortization					
Corporate expenses	Corporate expenses	15,926	14,481	54,048	48,482
(Gain) loss on sale or disposal of assets or stations		(8,614)	41	(15,895)	(1,085)
Corporate expenses					
Corporate expenses					
Loss (gain) on sale or disposal of assets or stations					
Loss (gain) on sale or disposal of assets or stations					
Loss (gain) on sale or disposal of assets or stations					
Total operating expenses	Total operating expenses	189,836	205,040	601,408	631,920
Operating income		17,583	28,423	21,839	70,316
Total operating expenses					
Total operating expenses					
Operating (loss) income					
Operating (loss) income					
Operating (loss) income					
Non-operating expense:					

Non-operating expense:					
Non-operating expense:	Non-operating expense:				
Interest expense	Interest expense	(17,862)	(15,507)	(53,468)	(47,488)
Interest expense					
Interest expense					
Interest income					
Interest income					
Interest income	Interest income	634	1	1,715	3
Gain on early extinguishment of debt	Gain on early extinguishment of debt	843	279	9,849	1,876
Other expense, net		(26)	(32)	(312)	(87)
Gain on early extinguishment of debt					
Gain on early extinguishment of debt					
Other income (expense), net					
Other income (expense), net					
Other income (expense), net					
Total non-operating expense, net	Total non-operating expense, net	(16,411)	(15,259)	(42,216)	(45,696)
Income (loss) before income taxes		1,172	13,164	(20,377)	24,620
Income tax benefit (expense)		1,550	(4,624)	564	(8,331)
Net income (loss)		$ 2,722	$ 8,540	$ (19,813)	$ 16,289
Basic and diluted earnings (loss) per common share (see Note 9, "Earnings (Loss) Per Share"):					
Basic: Earnings (Loss) per share		$ 0.17	$ 0.45	$ (1.13)	$ 0.82
Diluted: Earnings (Loss) per share		$ 0.16	$ 0.45	$ (1.13)	$ 0.81
Total non-operating expense, net					
Total non-operating expense, net					
Loss before income taxes					
Loss before income taxes					
Loss before income taxes					
Income tax expense					
Income tax expense					
Income tax expense					
Net loss					
Net loss					
Net loss					
Basic and diluted loss per common share (see Note 9, "Loss Per Share"):					
Basic and diluted loss per common share (see Note 9, "Loss Per Share"):					
Basic and diluted loss per common share (see Note 9, "Loss Per Share"):					

Basic: Loss per share					
Basic: Loss per share					
Basic: Loss per share					
Diluted: Loss per share					
Diluted: Loss per share					
Diluted: Loss per share					
Weighted average basic common shares outstanding					
Weighted average basic common shares outstanding					
Weighted average basic common shares outstanding	Weighted average basic common shares outstanding	16,466,814	18,881,161	17,525,245	19,937,331
Weighted average diluted common shares outstanding	Weighted average diluted common shares outstanding	16,502,186	18,903,347	17,525,245	20,233,038
Weighted average diluted common shares outstanding					
Weighted average diluted common shares outstanding					

See accompanying notes to the unaudited condensed consolidated financial statements.

Cumulus Media Inc.
Condensed Consolidated Statements of Stockholders' Equity
(Unaudited)

For the nine months ended September 30, 2023

For the three months ended March 31, 2024
For the three months ended March 31, 2024
For the three months ended March 31, 2024

Dollars in thousands	Class A Common Stock		Class B Common Stock		Treasury Stock				
	Number of Shares	Par Value	Number of Shares	Par Value	Number of Shares	Value	Additional Paid-In Capital	Retained Earnings	Total
Balance at December 31, 2022	17,925,010	$ —	312,041	$ —	2,927,739	$(36,533)	$ 348,462	$ 96,476	$408,405
Net loss	—	—	—	—	—	—	—	(21,467)	(21,467)
Shares returned in lieu of tax payments	—	—	—	—	220,949	(1,421)	—	—	(1,421)
	Number of Shares	Par Value	Number of Shares	Par Value	Number of Shares	Value	Additional Paid-In Capital	Accumulated Deficit	Total
Issuance of common stock	252,245	—	—	—	—	—	—	—	—
Stock based compensation expense	—	—	—	—	—	—	1,126	—	1,126

	Class A Number of Shares	Class A Par Value	Class B Number of Shares	Class B Par Value	Treasury Number of Shares	Treasury Value	Additional Paid-In Capital	Retained Earnings	Total
Treasury stock purchased under share repurchase program	(323,285)	—	—	—	323,285	(1,511)	—	—	(1,511)
Balance at March 31, 2023	17,853,970	$ —	312,041	$ —	3,471,973	$(39,465)	$ 349,588	$ 75,009	$385,132
Balance at December 31, 2023									
Net loss Net loss	—	—	—	—	—	—	—	(1,068)	(1,068)
Shares returned in lieu of tax payments Shares returned in lieu of tax payments	—	—	—	—	1,758	(5)	—	—	(5)
Issuance of common stock Issuance of common stock	45,354	—	—	—	—	—	—	—	—
Stock based compensation expense	—	—	—	—	—	—	1,492	—	1,492
Treasury stock purchased under share repurchase program	(1,745,005)	—	—	—	1,745,005	(6,277)	—	—	(6,277)
Balance at June 30, 2023	16,154,319	$ —	312,041	$ —	5,218,736	$(45,747)	$ 351,080	$ 73,941	$379,274
Net income	—	—	—	—	—	—	—	2,722	2,722
Issuance of common stock									
Issuance of common stock Issuance of common stock	41,810	—	—	—	—	—	—	—	—
Stock based compensation expense Stock based compensation expense	—	—	—	—	—	—	1,471	—	1,471
Balance at September 30, 2023	16,196,129	$ —	312,041	$ —	5,218,736	$(45,747)	$ 352,551	$ 76,663	$383,467
Balance at March 31, 2024									
Balance at March 31, 2024									
Balance at March 31, 2024									

For the nine months ended September 30, 2022

For the three months ended March 31, 2023

For the three months ended March 31, 2023

For the three months ended March 31, 2023

Dollars in thousands Dollars in thousands	Class A Common Stock		Class B Common Stock		Treasury Stock				
	Number of Shares	Par Value	Number of Shares	Par Value	Number of Shares	Value	Additional Paid-In Capital	Retained Earnings	Total
Balance at December 31, 2021	18,558,719	$ —	1,964,764	$ —	230,310	$ (2,977)	$ 342,233	$ 80,241	$419,497

	Number of Shares	Par Value	Number of Shares	Par Value	Number of Shares	Value	Additional Paid-In Capital	Retained Earnings	Total
Balance at December 31, 2022									
Net loss	—	—	—	—	—	—	—	(905)	(905)
Shares returned in lieu of tax payments	—	—	—	—	137,857	(1,476)	—	—	(1,476)
Issuance of common stock	168,083	—	—	—	—	—	—	—	—
Stock based compensation expense	—	—	—	—	—	—	1,507		1,507
Balance at March 31, 2022	18,726,802	$ —	1,964,764	$ —	368,167	$ (4,453)	$ 343,740	$ 79,336	$418,623
Net income	—	—	—	—	—	—	—	8,654	$ 8,654
Shares returned in lieu of tax payments	—	—	—	—	18,642	(223)	—	—	(223)
Conversion of Class B common stock	1,055,954	—	(1,055,954)	—	—	—	—	—	—
Issuance of common stock	54,895	—	—	—	—	—	—	—	—
Stock based compensation expense	—	—	—	—	—	—	1,687	—	1,687
Treasury stock purchased under share repurchase program	(1,724,137)	—	—	—	1,724,137	(25,000)	—	—	(25,000)
Balance at June 30, 2022	18,113,514	$ —	908,810	$ —	2,110,946	$(29,676)	$ 345,427	$ 87,990	$403,741
Net income	—	—	—	—	—	—	—	8,540	$ 8,540
Shares returned in lieu of tax payments	—	—	—	—	151	(1)	—	—	(1)
Issuance of common stock	15,824	—	—	—	—	—	—	—	—
Stock based compensation expense	—	—	—	—	—	—	1,518	—	1,518
Treasury stock purchased under share repurchase program	(415,063)	—	—	—	415,063	(3,922)	—	—	(3,922)

Balance at September 30, 2022	17,714,275	$ —	908,810	$ —	2,526,160	$ (33,599)	$ 346,945	$ 96,530	$ 409,876
Balance at March 31, 2023									

See accompanying notes to the unaudited condensed consolidated financial statements.

Cumulus Media Inc.
Condensed Consolidated Statements of Cash Flows
(Unaudited)

Dollars in thousands	Dollars in thousands	Nine Months Ended September 30, 2023	Nine Months Ended September 30, 2022	Dollars in thousands	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Cash flows from operating activities:	Cash flows from operating activities:					
Net (loss) income		$ (19,813)	$ 16,289			
Adjustments to reconcile net (loss) income to net cash provided by operating activities:						
Net loss						
Net loss						
Net loss						
Adjustments to reconcile net loss to net cash (used in) provided by operating activities:						
Depreciation and amortization						
Depreciation and amortization						
Depreciation and amortization	Depreciation and amortization	43,780	41,403			
Amortization and write-off of debt issuance costs	Amortization and write-off of debt issuance costs	1,602	1,956			
Provision for doubtful accounts	Provision for doubtful accounts	2,284	2,640			
Gain on sale or disposal of assets or stations	Gain on sale or disposal of assets or stations	(15,895)	(1,085)			
Gain on sale of BMI						

Gain on early extinguishment of debt	Gain on early extinguishment of debt	(9,849)	(1,876)
Impairment of right-of-use assets		9,050	—
Change in fair value of contingent consideration		(2,000)	—
Deferred income taxes			
Deferred income taxes			
Deferred income taxes	Deferred income taxes	(702)	2,285
Stock-based compensation expense	Stock-based compensation expense	4,089	4,712
Non-cash interest expense on financing liabilities	Non-cash interest expense on financing liabilities	2,941	2,737
Non-cash imputed rental income	Non-cash imputed rental income	(3,560)	(3,456)
Changes in assets and liabilities (excluding acquisitions and dispositions):	Changes in assets and liabilities (excluding acquisitions and dispositions):		
Changes in assets and liabilities (excluding acquisitions and dispositions):			
Changes in assets and liabilities (excluding acquisitions and dispositions):			
Accounts receivable			
Accounts receivable			
Accounts receivable	Accounts receivable	34,511	(4,154)
Trade receivable	Trade receivable	(572)	(518)
Prepaid expenses and other current assets	Prepaid expenses and other current assets	(4,421)	(7,028)
Operating leases, net	Operating leases, net	(1,116)	2,250
Other assets	Other assets	(1,049)	(293)
Other assets			
Other assets			

Accounts payable and accrued expenses	Accounts payable and accrued expenses	(11,966)	(3,303)
Trade payable	Trade payable	629	1,412
Other liabilities	Other liabilities	447	545
Net cash provided by operating activities		28,390	54,516
Net cash (used in) provided by operating activities			
Cash flows from investing activities:	Cash flows from investing activities:		
Proceeds from sale of assets or stations	Proceeds from sale of assets or stations	17,814	1,986
Asset acquisition		—	(131)
Proceeds from insurance reimbursement		—	1,908
Proceeds from sale of assets or stations			
Proceeds from sale of assets or stations			
Proceeds from sale of BMI			
Proceeds from sale of BMI			
Proceeds from sale of BMI			
Capital expenditures	Capital expenditures	(21,026)	(18,560)
Net cash used in investing activities		(3,212)	(14,797)
Net cash provided by (used in) investing activities			
Cash flows from financing activities:	Cash flows from financing activities:		
Repayment of borrowings under term loan			
Repayment of borrowings under term loan			
Repayment of borrowings under term loan	Repayment of borrowings under term loan	(7,900)	(12,509)

Repayments of borrowings under 6.75% senior notes	Repayments of borrowings under 6.75% senior notes	(25,861)	(50,692)
Treasury stock purchases	Treasury stock purchases	(7,788)	(28,922)
Treasury stock purchases			
Treasury stock purchases			
Payment of contingent consideration	Payment of contingent consideration	(2,000)	(1,000)
Shares returned in lieu of tax payments			
Shares returned in lieu of tax payments			
Shares returned in lieu of tax payments	Shares returned in lieu of tax payments	(1,426)	(1,700)
Repayments of financing liabilities	Repayments of financing liabilities	(4,235)	(3,586)
Repayments of financing liabilities			
Repayments of financing liabilities			
Repayments of finance lease obligations	Repayments of finance lease obligations	(594)	(189)
Net cash used in financing activities	Net cash used in financing activities	(49,804)	(98,598)
Decrease in cash and cash equivalents		(24,626)	(58,879)
(Decrease) increase in cash and cash equivalents			
Cash and cash equivalents at beginning of period	Cash and cash equivalents at beginning of period	107,433	177,028
Cash and cash equivalents at end of period	Cash and cash equivalents at end of period	$ 82,807	$118,149

See accompanying notes to the unaudited condensed consolidated financial statements.

Notes to Condensed Consolidated Financial Statements (Unaudited)

1. Nature of Business, Interim Financial Data and Basis of Presentation

Cumulus Media Inc. (and its consolidated subsidiaries, except as the context may otherwise require, "Cumulus Media," "we," "us," "our," or the "Company") is a Delaware corporation, organized in 2018, and successor to a Delaware corporation with the same name that had been organized in 2002.

Nature of Business

Cumulus Media (NASDAQ: CMLS) is an audio-first media company delivering premium content to over a quarter billion people every month — wherever and whenever they want it. Cumulus Media engages listeners with high-quality local programming through 403 401 owned-and-operated radio stations across 85 markets; delivers nationally-syndicated sports, news, talk, and entertainment programming from iconic brands including the NFL, the NCAA, the Masters, CNN, the AP News, the Academy of Country Music Awards, and many other world-class partners across more than 9,400 9,800 affiliated stations through Westwood One, the largest audio network in America; and inspires listeners through the Cumulus Podcast Network, its rapidly growing network of original podcasts that are smart, entertaining and thought-provoking. Cumulus Media provides advertisers with personal connections, local impact and national reach through broadcast and on-demand digital, mobile, social, and voice-activated platforms, as well as integrated digital marketing services, powerful influencers, full-service audio solutions, industry-leading research and insights, and live event experiences. Cumulus Media is the only audio media company to provide marketers with local and national advertising performance guarantees. For more information visit www.cumulusmedia.com.

