

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 March 31, 2026

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 1-11588

**Saga Communications, Inc.**

*(Exact name of registrant as specified in its charter)*

**Florida**

*(State or other jurisdiction of  
incorporation or organization)*

**73 Kercheval Avenue**

**Grosse Pointe Farms, Michigan**

*(Address of principal executive offices)*

**38-3042953**

*(I.R.S. Employer  
Identification No.)*

**48236**

*(Zip Code)*

**(313) 886-7070**

*(Registrant's telephone number, including area code)*

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 \$.01 per share	SGA	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  No .

Indicate by check mark whether the registrant has submitted electronically every Interactive Data 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  No .

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, 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

The number of shares of the registrant's Class A Common Stock, \$.01 par value, outstanding as of May 6, 2026 was 6,363,968.

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PART I — FINANCIAL INFORMATION

**Item 1. Financial Statements**

SAGA COMMUNICATIONS, INC.  
CONDENSED CONSOLIDATED BALANCE SHEETS

	March 31, 2026 <u>(Unaudited)</u>	December 31, 2025 <u>(Note)</u>
	(In thousands)	
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 21,054	\$ 22,506
Assets held for sale	872	—
Short-term investments	9,384	9,300
Accounts receivable, net	12,315	14,031
Prepaid expenses and other current assets	3,158	2,624
Barter transactions	971	707
Total current assets	<u>47,754</u>	<u>49,168</u>
Property and equipment	140,756	144,276
Less accumulated depreciation	95,943	97,863
Net property and equipment	<u>44,813</u>	<u>46,413</u>
Other assets:		
Broadcast licenses	90,310	90,311
Operating right-of-use assets	9,969	10,253
Other intangibles, deferred costs and investments, net	5,184	5,177
Total assets	<u>\$ 198,030</u>	<u>\$ 201,322</u>
<b>Liabilities and shareholders' equity</b>		
Current liabilities:		
Accounts payable	\$ 3,147	\$ 2,914
Accrued expenses:		
Accrued payroll and payroll taxes	5,491	5,327
Other accrued expenses	7,323	7,123
Barter transactions	1,051	794
Total current liabilities	<u>17,012</u>	<u>16,158</u>
Deferred income taxes	21,182	21,927
Long-term debt	5,000	5,000
Other liabilities	6,524	6,757
Total liabilities	<u>49,718</u>	<u>49,842</u>
<b>Commitments and contingencies (Note 6 and 9)</b>		
<b>Shareholders' equity:</b>		
Common stock	83	83
Additional paid-in capital	75,732	75,749
Retained earnings	109,905	113,884
Treasury stock	(37,408)	(38,236)
Total shareholders' equity	<u>148,312</u>	<u>151,480</u>
Total liabilities and shareholders' equity	<u>\$ 198,030</u>	<u>\$ 201,322</u>

Note: The balance sheet at December 31, 2025 has been derived from the audited financial statements at that date but does not include all of the information and footnotes required by accounting principles generally accepted in the United States for complete financial statements.

See accompanying notes to unaudited condensed consolidated financial statements.

## SAGA COMMUNICATIONS, INC.

## CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	Three Months Ended March 31,	
	2026	2025
	(Unaudited)	
	(In thousands, except per share data)	
Net operating revenue	\$ 22,867	\$ 24,212
Station operating expenses	22,012	21,963
Corporate general and administrative	2,976	3,167
Depreciation and amortization	1,174	1,326
Other operating (income) expense, net	(33)	54
Operating loss	(3,262)	(2,298)
Interest expense	91	107
Interest income	(234)	(222)
Other income	(55)	(23)
Loss before income tax expense	(3,064)	(2,160)
Income tax (benefit) expense		
Current	75	(670)
Deferred	(745)	85
	(670)	(585)
Net loss	\$ (2,394)	\$ (1,575)
Loss per share:		
Basic	\$ (0.38)	\$ (0.25)
Diluted	\$ (0.38)	\$ (0.25)
Weighted average common shares	6,074	6,123
Weighted average common and common equivalent shares	6,074	6,123
Dividends declared per share	\$ 0.25	\$ 0.25

See accompanying notes to unaudited condensed consolidated financial statements.