Basis of Presentation

The accompanying unaudited Condensed Consolidated Financial Statements include the accounts of the Company and its wholly owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation. The Company has one reportable segment. In the opinion of management, the Company's unaudited Condensed Consolidated Financial Statements include all adjustments of a normal recurring nature necessary for a fair statement of the results for the interim periods presented herein. The accompanying condensed consolidated balance sheet as of December 31, 2022 December 31, 2023, was derived from the Company’s audited financial statements as of December 31, 2022 December 31, 2023, and our accompanying unaudited Condensed Consolidated Financial Statements as of September 30, 2023 March 31, 2024, and for the periods ended September 30, 2023 March 31, 2024 and 2022, 2023, have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for interim financial information and with the instructions to Form 10-Q and Article 8 of Regulation S-X. Accordingly, certain information and note disclosures normally included in annual financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to those rules and regulations, although we believe that the disclosures made are adequate to make the information not misleading. The financial condition and results for the interim periods are not necessarily indicative of those that may be expected for any future interim period or for the full year. The unaudited Condensed Consolidated Financial Statements herein should be read in conjunction with our consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosures of contingent assets and liabilities. On an on-going basis, the Company evaluates its estimates, including significant estimates related to bad debts, intangible assets, income taxes, stock-based compensation, contingencies, litigation, valuation assumptions for impairment analysis, certain expense accruals, leases and, if applicable, purchase price allocations. The Company bases its estimates on historical experience and on various assumptions that are believed to be reasonable under the circumstances, and which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual amounts and results may differ materially from these estimates.

Comprehensive (Loss) Income Loss

Comprehensive loss includes net (loss) income loss and certain items that are excluded from net (loss) income loss and recorded as a separate component of stockholders' equity. During the nine three months ended September 30, 2023 March 31, 2024 and 2022, 2023, the Company had no items of other comprehensive (loss) income loss and, therefore, comprehensive (loss) income loss does not differ from reported net (loss) income.

loss.

Assets Held for Sale

Long-lived assets to be sold are classified as held for sale in the period in which they meet all the criteria for the disposal of long-lived assets. As of September 30, 2023, there were no assets held for sale. As of December 31, 2022 March 31, 2024 and December 31, 2023, assets held for sale were not material.

Proceeds from BMI Sale

The Company received $14.8 million in cash proceeds related to the February 2024 sale of Broadcast Music, Inc. ("BMI") to a shareholder group led by New Mountain Capital, LLC. The Company's equity ownership in BMI began decades ago and changed through acquisitions and divestitures of other broadcast stations and companies over the years. The Company recorded the proceeds in the other income (expense), net, financial statement line item of the Company's Condensed Consolidated Statement of Operations for the three months ended March 31, 2024.

Leases

The Company has entered into various lease agreements both as the lessor and lessee. We determine if an arrangement is or contains a lease at contract inception and determine its classification as an operating or finance lease at lease commencement. Leases have been classified as either operating or finance leases in accordance with ASU 2016-02, *Leases (Topic 842)* and its related amendments (collectively, known as "ASC 842") and primarily consist of leases for land, tower space, office space, certain office equipment and vehicles. A right-of-use asset and lease liability have been recorded on the balance sheet for all leases except those with an original lease term of twelve months or less. The Company also has sublease arrangements that provide a nominal amount of income. During the second quarter of 2023, the Company recorded a $9.1 million impairment charge related to a certain lease which is expected to be sublet at an amount less than the current contractual agreement. This charge is included within Corporate expenses on the Company's Condensed Consolidated Statements of Operations for the nine months ended September 30, 2023.

Supplemental Cash Flow Information

The following summarizes supplemental cash flow information to be read in conjunction with the unaudited Condensed Consolidated Statements of Cash Flows for the nine three months ended September 30, 2023 March 31, 2024 and 2022 2023 (dollars in thousands):

		Nine Months Ended September 30,			
		2023	**2022**		
	Three Months Ended March 31,			**Three Months Ended March 31,**	
	2024			**2024**	**2023**
<u>Supplemental disclosures of cash flow information:</u>	<u>Supplemental disclosures of cash flow information:</u>				
Interest paid	Interest paid	$53,026	$37,660		
Income taxes paid		501	7,536		
Interest paid					
Interest paid					
Income taxes paid (refunded)					
<u>Supplemental disclosures of non-cash flow information:</u>	<u>Supplemental disclosures of non-cash flow information:</u>				
Trade revenue					
Trade revenue					
Trade revenue	Trade revenue	$41,696	$35,362		
Trade expense	Trade expense	41,194	34,898		

Noncash principal change in financing liabilities	Noncash principal change in financing liabilities	(373)	(428)

Recently Adopted New Accounting Pronouncements

ASU 2016-13 2023-07 - Financial Instruments - Credit Losses Segment Reporting (Topic 326) 280): Improvements to Reportable Segment Disclosures ("("ASU 2016-13" 2023-07"). In June 2016, November 2023, the FASB issued ASU 2016-13 2023-07, which requires entities is intended to estimate loss of financial assets measured at amortized cost, including trade receivables, debt securities and loans, using an expected credit loss model. The expected credit loss differs from the previous incurred losses model improve reportable segment disclosure requirements, primarily in that the loss recognition threshold of "probable" has been eliminated and that expected loss should consider reasonable and supportable forecasts in addition to the previously considered past events and current conditions. Additionally, the guidance requires through additional disclosures related to the further disaggregation of information related to the credit quality of financial assets by year of the asset's origination for as many as five years.

Entities must apply the standard provision as a cumulative-effect adjustment to retained earnings as of the beginning of the first reporting period in which the guidance is effective. about significant segment expenses. The standard was is effective for Smaller Reporting Companies for fiscal years beginning after December 15, 2022 December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024, with early adoption permitted. The amendments should be applied retrospectively to all prior periods presented in the financial statements. The Company is currently evaluating the potential effect that the updated standard will have on our financial statement disclosures.

ASU 2023-09 - Improvements to Income Tax Disclosures ("ASU 2023-09"). In December 2023, the FASB issued ASU 2023-09, which requires disclosure of disaggregated income taxes paid, prescribes standard categories for the components of the effective tax rate reconciliation, and modifies other income tax-related disclosures. ASU 2023-09 is effective for fiscal years beginning after December 15, 2024, may be applied prospectively or retrospectively, and allows for early adoption. The adoption of ASU 2016-13 Company is currently evaluating the potential effect that the updated standard will have on January 1, 2023, did not have a significant impact on the Company's Condensed Consolidated Financial Statements. our financial statement disclosures.

2. Acquisitions and Dispositions Disposition

WDRQ Sale

On July 31, 2023, the Company completed the sale of WDRQ-FM, in Detroit, MI (the "WDRQ Sale") for $10.0 million in cash. The Company recorded a gain on the WDRQ Sale of $8.6 million which was included in the Gain on sale or disposal of assets or stations financial statement line item of the Company's Condensed Consolidated Statements of Operations for the three and nine months ended September 30, 2023.

WFAS Sale

On February 6, 2023, the Company completed the sale of WFAS-FM, in Bronxville, NY (the "WFAS Sale") for $7.3 million in cash. The Company recorded a gain on the WFAS Sale of $7.1 million which was included in the Gain on sale or disposal of assets or stations financial statement line item of the Company's Condensed Consolidated Statements of Operations for the nine three months ended September 30, 2023 March 31, 2023.

Asset Acquisition

On July 30, 2021, the Company purchased affiliate advertising relationships from a producer of radio station advertising for total consideration of $15.0 million. The consideration included a $7.0 million upfront cash payment and contingent consideration owed of up to $8.0 million to be paid over approximately three years. The Company recorded a liability for the contingent consideration on the acquisition date in accordance with Accounting Standards Codification Topic 450, Contingencies, as payment was both probable and estimable. To date, the Company has paid $6.0 million of contingent consideration. The level 3 fair value of the remaining contingent consideration is reassessed quarterly. As payment was no longer deemed probable, the Company reduced the remaining contingent consideration by $2.0 million during the second quarter of 2023, which was included in the Content costs financial statement line item of the Company's Condensed Consolidated Statements of Operations for the nine months ended September 30, 2023.

3. Revenues

Revenue Recognition

Revenues are recognized when control of the promised goods or services are transferred to the customer, in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

The following table presents revenues disaggregated by revenue source (dollars in thousands):

	Three Months Ended September 30,	
	2023	2022
Broadcast radio revenue:		
Spot	$ 105,890	$ 124,813
Network	40,360	52,261
Total broadcast radio revenue	146,250	177,074
Digital	37,215	34,910
Other	23,954	21,479
Net revenue	$ 207,419	$ 233,463

		Nine Months Ended September 30,	
		2023	2022
	Three Months Ended March 31,		
	2024		
		Three Months Ended March 31,	
		2024	2023
Broadcast radio revenue:	Broadcast radio revenue:		
Spot			
Spot			
Spot	Spot	$310,668	$355,735
Network	Network	130,355	166,247
Total broadcast radio revenue	Total broadcast radio revenue	441,023	521,982
Digital	Digital	106,842	104,604
Other	Other	75,382	75,650
Net revenue	Net revenue	$623,247	$702,236

Broadcast Radio Revenue

Most of our revenue is generated through the sale of terrestrial, broadcast radio spot advertising time to local, regional, and national clients. In addition to local, regional and national spot advertising revenues, we monetize our available inventory in the network sales marketplace. To effectively deliver network advertising for our customers, we distribute content and programming through third party affiliates to reach a broader national audience.

Digital Revenue

We generate digital advertising revenue from the sale of advertising and promotional opportunities across our podcasting network, streaming audio network, websites, mobile applications and digital marketing services. We sell premium advertising adjacent to, or embedded in, podcasts through our network of owned and distributed podcasts. We also operate streaming audio advertising networks in the U.S., including owned and operated internet radio simulcasted stations with either digital ad-inserted or simulcasted ads. We sell display ads across local radio station websites, mobile applications, and ancillary custom client microsites. We also sell premium advertising adjacent to, or embedded in, podcasts through our network of owned and distributed podcasts. In addition, we sell an array of local digital marketing services to new and existing advertisers such as, email marketing, geo-targeted display, and video solutions and search engine marketing within our Cumulus C-Suite portfolio, and website and microsite building and hosting, social media management, reputation management, listing management, and search engine marketing and optimization within our Cumulus C-Suite digital marketing solutions portfolio to existing and new advertisers. Boost product suite.

Other Revenue

Other revenue includes trade and barter transactions, remote and event revenues, and non-advertising revenue. Non-advertising revenue represents fees received for licensing content, imputed tower rental income, satellite rental income, revenues from our digital commerce platform, and proprietary software licensing.

Trade and Barter Transactions

The Company provides commercial advertising inventory in exchange for goods and services used principally for promotional, sales, programming and other business activities. Programming barter revenue is derived from an exchange of programming content, to be broadcast on the Company's airwaves, for commercial advertising inventory, usually in the form of commercial placements inside the show exchanged. Trade and barter value is based upon management's estimate of the fair value of the products, supplies and services received. Trade and barter revenue is recorded when commercial spots are aired, in the same pattern as the Company's normal cash spot revenue is recognized.

Trade and barter expense is recorded when goods or services are consumed. For the three months ended September 30, 2023 March 31, 2024 and 2022, 2023, amounts reflected under trade and barter transactions were: (1) trade and barter revenues of $13.2 $15.4 million and $11.2 $14.0 million, respectively; and (2) trade and barter expenses of $13.2 $14.7 million and $11.0 million, respectively. For the nine months ended September 30, 2023 and 2022, amounts reflected under trade and barter transactions were: (1) trade and barter revenues of $41.7 million and $35.4 million, respectively; and (2) trade and barter expenses of $41.2 million and $34.9 $13.7 million, respectively.

Capitalized Costs of Obtaining a Contract

The Company capitalizes certain incremental costs of obtaining contracts with customers which it expects to recover. For new local direct contracts where the new and renewal commission rates are not commensurate, management capitalizes commissions and amortizes the capitalized commissions over the average customer life. These costs are recorded within selling,

general and administrative expenses in our unaudited Condensed Consolidated Statements of Operations. As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, the Company recorded an asset of approximately $6.5 $6.2 million and $7.2 million $6.5 million, respectively, related to the unamortized portion of commission expense on new local direct revenue.

4. Intangible Assets

The gross carrying amount and accumulated amortization of the Company's intangible assets as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023 are as follows (dollars in thousands):

	Indefinite-Lived		Definite-Lived			Total
Gross Carrying Amount	FCC licenses	Trademarks	Affiliate and producer relationships	Broadcast advertising	Tower income contracts	
Balance as of December 31, 2022	$ 807,544	$ 19,852	$ 145,000	$ 32,000	$ 13,548	$ 1,017,944
Dispositions	(1,307)	(41)	—	—	(41)	(1,389)
Other (a)	—	—	—	(32,000)	—	(32,000)
Balance as of September 30, 2023	$ 806,237	$ 19,811	$ 145,000	$ —	$ 13,507	$ 984,555
Accumulated Amortization						
Balance as of December 31, 2022	$ —	$ —	$ (58,417)	$ (29,333)	$ (6,899)	$ (94,649)
Amortization Expense	—	—	(11,113)	(2,667)	(1,128)	(14,908)
Dispositions	—	—	—	—	23	23
Other (a)	—	—	—	32,000	—	32,000
Balance as of September 30, 2023	$ —	$ —	$ (69,530)	$ —	$ (8,004)	$ (77,534)
Net Book Value as of September 30, 2023	$ 806,237	$ 19,811	$ 75,470	$ —	$ 5,503	$ 907,021

(a) Removed gross carrying amount and accumulated amortization of fully amortized intangible assets as of June 30, 2023.

	Indefinite-Lived		Definite-Lived		Total
Gross Carrying Amount	FCC licenses	Trademarks	Affiliate and producer relationships	Tower income contracts	
Balance as of December 31, 2023	$ 741,716	$ 19,020	$ 145,000	$ 13,507	$ 919,243
Dispositions	(39)	—	—	(1)	(40)
Balance as of March 31, 2024	$ 741,677	$ 19,020	$ 145,000	$ 13,506	$ 919,203
Accumulated Amortization					
Balance as of December 31, 2023	$ —	$ —	$ (73,235)	$ (8,379)	$ (81,614)
Amortization expense	—	—	(3,704)	(375)	(4,079)
Balance as of March 31, 2024	$ —	$ —	$ (76,939)	$ (8,754)	$ (85,693)
Net Book Value as of March 31, 2024	$ 741,677	$ 19,020	$ 68,061	$ 4,752	$ 833,510

The Company performs impairment testing of its indefinite-lived intangible assets annually as of December 31 of each year and on an interim basis if events or circumstances indicate that its indefinite-lived intangible assets may be impaired. The Company reviews the carrying amount of its definite-lived intangible assets, primarily broadcast advertising and affiliate relationships, for recoverability whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Events and circumstances did not necessitate any interim impairment tests during the nine three months ended September 30, 2023 March 31, 2024. We will continue to monitor changes in economic and market conditions, and if any events or circumstances indicate a triggering event has occurred, we will perform an interim impairment test of our intangible assets at the appropriate time.

5. Long-Term Debt

The Company's long-term debt consisted of the following as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023 (dollars in thousands):

		September 30, 2023	December 31, 2022		
	March 31, 2024			March 31, 2024	December 31, 2023
Term Loan due 2026	Term Loan due 2026	$ 329,510	$ 338,452		
6.75% Senior Notes					
6.75% Senior Notes					
6.75% Senior Notes	6.75% Senior Notes	346,245	380,927		
Less: Total unamortized debt issuance costs	Less: Total unamortized debt issuance costs	(3,653)	(4,923)		
Less: Total unamortized debt issuance costs					
Less: Total unamortized debt issuance costs					
Long-term debt, net	Long-term debt, net	$ 672,102	$ 714,456		

Refinanced Credit Agreement (Term Loan due 2026)

On September 26, 2019, the Company entered into a credit agreement by and among Cumulus Media New Holdings Inc., a Delaware corporation and an indirect wholly-owned subsidiary of the Company ("Holdings"), certain other subsidiaries of the Company, Bank of America, N.A., as Administrative Agent, and the other banks and financial institutions party thereto as Lenders (the "Refinanced Credit Agreement"). Pursuant to the Refinanced Credit Agreement, the lenders party thereto provided Holdings and its subsidiaries that are party thereto as co-borrowers with a $525.0 million senior secured Term Loan (the "Term Loan due 2026"), which was used to refinance the remaining balance of the then outstanding term loan (the "Term Loan due 2022"). On June 9, 2023, Holdings Cumulus Media Intermediate, Inc. ("Intermediate" Intermediate Holdings"), a direct wholly-owned subsidiary of the Company, and certain of the Company's other subsidiaries (collectively, with Holdings and Intermediate Holdings, the ("Credit Parties") entered into a second amendment ("Amendment No. 2") to the Refinanced Credit Agreement. Amendment No. 2, among other things, modifies certain terms of the Term Loan due 2026 to replace the relevant benchmark provisions from the London Interbank Offered Rate ("LIBOR") to the Secured Overnight Financing Rate ("SOFR"). Except as modified by Amendment No. 2, the existing terms of the Refinanced Credit Agreement remained in effect.

Prior to the execution of Amendment No. 2, amounts outstanding under the Refinanced Credit Agreement bore interest at a per annum rate equal to (i) the London Inter-bank Offered Rate ("LIBOR") plus an applicable margin of 3.75%, subject to a LIBOR floor of 1.00%, or (ii) the Alternative Base Rate (as defined below) plus an applicable margin of 2.75%, subject to an Alternative Base Rate floor of 2.00%. The Alternative Base Rate is defined, for any day, as the per annum rate equal to the highest of (i) the Federal Funds Rate, as published by the Federal Reserve Bank of New York, plus 1/2 of 1.0%, (ii) the rate identified by Bank of America, N.A. as its "Prime Rate" and (iii) one-month LIBOR plus 1.00%. Subsequent to the execution of Amendment No. 2, amounts outstanding under the Refinanced Credit Agreement bore interest at a per annum rate equal to (i) SOFR plus a SOFR Adjustment, subject to a SOFR floor of 1.00%, and an applicable margin of 3.75%, or (ii) the Alternative Base Rate as defined above. As of September 30, 2023 March 31, 2024, the Term Loan due 2026 bore interest at a rate of 9.43% 9.19% per annum.

Amounts outstanding under the Term Loan due 2026 amortize in equal quarterly installments of 0.25% of the original principal amount of the Term Loan due 2026 with the balance payable on the maturity date. As a result of the mandatory prepayments, discussed below, the Company is no longer required to make such quarterly installments. The maturity date of the Term Loan due 2026 is March 26, 2026 March 31, 2026.

During the nine three months ended September 30, 2023 March 31, 2023, the Company repaid $8.9 $3.8 million principal amount of the Term Loan due 2026. The repayment resulted in a gain on extinguishment of debt of $1.0 $0.2 million. The Term Loan due 2026 was repaid with cash on hand. The Company wrote-off debt issuance costs as a result of the repayment which were not material.

In March 2022, the Company was required by the Excess Cash Flow (as defined in the Term Loan due 2026) to make a prepayment of $12.5 million. In connection with the prepayment, the Company wrote-off $0.1 million of debt issuance costs.

As of September 30, 2023 March 31, 2024, $328.2 $328.4 million remained outstanding under the Term Loan due 2026, net of debt issuance costs of $1.4 $1.1 million, and we were in compliance with all required covenants under the Refinanced Credit Agreement.

2020 Revolving Credit Agreement

On March 6, 2020, Holdings and certain of the Company's other subsidiaries, as borrowers (the "Borrowers"), and Intermediate Holdings entered into a $100.0 million revolving credit facility (the "2020 Revolving Credit Facility") pursuant to a Credit Agreement (the "2020 Revolving Credit Agreement"), dated as of March 6, 2020, with Fifth Third Bank, as a lender and Administrative Agent and certain other lenders from time to time party thereto. On June 3, 2022, Holdings, the Borrowers and Intermediate Holdings entered into a fifth amendment (the "Amendment") to the 2020 Revolving Credit Agreement. The Amendment, among other things, (i) extended the maturity date of all borrowings under the 2020 Revolving Credit Facility to June 3, 2027, provided, that if any of the Company's indebtedness with an aggregate principal amount in excess of $35.0 million is outstanding on the date that is 90 days prior to the stated maturity of such indebtedness (each such date, a

"Springing "Springing Maturity Date"), then the maturity date of all borrowings under the 2020 Revolving Credit Facility will instead be such Springing Maturity Date, and (ii) modified certain terms of the 2020 Revolving Credit Facility to replace the relevant benchmark provisions from LIBOR to SOFR. Except as modified by the Amendment, the existing terms of the 2020 Revolving Credit Agreement remained in effect.

Availability under the 2020 Revolving Credit Facility is tied to a borrowing base equal to 85% of the accounts receivable of the Borrowers, subject to customary reserves and eligibility criteria and reduced by outstanding letters of credit. Under the 2020 Revolving Credit Facility, up to $10.0 million of availability may be drawn in the form of letters of credit and up to $10.0 million of availability may be drawn in the form of swing line loans.

Borrowings under the 2020 Revolving Credit Facility bear interest, at the option of Holdings, based on SOFR plus (i) 0.10% and (ii) a percentage spread of 1.00% or the Alternative Base Rate. The Alternative Base Rate is defined, for any day, as the per annum rate equal to the rate identified as the "Prime Rate" by Fifth Third Bank. In addition, the unused portion of the 2020 Revolving Credit Facility will be subject to a commitment fee of 0.25%.

As of September 30, 2023 March 31, 2024, $4.5 million $4.4 million was outstanding under the 2020 Revolving Credit Facility, representing letters of credit. As of September 30, 2023 March 31, 2024, Holdings was in compliance with all required covenants under the 2020 Revolving Credit Agreement.

6.75% Senior Notes

On June 26, 2019, Holdings and certain of the Company's other subsidiaries, entered into an indenture, dated as of June 26, 2019 (the "Indenture") with U.S. Bank National Association, as trustee, governing the terms of the Holdings' $500,000,000 aggregate principal amount of 6.75% Senior Secured First-Lien Notes due 2026 (the "6.75% Senior Notes"). The 6.75% Senior Notes were issued on June 26, 2019. The net proceeds from the issuance of the 6.75% Senior Notes were applied to partially repay existing indebtedness under the Term Loan due 2022. In conjunction with the issuance of the 6.75% Senior Notes, debt issuance costs of $7.3 million were capitalized and are being amortized over the term of the 6.75% Senior Notes.

Interest on the 6.75% Senior Notes is payable on January 1 and July 1 of each year, commencing on January 1, 2020. The 6.75% Senior Notes mature on July 1, 2026.

During the nine three months ended September 30, 2023 March 31, 2023, the Company repaid $34.7 $2.5 million principal amount of the 6.75% Senior Notes. These repayments The repayment resulted in a gain on extinguishment of debt of approximately $8.8 $0.4 million. The 6.75% Senior Notes were repaid with cash on hand. The Company wrote-off $0.3 million of debt issuance costs as a result of the repayments. repayment, which were not material.

As of September 30, 2023 March 31, 2024, $343.9 $344.3 million remained outstanding under the 6.75% Senior Notes, net of debt issuance costs of $2.3 $1.9 million, and Holdings was in compliance with all required covenants under the Indenture.

6. Fair Value Measurements

The following table shows the gross amount and fair value of the Term Loan due 2026 and 6.75% Senior Notes (dollars in thousands):

		September 30, 2023	December 31, 2022		
	March 31, 2024			March 31, 2024	December 31, 2023
Term Loan due 2026:	Term Loan due 2026:				
Gross value					
Gross value					
Gross value	Gross value	$ 329,510	$ 338,452		
Fair value - Level 2	Fair value - Level 2	273,922	314,760		
6.75% Senior Notes:	6.75% Senior Notes:				
Gross value	Gross value	$ 346,245	$ 380,927		
Gross value					
Gross value					
Fair value - Level 2	Fair value - Level 2	263,146	321,833		

As of September 30, 2023 March 31, 2024, the Company used trading prices from a third party of 83.13% 60.50% and 76.00% 58.00% to calculate the fair value of the Term Loan due 2026 and the 6.75% Senior Notes, respectively.

As of December 31, 2022 December 31, 2023, the Company used trading prices from a third party of 93.00% 76.00% and 84.50% 66.75% to calculate the fair value of the Term Loan 2026 and the 6.75% Senior Notes, respectively.

The Company invests in governmental money market funds that have a maturity of three months or less at the date of purchase which are classified as cash equivalents. Due to the short maturity, the Company believes the carrying amount of the cash equivalents approximates fair value. The following table details the fair value measurements of the Company's investments as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023 (dollars in thousands):

	Level 1		Level 2		Level 3	
	September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022
Cash equivalents	$ 48,449	$ —	$ —	$ —	$ —	$ —

	Level 1		Level 2		Level 3	
	March 31, 2024	December 31, 2023	March 31, 2024	December 31, 2023	March 31, 2024	December 31, 2023
Cash equivalents	$ 24,937	$ 49,092	$ —	$ —	$ —	$ —

7. Income Taxes

For the three months ended September 30, 2023 March 31, 2024, the Company recorded an income tax benefit expense of $1.6 $1.5 million on pre-tax book income loss of $1.2 $12.7 million, resulting in an effective tax rate of approximately (132.3) (11.8)%. For the three months ended September 30, 2022 March 31, 2023, the Company recorded an income tax expense of $4.6 $5.8 million on pre-tax book income loss of $13.2 $15.7 million, resulting in an effective tax rate of approximately 35.1%.

For the nine months ended September 30, 2023, the Company recorded an income tax benefit of $0.6 million on pre-tax book loss of $20.4 million, resulting in an effective tax rate of approximately 2.8%. For the nine months ended September 30, 2022, the Company recorded an income tax expense of $8.3 million on pre-tax book income of $24.6 million, resulting in an effective tax rate of approximately 33.8% (37.1)%.

The difference differences between the effective tax rate rates and the federal statutory rate of 21.0% for the three and nine month periods ended September 30, 2023 March 31, 2024 and March 31, 2023, primarily relates relate to the valuation allowance recognized during the year and discussed further below, changes to our projected full year effective tax rate, state and local income taxes, and the effect of certain statutory non-deductible expenses.

The difference between the effective tax rate and the federal statutory rate of 21.0% for the three and nine month periods ended September 30, 2022, primarily relates to state and local income taxes, and the effect of certain statutory non-deductible expenses.

The Company recognizes the benefits of deferred tax assets only as its assessment indicates that it is more likely than not that the deferred tax assets will be recognized in accordance with ASC Topic 740, Income Taxes ("ASC 740"). The Company reviews the available positive and negative evidence to estimate whether sufficient future taxable income will be generated to utilize existing deferred tax assets. As of September 30, 2023 March 31, 2024 and December 31, 2023, the Company recorded a valuation allowance against its deferred tax assets associated with related to a portion of disallowed interest expense carryforwards and other attributes generated during the year since because it is more likely than not that some of the full benefit tax benefits of these assets may will not be realized. realized in the future. The Company will continue to monitor the valuation of deferred tax assets and tax liabilities, which requires judgment in assessing the likely future tax consequences of events that are recognized in the Company's financial statements or tax returns as well as judgment in projecting future profitability.

8. Stockholders' Equity

Common Stock

Pursuant to the Company’s Charter, the Company is authorized to issue an aggregate of 300,000,000 shares of stock divided into three classes consisting of: (i) 100,000,000 shares of new Class A common stock; (ii) 100,000,000 shares of new Class B common stock; and (iii) 100,000,000 shares of preferred stock.

As of September 30, 2023 March 31, 2024, the Company had 21,726,906 22,366,221 aggregate issued shares of common stock, and 16,508,170 16,885,817 outstanding shares consisting of: (i) 21,414,865 22,054,180 issued shares and 16,196,129 16,573,776 outstanding shares designated as Class A common stock; and (ii) 312,041 issued and outstanding shares designated as Class B common stock.

Shareholder Rights Plan

On February 21, 2024, our Board adopted a rights plan and declared a dividend of (a) one Class A right (a "Class A Right") in respect of each share of the Company's Class A common stock, par value $0.0000001 per share (the "Class A Common Shares") and (b) one Class B right (a "Class B Right," and, together with the Class A Rights, the "Rights") in respect of each share of the Company's Class B common stock, par value $0.0000001 per share (the "Class B Common Shares" and together with the Class A Common Shares, the "Common Shares"). The dividend distribution was made on March 4, 2024 to the Company's stockholders of record on that date. The terms of the Rights and the rights plan are set forth in a Stockholder Rights Agreement, dated as of February 21, 2024 (the "Rights Agreement"), by and between the Company and Continental Stock Transfer & Trust Company, as rights agent (or any successor rights agent), as it may be amended from time to time.

In the event that a person or group that is or becomes the beneficial owner of 15% or more of the Company's outstanding Class A Common Shares without prior approval of the Board, subject to certain exceptions (such person or group, an "Acquiring Person"), (a) each Class A Right would allow its holder to purchase from the Company one ten-thousandth of a Class A Common Share for a purchase price of $25.00 and (b) each Class B Right would allow its holder to purchase from the Company one ten-thousandth of a Class B Common Share for a purchase price of $25.00. Prior to exercise, a Right does not give its holder any dividend, voting or liquidation rights.

After the date that the Rights become exercisable (the "Distribution Date"), if a person or group is or becomes an Acquiring Person, all holders of Rights, except the Acquiring Person, may exercise their (a) Class A Rights, upon payment of the applicable purchase price, to purchase Class A Common Shares (or other securities or assets as determined by the Board) with a market value of two times the applicable purchase price, and (b) Class B Rights, upon payment of the applicable purchase price, to purchase Class B Common Shares (or other securities or assets as determined by the Board) with a market value of two times the applicable purchase price. After the date that the Rights become exercisable, if a flip-in event has already occurred and the Company is acquired in a merger or similar transaction, all holders of Rights, except such Acquiring Person, may exercise their Rights, upon payment of the purchase price, to purchase shares of the acquiring corporation with a market value of two times the applicable purchase price of the Rights.

In addition, after the later of the Distribution Date and the date of the Company's first public announcement that a person or group has become an Acquiring Person, the Board may exchange each Right (other than Rights that have become null and void) at an exchange ratio of (a) one Class A Common Share per Class A Right and (b) one Class B Common Share per Class B Right. The Board may redeem all (but not less than all) of the Rights for a redemption price of $0.001 per Right at any time before the date of the Company's first public announcement or disclosure that a person or group has become an Acquiring Person.

The Board may adjust the purchase price of Common Shares, the number of Common Shares issuable and the number of outstanding Rights to prevent dilution that may occur as a result of certain events, including among others, a stock dividend, a stock split or a reclassification of the Company's Common Shares. No adjustments to the purchase price of less than 1% will be made. Before the time Rights cease to be redeemable, the Board may amend or supplement the Rights Agreement without the consent of the holders of the Rights, except that no amendment may decrease the Redemption Price below $0.001 per Right. At any time thereafter, the Board may amend or supplement the Rights Agreement to cure an ambiguity, to alter time period provisions, to correct inconsistent provisions or to make any additional changes to the Rights Agreement, to the extent that those changes do not impair or adversely affect any Rights holder and do not result in the Rights again becoming redeemable. The limitations on the Board's ability to amend the Rights Agreement do not affect the Board's power or ability to take any other action that is consistent with its fiduciary duties and the terms of the Rights Agreement, including without limitation, accelerating or extending the Expiration Date of the Rights, making any amendment to the Rights Agreement that is permitted by the Rights Agreement or adopting a new Rights Agreement with such terms as the Board determines in its sole discretion to be appropriate. Unless earlier redeemed or exchanged, the Rights will expire on February 20, 2025.

Share Repurchase Program

On May 4, 2022, the Company announced that the Board of Directors authorized a share repurchase program (the "Prior Share Repurchase Authorization") for up to $50.0 million of outstanding Class A common stock. The Prior Share Repurchase Authorization expired on November 3, 2023. On October 27, 2023, the Company announced that the Board of Directors authorized a new share repurchase authorization program (the "Current Share Repurchase Authorization") for up to $25.0 million of outstanding Class A common stock. The Current Share Repurchase Authorization superseded and replaced our Prior Share Repurchase Authorization, and expires November 3, 2023 on May 15, 2025. Purchases made pursuant to the program may be made from time to time, at the Company's discretion, in the open market, through privately negotiated transactions or through other manners as permitted by federal securities laws including, but not limited to, 10b5-1 trading plans, accelerated stock repurchase programs and tender offers. The specific extent that the Company repurchases its shares, the number of shares and the timing manner, price and amount of any repurchases will be determined by the Company and may be subject to depend on general economic and market conditions, stock price, applicable regulatory and legal requirements, alternative investment opportunities and other factors. considerations. The repurchase program does not require the Company to repurchase a minimum number of shares, and it may be modified, suspended or terminated at any time without prior notice.

Under During the share repurchase authorization, on May 12, 2023 three months ended March 31, 2024, the Company commenced a modified Dutch tender offer to purchase up to $10.0 million of did not repurchase any shares of its Class A common stock at a price not greater than $3.25 and not less than $2.85 per share of Class A common stock, to the tendering shareholder in cash, less any applicable withholding taxes and without interest (the "2023 Offer"). The 2023 Offer expired on June 9, 2023. Through the 2023 Offer, the Company accepted for payment a total of 1,745,005 shares of the Company's outstanding Class A Common stock at a purchase price of $3.25 per share, for an aggregate cost of approximately $5.7 million, excluding fees and expenses.

in the open market. During the nine three months ended September 30, 2023 March 31, 2023, the Company repurchased 323,285 shares of its outstanding Class A common stock in the open market at an average purchase price of $4.65 per share for an aggregate cost of approximately $1.5 million, excluding fees and expenses. Total Class A Shares repurchased were accounted for as treasury stock, and the total cost of shares repurchased through was recorded as a reduction of stockholder's equity in the 2023 Offer and open market during the nine months ended September 30, 2023, were 2,068,290. unaudited condensed consolidated balance sheet.

The Inflation Reduction Act of 2022, which was enacted into law on August 16, 2022, imposed a nondeductible 1% excise tax on the net value of certain stock repurchases made after December 31, 2022. Excise tax is owed on the fair market value of stock repurchases reduced by the fair market value of stock issued and a $1,000,000 de minimis exception. Excise tax owed on shares repurchased during the nine three months ended September 30, 2023 March 31, 2023, was not material.

On May 6, 2022 As of March 31, 2024, the Company commenced a modified Dutch tender offer to purchase up to $25.0 million of shares of its Class A common stock at a price not greater than $16.50 and not less than $14.50 per share of Class A common stock, to the tendering shareholder in cash, less any applicable withholding taxes and without interest (the "2022 Offer"). The 2022 Offer expired on June 3, 2022. Through the 2022 Offer, the Company accepted for payment a total of 1,724,137 shares of the Company's Class A Common stock at a purchase price of $14.50 per share, for an aggregate cost of approximately $25.0 million, excluding fees and expenses.

Shares repurchased were accounted for as treasury stock and the total cost of shares repurchased was recorded as a reduction of stockholder's equity in the unaudited condensed consolidated balance sheet. Subsequent to the open market purchases, $11.0 million of the Company's outstanding Class A common stock remained available for repurchase under the share repurchase program as of September 30, 2023.program.

On October 26, 2023, the Board of Directors authorized a share repurchase program for up to $25.0 million of outstanding Class A common stock. This share repurchase authorization supersedes and replaces our prior share repurchase authorization and expires on May 15, 2025. For more information on the share repurchase authorization, see Note 11 "Subsequent Event."

9. Earnings (Loss) Loss Per Share

The Company calculates basic earnings (loss) loss per share by dividing net income (loss) loss by the weighted average number of common shares outstanding, including warrants. outstanding. The Company calculates diluted earnings (loss) loss per share by dividing net earnings (loss) loss by the weighted average number of common shares outstanding plus the dilutive effect of all outstanding share-based awards, including stock options and restricted stock awards. Warrants generally are included in basic and diluted shares outstanding because there is little or no consideration paid upon exercise of the Warrants.

For the three months ended September 30, 2023 March 31, 2024 and for the three and nine months ended September 30, 2022, potential common shares related to the Company's stock options were excluded from the diluted share count as the exercise price of the options was greater than the average market price of the common shares and, as such, their effect would have been anti-dilutive. For the nine months ended September 30, 2023, 2023, given the net loss attributable to the Company common stockholders, potential common shares that would have caused dilution, such as employee stock options, restricted shares and other stock awards, were excluded from the diluted share count because their effect would have been anti-dilutive.

The Company applies the two-class method to calculate earnings (loss) loss per share. Because both classes share the same rights in dividends and losses, earnings (loss) loss per share (basic and diluted) is the same for both classes.

The following tables present the basic and diluted earnings (loss) loss per share, and the reconciliation of basic to diluted weighted average common shares (in thousands):

	Three Months Ended September 30,	
	2023	2022
Basic Earnings Per Share		
Numerator:		
Undistributed net income from operations	$ 2,722	$ 8,540
Basic net income attributable to common shares	$ 2,722	$ 8,540
Denominator:		
Basic weighted average shares outstanding	16,467	18,881

Basic undistributed net income per share attributable to common shares	$ 0.17	$ 0.45
Diluted Earnings Per Share		
Numerator:		
Undistributed net income from operations	$ 2,722	$ 8,540
Diluted net income attributable to common shares	$ 2,722	$ 8,540
Denominator:		
Basic weighted average shares outstanding	16,467	18,881
Effect of dilutive options and restricted share units	35	22
Diluted weighted average shares outstanding	16,502	18,903
Diluted undistributed net income per share attributable to common shares	$ 0.16	$ 0.45

Three Months Ended March 31,

Three Months Ended March 31,

Three Months Ended March 31,

	Nine Months Ended September 30,	
	2023	**2022**
Basic (Loss) Earnings Per Share		
Basic Loss Per Share		
Basic Loss Per Share		
Basic Loss Per Share		
Numerator: **Numerator:**		
Undistributed net (loss) income from operations	$ (19,813)	$ 16,289
Numerator:		
Numerator:		
Undistributed net loss from operations		
Undistributed net loss from operations		
Undistributed net loss from operations		
Basic net (loss) income attributable to common shares	$ (19,813)	$ 16,289
Denominator:		
Basic weighted average shares outstanding	17,525	19,937
Basic undistributed net (loss) income per share attributable to common shares	$ (1.13)	$ 0.82
Diluted (Loss) Earnings Per Share		
Numerator:		
Undistributed net (loss) income from operations	$ (19,813)	$ 16,289
Basic net loss attributable to common shares		
Diluted net (loss) income attributable to common shares	$ (19,813)	$ 16,289
Basic net loss attributable to common shares		
Basic net loss attributable to common shares		
Denominator: **Denominator:**		
Denominator:		
Denominator:		
Basic weighted average shares outstanding		

Basic weighted average shares outstanding

Basic weighted average shares outstanding

Basic undistributed net loss per share attributable to common shares

Basic undistributed net loss per share attributable to common shares

Basic undistributed net loss per share attributable to common shares

Diluted Loss Per Share

Diluted Loss Per Share

Diluted Loss Per Share

Numerator:

Numerator:

Numerator:

Undistributed net loss from operations

Undistributed net loss from operations

Undistributed net loss from operations

Diluted net loss attributable to common shares

Diluted net loss attributable to common shares

Diluted net loss attributable to common shares

Denominator:

Denominator:

Denominator:

Basic weighted average shares outstanding

Basic weighted average shares outstanding

Basic weighted average shares outstanding	Basic weighted average shares outstanding	17,525	19,937
Effect of dilutive options and restricted share units	Effect of dilutive options and restricted share units	—	296

Effect of dilutive options and restricted share units

Effect of dilutive options and restricted share units

Diluted weighted average shares outstanding	Diluted weighted average shares outstanding	17,525	20,233
Diluted undistributed net (loss) income per share attributable to common shares		$ (1.13)	$ 0.81

Diluted weighted average shares outstanding

Diluted weighted average shares outstanding

Diluted undistributed net loss per share attributable to common shares

Diluted undistributed net loss per share attributable to common shares

Diluted undistributed net loss per share attributable to common shares

10. Commitments and Contingencies

Future Commitments

During the first quarter of 2023, the Company finalized certain vendor contracts that were being negotiated at December 31, 2022. As of September 30, 2023, the Company's future minimum payments under non-cancelable contracts in excess of one year consist of the following (dollars in thousands):

	Non-Cancelable Contracts
2023	$ 32,062
2024	120,554
2025	101,475
2026	43,418
2027	10,500
Thereafter	—
Total	$ 308,009

As of September 30, 2023, the Company believes that it will meet all such minimum obligations.

Legal Proceedings

We have been, and expect in the future to be, a party to various legal proceedings, arbitrations, investigations or claims. In accordance with applicable accounting guidance, we record accruals for certain of our outstanding legal proceedings when it is probable that a liability will be incurred and the amount of loss can be reasonably estimated. We evaluate, at least on a quarterly basis, developments in our legal proceedings or other claims that could affect the amount of any accrual, as well as any developments that would result in a loss contingency to become both probable and reasonably estimable. When a loss contingency is not both probable and reasonably estimable, we do not record a loss accrual.

If the loss (or an additional loss in excess of any prior accrual) is reasonably possible and material, we disclose an estimate of the possible loss or range of loss, if such estimate can be made. The assessment of whether a loss is probable or reasonably possible and whether the loss or a range of loss is estimable, involves a series of judgments about future events, which are often complex. Even if a loss is reasonably possible, we may not be able to estimate a range of possible loss, particularly where (i) the damages sought are substantial or indeterminate, (ii) the proceedings are in the early stages, (iii) the matters involve novel or unsettled legal theories or a large number of parties, or (iv) various factors outside of our control could lead to vastly different outcomes. In such cases, there is considerable uncertainty regarding the ultimate resolution of such matters, including the amount of any possible loss.

In August 2015,

Alien Ownership Restrictions and FCC Petition for Declaratory Ruling

The Communications Act and FCC regulation prohibit foreign entities and individuals from having direct or indirect ownership or voting rights of more than 25 percent in a corporation controlling the licensee of a radio broadcast station unless the FCC finds greater foreign ownership to be in the public interest. The Company previously filed a petition for declaratory relief (the "PDR") requesting the FCC to permit the Company was named as to be up to 100% foreign-owned.

As previously disclosed, on May 29, 2020, the Media Bureau of the FCC issued a defendant in two separate putative class action lawsuits relating to its use and public performance of certain sound recordings fixed prior to February 15, 1972 Declaratory Ruling (the "Pre-1972 Recordings" "Declaratory Ruling"). The first suit, ABS Entertainment, Inc., et. al. v. Cumulus Media Inc., was filed granting the relief requested in the U.S. District Court for PDR. The Declaratory Ruling permits up to 100% of the Central District of California Company's equity and alleged, among other things, copyright infringement under California state law, common law conversion, misappropriation and unfair business practices. On December 11, 2015, this suit was dismissed without prejudice. The second suit, ABS Entertainment, Inc. v. Cumulus Media Inc., was filed in the U.S. District Court for the Southern District of New York and claimed, among other things, common law copyright infringement and unfair competition. The New York lawsuit was stayed pending an appeal before the Second Circuit involving unrelated third parties over whether the owner of a Pre-1972 Recording holds an exclusive right voting stock to publicly perform that recording under New York common law. On December 20, 2016, the New York Court of Appeals held that New York common law does not recognize a right of public performance for owners of pre-1972 Recordings. As a result of that case (to which Cumulus Media Inc. was not a party) the New York case against Cumulus Media Inc., was voluntarily dismissed be owned by the plaintiffs on April 3, 2017. On October 11, 2018, President Trump signed the Orrin G. Hatch-Bob Goodlatte Music Modernization Act (the "Music Modernization Act") into law, which, among other things, provides new federal rights going forward for owners of pre-1972 Recordings. The question of whether public performance rights existed for Pre-1972 recordings under state law prior non-U.S. persons, subject to the enactment of the new Music Modernization Act was, until recently, still being litigated by other parties in California. On August 23, 2021, the Ninth Circuit held in the matter of Flo & Eddie, Inc. v. Sirius XM Radio Inc., Case No. 17-55844, that no such public performance right exists under California law. But those plaintiffs continue to litigate a separate case, Flo & Eddie, Inc. v. Pandora Media, LLC, which is pending in the Central District of California (2:14-cv-07648-PSG-GJS). Pandora attempted to dismiss the lawsuit under California's anti-SLAPP statute, claiming that its broadcast of Pre-1972 recordings constituted speech on an issue of public interest and that Flo & Eddie's claims have no merit. The district court denied the motion on the ground that the anti-SLAPP statute did not cover

Pandora's conduct, and the Ninth Circuit affirmed the denial (No. 20-56134). Following the Ninth Circuit's direction to consider expedited motion practice on the legal validity of Flo & Eddie's claims given the Ninth Circuit's decision in the Sirius XM Radio case, the district court set a schedule for Pandora to file a motion for summary judgment, which was filed and briefed. The motion was granted on July 25, 2023 in Pandora's favor. The district court found that there is an absence of a public performance right owned by plaintiff. A notice of appeal was filed by plaintiff on August 25, 2023, and the appeal remains pending. The Company is not a party to that case and is not yet able to determine what effect that proceeding will have, if any, on its financial position, results of operations or cash flows.

On February 24, 2020, two individual plaintiffs filed a putative class action lawsuit against the Company in the U.S. District Court for the Northern District of Georgia (the "District Court") alleging claims regarding the Cumulus Media Inc. 401(k) Plan (the "Plan"). The case alleges condition that the Company breached its fiduciary duties under the Employee Retirement Income Security Act of 1974 obtain specific FCC approval for any non-U.S. individual, entity or group to hold, directly or indirectly, more than 5% (or in the oversight case of certain institutional investors 10%) of the Plan, principally by selecting and retaining certain investment options despite their higher fees and costs than other available investment options, causing participants Company's equity or voting stock, or a controlling interest in the Plan to pay excessive recordkeeping fees, and by failing to monitor other fiduciaries. The plaintiffs seek unspecified damages on behalf of a class of Plan participants from February 24, 2014 through the date of any judgment (the "Class Period"). Company.

On May 28, 2020 February 23, 2024, the Company filed a motion remedial petition for declaratory ruling (the "Remedial PDR") with the FCC. The Remedial PDR relates to dismiss the complaint. On December 17, 2020 acquisition by Renew Private Group Ltd. (together with its affiliates, the "Group") of the Company's outstanding Class A shares. Specifically, on January 24, 2024, the District Court entered an order dismissing one Group filed a Schedule 13D with the SEC, in which the Group disclosed beneficial ownership of 1,621,426 shares of the individual plaintiffs Company's Class A shares, representing approximately 10.01% of the Company's outstanding Class A shares. This ownership interest is inconsistent with the FCC's foreign ownership rules and all claims against the Declaratory Ruling issued by the FCC relating to the Company's foreign ownership on May 29, 2020, both of which limit a foreign investor in the Group's position to holding no more than 5% of the Company's voting equity or total equity without prior FCC approval. The Remedial PDR, which was filed pursuant to the rules and regulations of the FCC, seeks (a) specific approval for the more than 5% equity and voting interests in the Company except those that arose on or after February 24, 2019 (i.e., one year prior presently held by the Group and (b) advance approval for the Group to the filing of the Complaint). On March 24, 2021, increase their equity and voting interest in the Company filed a motion seeking dismissal of all remaining claims. On October 15, 2021, up to any non-controlling amount not to exceed 14.99%. The Remedial PDR remains pending before the District Court entered an order granting the Company's motion and dismissing all remaining claims. On November 12, 2021, one of the plaintiffs filed a notice of appeal to the U.S. Court of Appeals for the Eleventh Circuit. While the appeal was pending, the parties agreed to a settlement, that if granted final approval, will resolve all of the claims against the Company on a class-wide basis for the entire Class Period, and will provide the Company a general release. On February 16, 2023, the District Court granted preliminary approval to the settlement. On July 10, 2023, the Court held a fairness hearing and on July 11, 2023, the Court issued an order granting final approval to the settlement. All applicable appeal deadlines have expired and the Court's order approving the settlement is now final. The Company has made a settlement payment for which the Company was indemnified by one of its insurance carriers. FCC.

11. Subsequent Event Events

NotesExchange Offer

On October 26, 2023 May 2, 2024, Cumulus Media New Holdings Inc., a Delaware corporation and an indirect wholly-owned subsidiary of the Company ("Holdings"), consummated its previously announced offer (the "Exchange Offer") to exchange any and all of its outstanding 6.75% Senior Notes for new 8.000% Senior Secured First-Lien Notes due 2029 (the "New Notes"). In connection with the Exchange Offer, Holdings accepted approximately $325.7 million in aggregate principal amount of 6.75% Senior Notes tendered in the Exchange Offer in exchange for approximately $308.8 million in aggregate principal amount of New Notes. After giving effect to the Exchange Offer, including fees and expenses, as of May 2, 2024, there was approximately $20.5 million in aggregate principal amount of 6.75% Senior Notes outstanding and approximately $308.8 million in aggregate principal amount of New Notes outstanding.

The New Notes were issued pursuant to an Indenture (the "New Notes Indenture"), dated as of May 2, 2024, by and among Holdings, the guarantors party thereto, and U.S. Bank National Association, as trustee. Interest on the New Notes is payable on March 15 and September 15 of each year, commencing on September 15, 2024. The New Notes mature on July 1, 2029. Holdings may redeem the New Notes, in whole or in part, at any time at a redemption price equal to 100% of the principal amount thereof, plus accrued and unpaid interest to, but excluding, the date of redemption.

The New Notes are fully and unconditionally guaranteed by Intermediate Holdings and the present and future wholly-owned restricted subsidiaries of Holdings (the "Senior Notes Guarantors"), subject to the terms of the Indenture. Other than certain assets secured on a first priority basis under the 2020 Revolving Credit Facility (as to which the New Notes are secured on a second-priority basis), the Board New Notes and related guarantees are secured on a first-priority basis *pari passu* with the Term Loan due 2029 (subject to certain exceptions) by liens on substantially all of Directors authorized the assets of the Holdings and the Senior Notes Guarantors.

The New Notes Indenture contains customary terms and conditions as well as various affirmative, negative and financial covenants that, among other things, may restrict the ability of us and our subsidiaries to incur additional indebtedness, pay dividends or repurchase stock. A default under the New Notes could cause a share repurchase program for up to $25.0 million of outstanding Class A common stock. This share repurchase authorization supersedes default under the New Credit Agreement.

The New Notes have not been and replaces our prior share repurchase authorization and expires on May 15, 2025. Purchases made pursuant to will not be registered under the program may be made from time to time, at the Company's discretion, in the open market, through privately negotiated transactions or through other manners as permitted by federal securities laws or the securities laws of any state or any other jurisdiction. The Company is not required to register the New Notes for resale under the Securities Act, or the securities laws of any other jurisdiction and is not required to exchange the New Notes for notes registered under the Securities Act or the securities laws of any other jurisdiction and has no present intention to do so. As a result, Rule 3-10 of Regulation S-X promulgated by the SEC is not applicable and no separate financial statements are required for the guarantor subsidiaries.

Term Loan Exchange Offer

Concurrently with the Exchange Offer, on May 2, 2024, Holdings completed its previously announced offer (the "Term Loan Exchange") to exchange its Term Loan due 2026 (the "Old Term Loans"), for new senior secured term loans due May 2, 2029 (the "New Term Loans") issued under a new credit agreement. In connection with the Term Loan Exchange Offer, Holdings exchanged approximately $328.3 million in aggregate principal amount of its Term Loan due 2026 for approximately $311.8 million in aggregate principal amount of New Term Loans. After giving effect to the Term Loan Exchange Offer, including but not limited to, 10b5-1 trading plans, accelerated stock repurchase programs fees and tender offers. The extent that expenses, as of May 2, 2024, there was approximately $1.2 million in aggregate principal amount outstanding under its Term Loan due 2026 and approximately $311.8 million in aggregate principal amount outstanding under its New Term Loan.

Upon consummation of the Term Loan Exchange Offer, the Issuer entered into a new Term Loan Credit Agreement (the "New Credit Agreement"), by and among the Issuer, certain other subsidiaries of the Company, repurchases its shares, the number Bank of shares America, N.A., as Administrative Agent, and the timing other banks and financial institutions party thereto as lenders. The New Term Loans have a maturity date occurring on the date that May 2, 2029, and amounts outstanding thereunder bear interest at a per annum rate equal to (i) Secured Overnight Financing Rate ("SOFR") plus a SOFR Adjustment (as defined therein), subject to a SOFR floor of 1.00%, and an applicable margin of 5.00%, or (ii) the Alternative Base (as defined therein) and an applicable margin of 4.00%. Subject to certain exceptions, the New Credit Agreement has substantially similar representations and events of default as the Old Term Loan Agreement has (prior to giving effect to the Term Loan Exchange Offer).

The New Credit Agreement contains customary terms and conditions as well as various affirmative, negative and financial covenants that, among other things, may restrict the ability of us and our subsidiaries to incur additional indebtedness, pay dividends or repurchase stock. The New Term Loans and related guarantees are secured by first-priority (with respect to the Term Loan Priority Collateral (as defined in the New Credit Agreement)) and second-priority (with respect to the ABL Priority Collateral (as defined in the New Credit Agreement)) security interests in, subject to permitted liens and certain exceptions, substantially all of the existing and future assets of the Issuer and the Existing Guarantors, which assets also secure the 2020 Revolving Credit Agreement and do not secure the Old Notes. In addition, the New Term Loans are guaranteed by certain subsidiaries that are designated as unrestricted under the Old Term Loans and the Old Notes and secured by first-priority security interests in, subject to permitted liens and certain exceptions, the assets of such subsidiaries. The Old Notes and Old Term Loans do not have the benefit of such additional guarantees and collateral.

Amendment to ABL Credit Agreement

On May 2, 2024, the Borrowers and Intermediate Holdings entered into a sixth amendment (the "Sixth Amendment") to the 2020 Revolving Credit Agreement which, among other things, (i) extended the maturity date of all borrowings under the 2020 Revolving Credit Facility to March 1, 2029, provided, that if any repurchases will depend Indebtedness for borrowed money of New Holdings or one of its Restricted Subsidiaries with an aggregate principal amount in excess of the lesser of (A) $50.0 million and (B) the greater of (x) $35.0 million and (y) the aggregate principal amount of Indebtedness outstanding under the Refinanced Credit Agreement and the Indenture is outstanding on general economic the date that is 90 days prior to the stated maturity of such Indebtedness (each such date, a “Springing Maturity Date”), then the Initial Maturity Date shall instead be such Springing Maturity Date, and market conditions, regulatory and legal requirements, alternative investment opportunities and other considerations. The repurchase program does not require (ii) increased the company aggregate commitments under the 2020 Revolving Credit Agreement to repurchase a minimum number $125.0 million. Except as modified by the Sixth Amendment, the existing terms of shares, and it may be modified, suspended or terminated at any time without prior notice. the 2020 Revolving Credit Agreement remained in effect.

Item 2. ***Management’s Discussion and Analysis of Financial Condition and Results of Operations***

Overview

The following discussion of our financial condition and results of operations should be read in conjunction with the other information contained in this Form 10-Q, including our unaudited Condensed Consolidated Financial Statements and notes thereto included elsewhere in this Form 10-Q, as well as our audited Consolidated Financial Statements and notes thereto contained in our Annual Report on Form 10-K for the year ended December 31, 2022 December

31, 2023 ("2022 2023 Form 10-K"), filed with the Securities and Exchange Commission ("SEC"). This discussion, as well as various other sections of this Form 10-Q, contain and refer to statements that constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and other federal securities laws. Such statements are any statements other than those of historical fact and relate to our intent, belief or current expectations primarily with respect to our future operating, financial and strategic performance. Any such forward-looking statements are not guarantees of future performance and may involve risks and uncertainties. These risks and uncertainties include, but are not limited to, those described in Part I, "Item 1A. Risk Factors," and elsewhere in our 2022 2023 Form 10-K and elsewhere in this report, and those described from time to time in other reports filed with the SEC. Actual results may differ from those contained in or implied by the forward-looking statements as a result of various factors. For more information, see "Cautionary Statement Regarding Forward-Looking Statements" in our 2022 2023 Form 10-K.

Non-GAAP Financial Measure

From time to time, we utilize certain financial measures that are not prepared or calculated in accordance with GAAP to assess our financial performance and profitability. Consolidated adjusted earnings before interest, taxes, depreciation, and amortization ("Adjusted EBITDA") is the financial metric by which management and the chief operating decision maker allocate resources of the Company and analyze the performance of the Company as a whole. Management also uses this measure to determine the contribution of our core operations to the funding of our corporate resources utilized to manage our operations and our non-operating expenses including debt service and acquisitions. In addition, consolidated Adjusted EBITDA is a key metric for purposes of calculating and determining our compliance with certain covenants contained in our Refinanced Credit Agreement.

In determining Adjusted EBITDA, we exclude the following from net income (loss): loss: interest, taxes, depreciation, amortization, stock-based compensation expense, gain or loss on the exchange, sale, or disposal of any assets or stations or early extinguishment of debt, restructuring costs, expenses relating to acquisitions and divestitures, non-routine legal expenses incurred in connection with certain litigation matters, and non-cash impairments of assets, if any.

Management believes that Adjusted EBITDA, although not a measure that is calculated in accordance with GAAP, is commonly employed by the investment community as a measure for determining the market value of a media company and comparing the operational and financial performance among media companies. Management has also observed that Adjusted EBITDA is routinely utilized to evaluate and negotiate the potential purchase price for media companies. Given the relevance to our overall value, management believes that investors consider the metric to be extremely useful.

Adjusted EBITDA should not be considered in isolation or as a substitute for net income loss, operating (loss), operating income, cash flows from operating activities or any other measure for determining our operating performance or liquidity that is calculated in accordance with GAAP. In addition, Adjusted EBITDA may be defined or calculated differently by other companies, and comparability may be limited.

Consolidated Results of Operations

Analysis of Consolidated Results of Operations

The following selected data from our unaudited Condensed Consolidated Statements of Operations and other supplementary data provides information that our management believes is relevant to an assessment and understanding of our results of operations and financial condition. This discussion should be read in conjunction with our unaudited Condensed Consolidated Statements of Operations and notes thereto appearing elsewhere herein (dollars in thousands).

	Three Months Ended March 31,		
	Three Months Ended March 31,		
	Three Months Ended March 31,		
	2024		
	2024		
	2024		
			$
			$
			$
STATEMENT OF OPERATIONS DATA:			
STATEMENT OF OPERATIONS DATA:			
STATEMENT OF OPERATIONS DATA:			
Net revenue			

		2023	2022	2023 vs 2022 Change $	2023 vs 2022 Change %
Net revenue					
Net revenue					
Content costs					
Content costs					
Content costs					
Selling, general and administrative expenses					
Selling, general and administrative expenses					
Selling, general and administrative expenses					
Depreciation and amortization					
Depreciation and amortization					
Depreciation and amortization					
Corporate expenses					
Corporate expenses					
Corporate expenses					
Loss (gain) on sale or disposal of assets or stations					
Loss (gain) on sale or disposal of assets or stations					
Loss (gain) on sale or disposal of assets or stations					
	Three Months Ended September 30,				
Operating (loss) income					
		2023	2022	2023 vs 2022 Change	
				$	%
STATEMENT OF OPERATIONS DATA:					
Net revenue		$ 207,419	$ 233,463	$ (26,044)	(11.2) %
Content costs		76,740	83,284	(6,544)	(7.9) %
Selling, general and administrative expenses		91,834	93,200	(1,366)	(1.5) %
Depreciation and amortization		13,950	14,034	(84)	(0.6) %
Corporate expenses		15,926	14,481	1,445	10.0 %
(Gain) loss on sale or disposal of assets or stations		(8,614)	41	(8,655)	N/A
Operating (loss) income					
Operating income		17,583	28,423	(10,840)	(38.1) %
Operating (loss) income					
Interest expense					
Interest expense					
Interest expense	Interest expense	(17,862)	(15,507)	(2,355)	15.2 %
Interest income	Interest income	634	1	633	63,300.0 %
Interest income					
Interest income					

Gain on early extinguishment of debt	Gain on early extinguishment of debt	843	279	564	202.2 %
Other expense, net		(26)	(32)	6	(18.8) %
Income before income taxes		1,172	13,164	(11,992)	(91.1) %
Income tax benefit (expense)		1,550	(4,624)	6,174	N/A
Gain on early extinguishment of debt					
Gain on early extinguishment of debt					
Other income (expense), net					
Other income (expense), net					
Other income (expense), net					
Loss before income taxes					
Loss before income taxes					
Loss before income taxes					
Income tax expense					
Income tax expense					
Income tax expense					
Net income		$ 2,722	$ 8,540	$ (5,818)	(68.1) %
Net loss					
Net loss					
Net loss					
KEY NON-GAAP FINANCIAL METRIC:	KEY NON-GAAP FINANCIAL METRIC:				
KEY NON-GAAP FINANCIAL METRIC:					
KEY NON-GAAP FINANCIAL METRIC:					
Adjusted EBITDA					
Adjusted EBITDA					
Adjusted EBITDA	Adjusted EBITDA	$ 26,925	$ 46,567	$ (19,642)	(42.2) %

	Nine Months Ended September 30,		2023 vs 2022 Change	
	2023	2022	$	%
STATEMENT OF OPERATIONS DATA:				
Net revenue	$ 623,247	$ 702,236	$ (78,989)	(11.2)%
Content costs	238,939	257,793	(18,854)	(7.3)%
Selling, general and administrative expenses	280,536	285,327	(4,791)	(1.7)%
Depreciation and amortization	43,780	41,403	2,377	5.7 %
Corporate expenses	54,048	48,482	5,566	11.5 %
Gain on sale or disposal of assets or stations	(15,895)	(1,085)	(14,810)	1,365.0 %
Operating income	21,839	70,316	(48,477)	(68.9)%
Interest expense	(53,468)	(47,488)	(5,980)	12.6 %
Interest income	1,715	3	1,712	57,066.7 %

Gain on early extinguishment of debt	9,849	1,876	7,973	425.0 %
Other expense, net	(312)	(87)	(225)	258.6 %
(Loss) income before income taxes	(20,377)	24,620	(44,997)	N/A
Income tax benefit (expense)	564	(8,331)	8,895	N/A
Net (loss) income	$ (19,813)	$ 16,289	$ (36,102)	N/A
KEY NON-GAAP FINANCIAL METRIC:				
Adjusted EBITDA	$ 67,930	$ 123,265	$ (55,335)	(44.9)%

Three Months Ended September 30, 2023 March 31, 2024 compared to the Three Months Ended September 30, 2022 March 31, 2023

Net Revenue

Net revenue for the three months ended September 30, 2023 March 31, 2024, compared to net revenue for the three months ended September 30, 2022 March 31, 2023, decreased $26.0 $5.6 million, or 11.2% 2.7%. The decrease is primarily driven by reductions in spot and network revenues of $18.9 million $7.1 million and $11.9 million $1.1 million, respectively, as a result of current macroeconomic conditions. These decreases were slightly primarily offset by a $2.5 million increase in other revenue primarily driven by barter and trade revenues resulting from higher volume in 2023 and $2.3 million $2.4 million of higher digital advertising revenue largely driven by growth across streaming, podcasting, and in digital marketing services.

Content Costs

Content costs consist of all costs related to the licensing, acquisition and development of our programming. Content costs for the three months ended September 30, 2023 March 31, 2024, compared to content costs for the three months ended September 30, 2022 March 31, 2023, decreased $6.5 $3.6 million, or 7.9% 4.1%, primarily as a result of reduced spend on third party station inventory and lower syndicated programming costs attributed to reduced network revenue and lower personnel costs. both resulting from declining revenue.

Selling, General & Administrative Expenses

Selling, general and administrative expenses consist of expenses related to our sales efforts and distribution of our content across our platform and overhead in our markets. Selling, general and administrative expenses for the three months ended September 30, 2023 March 31, 2024, compared to selling, general and administrative expenses for the three months ended September 30, 2022 March 31, 2023, decreased $1.4 increased $0.5 million or 1.5% 0.5%. Selling, general and administrative expenses decreased as a result of reduced research expense from a contract renewal, lower bad debt expense, lower sales commissions attributed to a decline in revenue, and reduced bank fees. This decrease was partially offset by higher barter and trade expenses which grew in line with the related revenue. remained generally consistent period over period.

Depreciation and Amortization

Depreciation and amortization expense for the three months ended September 30, 2023 March 31, 2024, as compared to depreciation and amortization expense for the three months ended September 30, 2022 March 31, 2023, decreased $0.1 increased $0.2 million, or 0.6%, primarily as a result of certain definite-lived intangibles that were fully amortized during the second quarter of 2023 which were mostly offset by additional fixed assets placed into service.

Corporate Expenses

Corporate expenses consist primarily of compensation and related costs for our executive, accounting, finance, human resources, information technology and legal personnel, and fees for professional services. Professional services are principally comprised of audit, consulting and outside legal services. Corporate expenses also include restructuring costs and stock-based compensation expense. Corporate expenses for the three months ended September 30, 2023, compared to corporate expenses for the three months ended September 30, 2022, increased $1.4 million, or 10.0%. Corporate expenses increased primarily from higher incentive compensation in 2023, as an incentive reversal recorded in the third quarter of 2022 did not recur, increased employee benefit costs mostly driven by health insurance claims and higher legal fees.

(Gain) Loss on Sale or Disposal of Assets or Stations

The gain on sale or disposal of assets or stations for the three months ended September 30, 2023, was primarily related to the sale of WDRQ-FM.

The loss on sale or disposal of assets or stations for the three months ended September 30, 2022, was primarily related to fixed asset disposals.

Interest Expense

Total interest expense for the three months ended September 30, 2023, increased $2.4 million, or 15.2%, when compared to the total interest expense for the three months ended September 30, 2022. The below table details the components of our interest expense by debt instrument (dollars in thousands):

	Three Months Ended September 30,		
	2023	2022	$ Change
Term Loan due 2026	$ 7,945	$ 4,629	$ 3,316
6.75% Senior Notes	5,842	6,741	(899)
Financing liabilities	3,569	3,668	(99)
Other, including debt issuance cost amortization and write-off	506	469	37
Interest expense	$ 17,862	$ 15,507	$ 2,355

Gain on Early Extinguishment of Debt

The gain on early extinguishment of debt for the three months ended September 30, 2023, of $0.8 million was driven by the Company's repurchases of $5.2 million principal amount of the Term Loan due 2026.

The gain on early extinguishment of debt for the three months ended September 30, 2022, of $0.3 million was driven by the Company's repurchases of $2.8 million principal amount of the 6.75% Senior Notes.

Income Tax Benefit (Expense)

For the three months ended September 30, 2023, the Company recorded an income tax benefit of $1.6 million on pre-tax book income of $1.2 million, resulting in an effective tax rate of approximately (132.3)%. For the three months ended September 30, 2022, the Company recorded an income tax expense of $4.6 million on pre-tax book income of $13.2 million, resulting in an effective tax rate of approximately 35.1%.

The difference between the effective tax rate and the federal statutory rate of 21.0% for the three month period ended September 30, 2023, primarily relates to the valuation allowance recognized, changes to our projected full year effective tax rate, state and local income taxes, and the effect of certain statutory non-deductible expenses.

The difference between the effective tax rate and the federal statutory rate of 21.0% for the three month period ended September 30, 2022, primarily relates to state and local income taxes and the effect of certain statutory non-deductible expenses.

Adjusted EBITDA

As a result of the factors described above, Adjusted EBITDA of $26.9 million for the three months ended September 30, 2023, compared to the Adjusted EBITDA of $46.6 million for the three months ended September 30, 2022, decreased approximately $19.6 million.

Nine Months Ended September 30, 2023 compared to the Nine Months Ended September 30, 2022

Net Revenue

Net revenue for the nine months ended September 30, 2023, compared to net revenue for the nine months ended September 30, 2022, decreased $79.0 million, or 11.2%. The decrease is primarily driven by reductions in spot and network revenues of $45.0 million and $35.9 million, respectively, as a result of current macroeconomic conditions. Other revenue also decreased $0.3 million of which $8.3 million was the result of a fee received in 2022 from the early termination of a revenue agreement. The $8.3 million other revenue decrease was almost entirely offset by an $8.0 million increase in primarily barter and trade revenues resulting from higher volume in 2023. These decreases were slightly offset by $2.2 million of higher digital advertising revenue driven by growth in digital marketing services and streaming which were partially offset by lower podcasting revenue.

Content Costs

Content costs consist of all costs related to the licensing, acquisition and development of our programming. Content costs for the nine months ended September 30, 2023, compared to content costs for the nine months ended September 30, 2022, decreased $18.9 million, or 7.3%, primarily as a result of lower syndicated programming costs attributed to reduced network revenue, lower personnel costs and a $2.0 million reduction in third party station inventory costs from a fair value reassessment of contingent consideration. These decreases were partially offset by higher digital costs, which grew in line with digital advertising revenue.

Selling, General & Administrative Expenses

Selling, general and administrative expenses consist of expenses related to our sales efforts and distribution of our content across our platform and overhead in our markets. Selling, general and administrative expenses for the nine months ended September 30, 2023, compared to selling, general and administrative expenses for the nine months ended September 30, 2022, decreased $4.8 million or 1.7%. Selling, general and administrative expenses decrease was primarily driven by reduced research expense resulting from a contract renewal, lower incentive compensation and commissions expense attributed to a decline in broadcast revenue, reduced bank fees, and lower bad debt expense. These decreases were partially offset by higher barter and trade expenses which grew in line with the related revenue.

Depreciation and Amortization

Depreciation and amortization expense for the nine months ended September 30, 2023, as compared to depreciation and amortization expense for the nine months ended September 30, 2022, increased $2.4 million, or 5.7% 1.3%, primarily as a result of additional fixed assets placed into service which were partially mostly offset by certain definite-lived intangibles that were fully amortized during the second quarter of 2023.

Corporate Expenses

Corporate expenses consist primarily of compensation and related costs for our executive, accounting, finance, human resources, information technology and legal personnel, and fees for professional services. Professional services are principally comprised consist of audit, consulting and outside legal services. Corporate expenses also include restructuring costs and stock-based compensation expense. Corporate expenses for the nine three months ended September 30, 2023 March 31, 2024, compared to corporate expenses for the nine three months ended September 30, 2022 March 31, 2023, increased $5.6 $1.8 million, or 11.5% 13.0%. Corporate expenses increased primarily as a result of from higher restructuring charges driven by a $9.1 million impairment for a certain lease which is expected to be sublet at an amount less than the current contractual agreement and increased employee benefit costs mostly driven by health insurance claims. These increases were partially offset by lower incentive compensation resulting from Company performance. expenses in 2024.

Gain Loss (Gain) on Sale or Disposal of Assets or Stations

The loss on sale or disposal of assets or stations for the three months ended March 31, 2024, was not material.

The gain on sale or disposal of assets or stations for the nine three months ended September 30, 2023 March 31, 2023, was primarily related to the sales of WDRQ-FM and WFAS-FM.

The gain on sale or disposal of assets or stations for the nine months ended September 30, 2022, was primarily driven by insurance proceeds received from hurricane damage and the sale of certain assets and stations which were partially offset by fixed asset dispositions and the surrender of a broadcast license. WFAS-FM.

Interest Expense

Total interest expense for the nine three months ended September 30, 2023 March 31, 2024, increased $6.0 decreased $0.3 million, or 12.6% 1.7%, when compared to the total interest expense for the nine three months ended September 30, 2022 March 31, 2023. The below table details the components of our interest expense by debt instrument (dollars in thousands):

		Nine Months Ended September 30,				
		2023	2022	$ Change		
		Three Months Ended March 31,				
		2024				
		2024				
		2024			2023	$ Change
Term Loan due 2026	Term Loan due 2026	$22,557	$12,996	$9,561		
6.75% Senior Notes	6.75% Senior Notes	18,384	21,699	(3,315)		

Financing liabilities	Financing liabilities	10,782	11,066	(284)
Financing liabilities				
Financing liabilities				
Other, including debt issuance cost amortization and write-off	Other, including debt issuance cost amortization and write-off	1,745	1,727	18
Interest expense	Interest expense	$53,468	$47,488	$5,980

Gain on Early Extinguishment of Debt

The Company did not extinguish debt during the three months ended March 31, 2024.

The gain on early extinguishment of debt for the nine three months ended September 30, 2023 March 31, 2023, of $9.8 $0.6 million, was driven by resulted from the Company's repurchases of $34.7 million $3.8 million principal amount of the senior secured Term Loan ("Term Loan due 2026") and $8.9 million $2.5 million principal amount of the 6.75% Senior Secured First-Lien Notes and Term Loan due 2026, respectively. ("6.75% Senior Notes").

The gain on early extinguishment of debt Other Income (Expense)

Other income for the nine three months ended September 30, 2022 March 31, 2024, of $1.9 $14.8 million, represents the gain recognized on the February 2024 sale of Broadcast Music, Inc. (the "BMI Sale") to a shareholder group led by New Mountain Capital, LLC.

Other expense for the three months ended March 31, 2023, was driven by the Company's repurchases of $52.6 million principal amount of the 6.75% Senior Notes. not material.

Income Tax Benefit (Expense) Expense

For the nine three months ended September 30, 2023 March 31, 2024, the Company recorded an income tax benefit expense of $0.6 $1.5 million on pre-tax book loss of $20.4 $12.7 million, resulting in an effective tax rate of approximately 2.8% (11.8)%. For the nine three months ended September 30, 2022 March 31, 2023, the Company recorded an income tax expense of $8.3 $5.8 million on pre-tax book income loss of $24.6 $15.7 million, resulting in an effective tax rate of approximately 33.8% (37.1)%.

The difference differences between the effective tax rate rates and the federal statutory rate of 21.0% for the nine three month period periods ended September 30, 2023 March 31, 2024 and March 31, 2023, primarily relates relate to the valuation allowance recognized during the year, changes to our projected full year effective tax rate, state and local income taxes, and the effect of certain statutory non-deductible expenses.

The difference between the effective tax rate and the federal statutory rate of 21.0% for the nine month period ended September 30, 2022, primarily relates to state and local income taxes, and the effect of certain statutory non-deductible expenses.

Adjusted EBITDA

As a result of the factors described above, Adjusted EBITDA of $67.9 $8.4 million for the nine three months ended September 30, 2023 March 31, 2024, compared to the Adjusted EBITDA of $123.3 million $10.3 million for the nine three months ended September 30, 2022 March 31, 2023, decreased approximately $55.3 $1.9 million.

Reconciliation of Non-GAAP Financial Measure

The following tables reconcile Adjusted EBITDA to net income (loss) loss (the most directly comparable financial measure calculated and presented in accordance with GAAP) as presented in the accompanying unaudited Condensed Consolidated Statements of Operations (dollars in thousands):

	Three Months Ended September 30,	
	2023	2022

GAAP net income	$	2,722	$	8,540
Income tax (benefit) expense		(1,550)		4,624
Non-operating expenses, including net interest expense		17,254		15,538
Depreciation and amortization		13,950		14,034
Stock-based compensation expense		1,471		1,518
(Gain) loss on sale or disposal of assets or stations		(8,614)		41
Gain on early extinguishment of debt		(843)		(279)
Restructuring costs		2,212		2,297
Non-routine legal expenses		122		59
Franchise taxes		201		195
Adjusted EBITDA	$	26,925	$	46,567

	Nine Months Ended September 30,			
	2023		2022	
GAAP net (loss) income	$	(19,813)	$	16,289
Income tax (benefit) expense		(564)		8,331

		Three Months Ended March 31,		Three Months Ended March 31,
		2024		2024	2023
GAAP net loss					
Income tax expense					
Non-operating expenses, including net interest expense	Non-operating expenses, including net interest expense	52,065	47,572		
Depreciation and amortization	Depreciation and amortization	43,780	41,403		
Stock-based compensation expense	Stock-based compensation expense	4,089	4,712		
Gain on sale or disposal of assets or stations		(15,895)	(1,085)		
Loss (gain) on sale or disposal of assets or stations					
Gain on early extinguishment of debt					
Gain on early extinguishment of debt					

Gain on early extinguishment of debt	Gain on early extinguishment of debt	(9,849)	(1,876)
Restructuring costs	Restructuring costs	13,219	6,819
Non-routine legal expenses	Non-routine legal expenses	298	523
Franchise taxes	Franchise taxes	600	577
Adjusted EBITDA	Adjusted EBITDA	$ 67,930	$123,265

Liquidity and Capital Resources

As of September 30, 2023 March 31, 2024, we had $82.8 $68.3 million of cash and cash equivalents. The Company used $16.1 million of cash for operating activities in the three months ended March 31, 2024, and generated cash from operating activities of $28.4 million and $54.5 $23.7 million for in the nine three months ended September 30, 2023, and September 30, 2022, respectively. March 31, 2023.

Historically, our principal sources of funds have been cash flow from operations and borrowings under credit facilities in existence from time to time. Our cash flow from operations remains subject to factors such as fluctuations in advertising media preferences and changes in demand caused by shifts in population, station listenership, demographics and audience tastes. In addition, our cash flows may be affected if customers are not able to pay, or delay payment of, accounts receivable that are owed to us, which risks may also be exacerbated in challenging or otherwise uncertain economic periods. In certain periods, the Company has experienced reductions in revenue and profitability from prior historical periods because of market revenue pressures and cost escalations built into certain contracts. Notwithstanding this, we believe that our national platform and extensive station portfolio representing a broad diversity in format, listener base, geography, and advertiser base help us maintain a more stable revenue stream by reducing our dependence on any single demographic, region or industry. However,

future reductions in revenue or profitability are possible and could have a material adverse effect on the Company's business, results of operations, financial condition or liquidity.

We are a party to many contractual obligations involving commitments to make payments to third parties. These obligations impact our short-term and long-term liquidity and capital resource needs. Certain contractual obligations are reflected on the Consolidated Balance Sheet as of September 30, 2023 March 31, 2024, while others are considered future commitments. Our contractual obligations primarily consist of long-term debt and related interest payments, commitments under non-cancelable operating lease agreements, and employment and talent contracts. In addition to our contractual obligations, we expect that our primary anticipated uses of liquidity in 2023 2024 will be to fund our working capital, make interest and tax payments, fund capital expenditures, execute our strategic plan and maintain operations.

Although there remains uncertainty related to the current macroeconomic conditions on the Company's future results, we believe our business model, our current cash reserves and borrowings from time to time under the Revolving Credit Agreement (or any such other credit facility as may be in place at the appropriate time) will help us manage our business and anticipated liquidity needs for at least the next twelve months and the foreseeable future thereafter.

We continually monitor our capital structure, and from time to time, we have evaluated, and expect that we will continue to evaluate, opportunities to obtain additional capital from the divestiture of radio stations or other assets, when we determine that it would further our strategic and financial objectives, as well as from the issuance of equity and/or debt securities, in each case, subject to market and other conditions in existence at that time. There can be no assurance that any such financing would be available on commercially acceptable terms, or at all. Future volatility in the capital and credit markets, caused by the current macroeconomic conditions or otherwise, may increase costs associated with issuing debt instruments or affect our ability to access those markets. In addition, it is possible that our ability to access the capital and credit markets could be limited at a time when we would like, or need, to do so, which could have an adverse impact on our ability to refinance maturing debt on terms or at times acceptable to us, or at all, and/or react to changing economic and business conditions.

Refinanced Credit Agreement (Term Loan due 2026)

On September 26, 2019, we entered into a Refinanced Credit Agreement to refinance the principal balance outstanding on providing for the Term Loan due 2022. 2026. See Part I, "Item 1 — Financial Statements — Notes to unaudited Condensed Consolidated Financial Statements — Note 5 — Long-Term Debt," for further discussion of the Refinanced Credit Agreement.

Concurrently with the Exchange Offer (as defined below), on May 2, 2024, Holdings consummated its previously announced offer (the "Term Loan Exchange") to exchange its Term Loan due 2026, for new senior secured term loans due May 2, 2029 (the "New Term Loans") issued under a new credit agreement. In connection with the Term Loan Exchange Offer, Holdings exchanged approximately $328.3 million in aggregate principal amount of its Term Loan due 2026 for approximately $311.8 million in aggregate principal amount of New Term Loans. After giving effect to the Term Loan Exchange Offer, including fees and expenses, as of May 2, 2024, there was approximately $1.2 million in aggregate principal amount outstanding under its Term Loan due 2026 and approximately $311.8 million in aggregate principal amount outstanding under its New Term Loan. See Part I, "Item 1 — Financial Statements — Notes to Unaudited Condensed Consolidated Financial Statements — Note 11 — Subsequent Events," for further discussion of the Term Loan Exchange Offer.

2020 Revolving Credit Agreement

On March 6, 2020, we entered into a $100.0 million Revolving Credit Facility which was amended on June 3, 2022 (and further amended on May 2, 2024, as discussed below). See Part I, "Item 1 — Financial Statements — Notes to unaudited Condensed Consolidated Financial Statements — Note 5 — Long-Term Debt," for further discussion of our 2020 Revolving Credit Agreement.

On May 2, 2024, the Borrowers and Intermediate Holdings entered into a sixth amendment (the "Sixth Amendment") to the 2020 Revolving Credit Agreement which, among other things, (i) extended the maturity date of all borrowings under the 2020 Revolving Credit Facility to March 1, 2029, provided, that if any Indebtedness for borrowed money of New Holdings or one of its Restricted Subsidiaries with an aggregate principal amount in excess of the lesser of (A) $50.0 million and (B) the greater of (x) $35.0 million and (y) the aggregate principal amount of Indebtedness outstanding under the Refinanced Credit Agreement and the Indenture is outstanding on the date that is 90 days prior to the stated maturity of such Indebtedness (each such date, a “Springing Maturity Date”), then the Initial Maturity Date shall instead be such Springing Maturity Date, and (ii) increased the aggregate commitments under the 2020 Revolving Credit Agreement to $125.0 million. Except as modified by the Sixth Amendment, the existing terms of the 2020 Revolving Credit Agreement remained in effect. See Part I, "Item 1 — Financial Statements — Notes to Unaudited Condensed Consolidated Financial Statements — Note 11 — Subsequent Events," for further discussion of the Sixth Amendment.

6.75% Senior Notes

On June 26, 2019, we entered into an Indenture under which the 6.75% Senior Notes were issued. See Part I, "Item 1 — Financial Statements — Notes to unaudited Unaudited Condensed Consolidated Financial Statements — Note 5 — Long-Term Debt," for further discussion of the Indenture and the 6.75% Senior Notes.

On May 2, 2024, Cumulus Media New Holdings Inc., a Delaware corporation and an indirect wholly-owned subsidiary of the Company ("Holdings"), consummated its previously announced offer (the "Exchange Offer") to exchange any and all of its outstanding 6.75% Senior Notes for new 8.000% Senior Secured First-Lien Notes due 2029 (the "New Notes"). In connection with the Exchange Offer, Holdings accepted approximately $325.7 million in aggregate principal amount of 6.75% Senior Notes tendered in the Exchange Offer in exchange for approximately $308.8 million in aggregate principal amount of New Notes. After giving effect to the Exchange Offer, including fees and expenses, as of May 2, 2024, there was approximately $20.5 million in aggregate principal amount of 6.75% Senior Notes outstanding and approximately $308.8 million in aggregate principal amount of New Notes outstanding. See Part I, "Item 1 — Financial Statements — Notes to Unaudited Condensed Consolidated Financial Statements — Note 11 — Subsequent Events," for further discussion of the Exchange Offer."

Share Repurchase Program

On May 4, 2022, the Company announced that the Board of Directors authorized a share repurchase program (the "Prior Share Repurchase Authorization") for up to $50.0 million of outstanding Class A common stock. The Prior Share Repurchase Authorization expired on November 3, 2023. On October 27, 2023, the Company announced that the Board of Directors authorized a new share repurchase authorization program (the "Current Share Repurchase Authorization") for up to $25.0 million of outstanding Class A common stock. The Current Share Repurchase Authorization superseded and replaced our Prior Share Repurchase Authorization, and expires November 3, 2023 on May 15, 2025. Purchases made pursuant to the program may be made from time to time, at the Company’s discretion, in the open market, through privately negotiated transactions or through other manners as permitted by federal securities laws including, but not limited to, 10b5-1 trading plans, accelerated stock repurchase programs and tender offers. The specific extent that the Company repurchases its shares, the number of shares and the timing manner, price and amount of any repurchases will be determined by the Company and may be subject to depend on general economic and market conditions, stock price, applicable regulatory and legal requirements, alternative investment opportunities and other factors.

Under the share considerations. The repurchase authorization, on May 12, 2023, program does not require the Company commenced to repurchase a minimum number of shares, and it may be modified, Dutch tender offer to purchase up to $10.0 million of suspended or terminated at any time without prior notice.

During the three months ended March 31, 2024, the Company did not repurchase any shares of its Class A common stock at a price not greater than $3.25 and not less than $2.85 per share of Class A common stock, to the tendering shareholder in cash, less any applicable withholding taxes and without interest (the "2023 Offer"). The 2023 Offer expired on June 9, 2023. Through the 2023 Offer, the Company accepted for payment a total of 1,745,005 shares of the Company's outstanding Class A Common stock at a purchase price of $3.25 per share, for an aggregate cost of approximately $5.7 million, excluding fees and expenses.

in the open market. During the nine three months ended September 30, 2023 March 31, 2023, the Company repurchased 323,285 shares of its outstanding Class A common stock in the open market at an average purchase price of $4.65 per share for an aggregate cost of approximately $1.5 million, excluding fees and expenses. Shares repurchased were accounted for as treasury stock and the total cost of shares repurchased was recorded as a reduction of stockholder's equity in the unaudited Condensed Consolidated Balance Sheet.

The Inflation Reduction Act of 2022, which was enacted into law on August 16, 2022, imposed a nondeductible 1% excise tax on the net value of certain stock repurchases made after December 31, 2022. Excise tax is owed on the fair market value of stock repurchases reduced by the fair market value of stock issued and a $1,000,000 de minimis exception. Excise tax owed on shares repurchased during the nine three months ended September 30, 2023 March 31, 2023, was not material.

On May 6, 2022, We are currently subject to certain restrictions under the Company commenced a modified Dutch tender offer terms of our debt agreements with respect to purchase up payment to $25.0 million of repurchase shares of its Class A our common stock at stock. For a price not greater than $16.50 and not less than $14.50 per share of Class A common stock, to the tendering shareholder in cash, less any applicable withholding taxes and without interest (the "2022 Offer"). The 2022 Offer expired on June 3, 2022. Through the 2022 Offer, the Company accepted for payment a total of 1,724,137 shares more detailed discussion of the Company's Class A Common stock at a purchase price restrictions in our debt agreements, See Part I, "Item 1 — Financial Statements — Notes to Unaudited Condensed Consolidated Financial Statements — Note 11 — Subsequent Events" and "Item 1 — Financial Statements — Notes to Unaudited Condensed Consolidated Financial Statements — Note 5 — Long-Term Debt".

As of $14.50 per share, for an aggregate cost of approximately $25.0 million, excluding fees and expenses.

Shares repurchased were accounted for as treasury stock and the total cost of shares repurchased was recorded as a reduction of stockholder's equity in the unaudited condensed consolidated balance sheet. Subsequent to the open market purchases, $11.0 million March 31, 2024, $25.0 million of the Company's outstanding Class A common stock remained available for repurchase under the share repurchase program as of September 30, 2023.

On October 26, 2023, the Board of Directors authorized a share repurchase program for up to $25.0 million of outstanding Class A common stock. This share repurchase authorization supersedes and replaces our prior share repurchase authorization and expires on May 15, 2025. For more information on the share repurchase authorization, see Note 11 "Subsequent Event." program.

Cash Flows (Used in) Provided by Operating Activities

		Nine Months Ended September 30,			
		2023	**2022**		
	Three Months Ended March 31,			**Three Months Ended March 31,**	
	2024			**2024**	**2023**
(Dollars in thousands)	(Dollars in thousands)				
Net cash provided by operating activities		$ 28,390	$ 54,516		
Net cash (used in) provided by operating activities					
Net cash (used in) provided by operating activities					
Net cash (used in) provided by operating activities					

Net cash used in operating activities for the three months ended March 31, 2024, compared to net cash provided by operating activities for the nine three months ended September 30, 2023, compared to the nine months ended September 30, 2022 March 31, 2023, decreased primarily as a result of changes in working capital and reduced operating income results.

Cash Flows Provided by (Used in) Investing Activities

	Three Months Ended March 31,	
	2024	**2023**
(Dollars in thousands)		
Net cash provided by (used in) investing activities	$ 6,736	$ (75)

Net cash provided by investing activities for the three months ended March 31, 2024, consists primarily of proceeds from the BMI Sale which was were partially offset by changes in working capital. capital expenditures.

Cash Flows Used in Investing Activities

	Nine Months Ended September 30,			
	2023		2022	
(Dollars in thousands)				
Net cash used in investing activities	$	(3,212)	$	(14,797)

Net For the three months ended March 31, 2023, net cash used in investing activities for the nine months ended September 30, 2023, consists primarily of capital expenditures which were mostly offset by proceeds from the sales of WDRQ-FM and WFAS-FM.

For the nine months ended September 30, 2022, net cash used in investing activities consists primarily of capital expenditures partially offset by proceeds from the sale of certain assets and stations and insurance proceeds received from hurricane damage. WFAS-FM.

Cash Flows Used in Financing Activities

		Nine Months Ended September 30,				
		2023		2022		
	Three Months Ended March 31,				Three Months Ended March 31,	
	2024				2024	2023
(Dollars in thousands)	(Dollars in thousands)					
Net cash used in financing activities	Net cash used in financing activities	$	(49,804)	$	(98,598)	
Net cash used in financing activities						
Net cash used in financing activities						

For the nine three months ended September 30, 2023 March 31, 2024, net cash used in financing activities primarily relates to repayments of financing obligations and shares returned in lieu of tax payments for vested restricted stock.

For the three months ended March 31, 2023, net cash used in financing activities primarily relates to the repurchase of $34.7 million $3.8 million principal amount of Term Loan due for $3.6 million, the repurchase of $2.5 million principal amount of the 6.75% Senior Notes due for $25.9 million $2.1 million, the repurchase a payment of $8.9 million principal amount of Term Loan due 2026 for $7.9 million, contingent consideration and the purchase of $7.8 million purchases of treasury stock.

For the nine months ended September 30, 2022, net cash used in financing activities primarily relates to the repurchase of $52.6 million principal amount of 6.75% Senior Notes for $50.7 million, the purchase of $28.9 million of treasury stock and a $12.5 million required Excess Cash Flow payment (as defined in the Term Loan due 2026).

Off-Balance Sheet Arrangements

We did not have any off-balance sheet arrangements as of September 30, 2023 March 31, 2024.

Critical Accounting Policies and Estimates

For a description of our critical accounting policies and estimates, see our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 December 31, 2023. Our critical accounting policies and estimates have not changed materially during the nine three months ended September 30, 2023 March 31, 2024.

Item 3. ***Quantitative and Qualitative Disclosures about Market Risk***

We are a smaller reporting company as defined by Rule 12b-2 of the Securities Exchange Act of 1934 (as amended the "Exchange Act") and are not required to provide the information under this item.

Item 4. ***Controls and Procedures***

We maintain a set of disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934 as amended (the ("Exchange Act")) designed to ensure that information we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms. Such disclosure controls and procedures are designed to ensure that information required to be disclosed in reports we file or submit under the Exchange Act is accumulated and communicated to our management, including, our President and Chief Executive Officer ("CEO") and Executive Vice President and Chief Financial Officer ("CFO"), the principal executive and principal financial officers, respectively, as appropriate, to allow timely decisions regarding required disclosure. At the end of the period covered by this report, an evaluation was carried out under the supervision and with the participation of our management, including our CEO and CFO, of the effectiveness of the design and operation of our disclosure controls and procedures. Based on this evaluation, the CEO and CFO have concluded that our disclosure controls and procedures were effective at the reasonable assurance level as of September 30, 2023 March 31, 2024.

There were no changes to our internal control over financial reporting (as defined in Rule 13a-15(f) and 15d-15(f)) during the three months ended September 30, 2023 March 31, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. *Legal Proceedings*

In August 2015, the Company was named as a defendant in two separate putative class action lawsuits relating to its use and public performance As of certain sound recordings fixed prior to February 15, 1972 (the "Pre-1972 Recordings"). The first suit, ABS Entertainment, Inc., et. al. v. Cumulus Media Inc., was filed in the U.S. District Court for the Central District of California and alleged, among other things, copyright infringement under California state law, common law conversion, misappropriation and unfair business practices. On December 11, 2015, this suit was dismissed without prejudice. The second suit, ABS Entertainment, Inc. v. Cumulus Media Inc., was filed in the U.S. District Court for the Southern District of New York and claimed, among other things, common law copyright infringement and unfair competition. The New York lawsuit was stayed pending an appeal before the Second Circuit involving unrelated third parties over whether the owner of a Pre-1972

Recording holds an exclusive right to publicly perform that recording under New York common law. On December 20, 2016, the New York Court of Appeals held that New York common law does not recognize a right of public performance for owners of pre-1972 Recordings. As a result of that case (to which Cumulus Media Inc. was not a party) the New York case against Cumulus Media Inc., was voluntarily dismissed by the plaintiffs on April 3, 2017. On October 11, 2018, President Trump signed the Orrin G. Hatch-Bob Goodlatte Music Modernization Act (the "Music Modernization Act") into law, which, among other things, provides new federal rights going forward for owners of pre-1972 Recordings. The question of whether public performance rights existed for Pre-1972 recordings under state law prior to the enactment of the new Music Modernization Act was, until recently, still being litigated by other parties in California. On August 23, 2021, the Ninth Circuit held in the matter of Flo & Eddie, Inc. v. Sirius XM Radio Inc., Case No. 17-55844, that no such public performance right exists under California law. But those plaintiffs continue to litigate a separate case, Flo & Eddie, Inc. v. Pandora Media, LLC, which is pending in the Central District of California (2:14-cv-07648-PSG-GJS). Pandora attempted to dismiss the lawsuit under California's anti-SLAPP statute, claiming that its broadcast of Pre-1972 recordings constituted speech on an issue of public interest and that Flo & Eddie's claims have no merit. The district court denied the motion on the ground that the anti-SLAPP statute did not cover Pandora's conduct, and the Ninth Circuit affirmed the denial (No. 20-56134). Following the Ninth Circuit's direction to consider expedited motion practice on the legal validity of Flo & Eddie's claims given the Ninth Circuit's decision in the Sirius XM Radio case, the district court set a schedule for Pandora to file a motion for summary judgment, which was filed and briefed. The motion was granted on July 25, 2023 in Pandora's favor. The district court found that there is an absence of a public performance right owned by plaintiff. A notice of appeal was filed by plaintiff on August 25, 2023, and the appeal remains pending. The Company is not a party to that case and is not yet able to determine what effect that proceeding will have, if any, on its financial position, results of operations or cash flows.

On February 24, 2020, two individual plaintiffs filed a putative class action lawsuit against the Company in the U.S. District Court for the Northern District of Georgia (the "District Court") alleging claims regarding the Cumulus Media Inc. 401(k) Plan (the "Plan"). The case alleges that the Company breached its fiduciary duties under the Employee Retirement Income Security Act of 1974 in the oversight of the Plan, principally by selecting and retaining certain investment options despite their higher fees and costs than other available investment options, causing participants in the Plan to pay excessive recordkeeping fees, and by failing to monitor other fiduciaries. The plaintiffs seek unspecified damages on behalf of a class of Plan participants from February 24, 2014 through the date of any judgment (the "Class Period"). On May 28, 2020, this filing, there have been no additional material legal proceedings or material developments in the Company filed a motion to dismiss the complaint. On December 17, 2020, the District Court entered an order dismissing one legal proceedings disclosed in Part 1, Item 3, of the individual plaintiffs and all claims against the Company except those that arose our Annual Report on or after February 24, 2019 (i.e., one year prior to the filing of the Complaint). On March 24, 2021, the Company filed a motion seeking dismissal of all remaining claims. On October 15, 2021, the District Court entered an order granting the Company's motion and dismissing all remaining claims. On November 12, 2021, one of the plaintiffs filed a notice of appeal to the U.S. Court of Appeals Form 10-K for the Eleventh Circuit. While the appeal was pending, the parties agreed year ended December 31, 2023. For more information, see Part I, "Item 1 — Financial Statements — Notes to a settlement, that if granted final approval, will resolve all of the claims against the Company on a class-wide basis for the entire Class Period, unaudited Condensed Consolidated Financial Statements — Note 10 — Commitments and will provide the Company a general release. On February 16, 2023, the District Court granted preliminary approval to the settlement. On July 10, 2023, the Court held a fairness hearing and on July 11, 2023, the Court issued an order granting final approval to the settlement. All applicable appeal deadlines have expired and the Court's order approving the settlement is now final. The Company has made a settlement payment for which the Company was indemnified by one of its insurance carriers. Contingencies".

The Company currently is, and expects that from time to time in the future it will be, party to, or a defendant in, various other claims or lawsuits that are generally incidental to its business. The Company expects that it will vigorously contest any such claims or lawsuits and believes that the ultimate resolution of any such known claim or lawsuit will not have a material adverse effect on the Company's financial position, results of operations or cash flows.

Item 1A. ***Risk Factors***

Please refer to Part I, Item 1A, "Risk Factors," in our 2022 2023 Form 10-K for information regarding known material risks that could materially affect our business, financial condition or future results. During the nine three months ended September 30, 2023 March 31, 2024, there were no material changes to our previously disclosed risk factors. Additional factors not presently known to the Company, or that the Company does not currently believe to be material, may also cause actual results to differ materially from expectations.

Item 2. ***Unregistered Sales of Equity Securities, Use of Proceeds, and Issuer Purchases of Equity Securities***

None.

Item 5. ***Other Information***

None of the Company's directors or officers adopted, modified or terminated a Rule 10b5-1 trading arrangement or a non-Rule 10b5-1 trading arrangement, as defined in Item 408 of Regulation S-K, during the Company's fiscal quarter ended March 31, 2024.

Item 6. ***Exhibits***

Exhibit Number	Description
4.1	Stockholder Rights Agreement, dated as of February 21, 2024, by and between Cumulus Media Inc. and Continental Stock Transfer & Trust Company (incorporated by reference to Exhibit 4.1 to Cumulus Media Inc.'s Current Report on Form 8-K filed with the SEC on February 22, 2024).
31.1	Certification of the Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of the Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification Pursuant to 18 U.S.C. Section 1350 as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Labels Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File - (formatted as Inline XBRL and contained in Exhibit 101)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Cumulus Media Inc.

October 27, 2023 May 3, 2024

By: /s/ Francisco J. Lopez-Balboa

Francisco J. Lopez-Balboa

Executive Vice President, Chief Financial Officer

Exhibit 31.1

Certification of the Principal Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Mary G. Berner, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Cumulus Media Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

October 27, 2023 May 3, 2024	By:	/s/ Mary G. Berner
		Mary G. Berner
		President and Chief Executive Officer

Exhibit 31.2

Certification of the Principal Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Francisco J. Lopez-Balboa, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Cumulus Media Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

October 27, 2023 May 3, 2024	By:	/s/ Francisco J. Lopez-Balboa
		Francisco J. Lopez-Balboa
		Executive Vice President, Chief Financial Officer

Exhibit 32.1

Certification Pursuant to 18 U.S.C. Section 1350 as Adopted Pursuant to Section 906
of the Sarbanes-Oxley Act Of 2002

Pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, in connection with the filing of the quarterly report on Form 10-Q of Cumulus Media Inc. (the "Company") for the three month period ended September 30, 2023 March 31, 2024, filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned officers of the Company certifies, that, to such officer's knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15d of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Mary G. Berner	
Name:	Mary G. Berner
Title:	President and Chief Executive Officer

/s/ Francisco J. Lopez-Balboa	
Name:	Francisco J. Lopez-Balboa
Title:	Executive Vice President, Chief Financial Officer

Date: October 27, 2023 May 3, 2024

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

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