SAGA COMMUNICATIONS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY  
For the three months ended March 31, 2026 and 2025

	Class A Common Stock		Class B Common Stock		Additional Paid-In Capital (In thousands)	Retained Earnings	Treasury Stock	Total Stockholders' Equity
	Shares	Amount	Shares	Amount (Unaudited)				
<b>Balance at December 31, 2024</b>	8,183	\$ 82	—	\$ —	\$ 74,334	\$ 128,216	\$ (36,710)	\$ 165,922
Net loss, three months ended March 31, 2025	—	—	—	—	—	(1,575)	—	(1,575)
Dividends declared per common share	—	—	—	—	—	(1,604)	—	(1,604)
Compensation expense related to restricted stock awards	—	—	—	—	527	—	—	527
401(k) plan contribution	—	—	—	—	(717)	—	1,007	290
<b>Balance at March 31, 2025</b>	<u>8,183</u>	<u>\$ 82</u>	<u>—</u>	<u>\$ —</u>	<u>\$ 74,144</u>	<u>\$ 125,037</u>	<u>\$ (35,703)</u>	<u>\$ 163,560</u>

	Class A Common Stock		Class B Common Stock		Additional Paid-In Capital (In thousands)	Retained Earnings	Treasury Stock	Total Stockholders' Equity
	Shares	Amount	Shares	Amount (Unaudited)				
<b>Balance at December 31, 2025</b>	8,304	\$ 83	—	\$ —	\$ 75,749	\$ 113,884	\$ (38,236)	\$ 151,480
Net loss, three months ended March 31, 2026	—	—	—	—	—	(2,394)	—	(2,394)
Forfeiture of restricted stock	(4)	—	—	—	—	—	—	—
Dividends declared per common share	—	—	—	—	—	(1,585)	—	(1,585)
Compensation expense related to restricted stock awards	—	—	—	—	518	—	—	518
Purchase of shares held in treasury	—	—	—	—	—	—	(13)	(13)
401(k) plan contribution	—	—	—	—	(535)	—	841	306
<b>Balance at March 31, 2026</b>	<u>8,300</u>	<u>\$ 83</u>	<u>—</u>	<u>\$ —</u>	<u>\$ 75,732</u>	<u>\$ 109,905</u>	<u>\$ (37,408)</u>	<u>\$ 148,312</u>

See accompanying notes to unaudited condensed consolidated financial statements.

SAGA COMMUNICATIONS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three Months Ended March 31,	
	2026	2025
	(Unaudited)	
	(In thousands)	
<b>Cash flows from operating activities:</b>		
Net loss	\$ (2,394)	\$ (1,575)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	1,174	1,326
Deferred income tax (benefit) expense	(745)	85
Amortization of deferred costs	8	8
Compensation expense related to restricted stock awards	518	527
Provision for credit losses	154	174
(Gain) Loss on sale of assets, net	(33)	54
Gain on insurance claims	(55)	(23)
Non-cash rent expense	55	—
Barter revenue (net)	(7)	(64)
Deferred and other compensation	(18)	(17)
Changes in operating lease assets and liabilities (net)	(18)	(68)
Changes in assets and liabilities:		
(Increase) decrease in current assets	944	546
(Decrease) increase in accounts payable, accrued expenses, and other liabilities	824	391
Total adjustments	2,801	2,939
Net cash provided by operating activities	407	1,364
<b>Cash flows from investing activities:</b>		
Purchase of short-term investments	(4,677)	(4,498)
Redemption of short-term investments	4,677	4,498
Acquisition of property and equipment (Capital Expenditures)	(779)	(696)
Proceeds from sale and disposal of assets	463	—
Proceeds from insurance claims, redemption of investments and other	55	23
Net cash used in investing activities	(261)	(673)
<b>Cash flows from financing activities:</b>		
Cash dividends paid	(1,585)	(1,604)
Purchase of treasury shares	(13)	—
Net cash used in financing activities	(1,598)	(1,604)
Net decrease in cash and cash equivalents	(1,452)	(913)
Cash and cash equivalents, beginning of period	22,506	18,860
Cash and cash equivalents, end of period	<u>\$ 21,054</u>	<u>\$ 17,947</u>

See accompanying notes to unaudited condensed consolidated financial statements.

**SAGA COMMUNICATIONS, INC.**

**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**1. Summary of Significant Accounting Policies**

***Basis of Presentation***

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by accounting principles generally accepted in the United States for annual financial statements.

In our opinion, the accompanying financial statements include all adjustments of a normal, recurring nature considered necessary for a fair presentation of our financial position as of March 31, 2026 and the results of operations for the three months ended March 31, 2026 and 2025. Results of operations for three months ended March 31, 2026 are not necessarily indicative of the results that may be expected for the year ending December 31, 2026.

We own or operate broadcast properties in 28 markets, including 82 FM and 30 AM radio stations and 79 metro signals.

For further information, refer to the consolidated financial statements and footnotes thereto included in the Saga Communications, Inc. (the "Company") annual report on Form 10-K for the year ended December 31, 2025.

We have evaluated events and transactions occurring subsequent to the balance sheet date of March 31, 2026, for items that should potentially be recognized in these financial statements or discussed within the notes to these financial statements.

***Earnings Per Share Information***

Earnings per share is calculated using the two-class method. The two-class method is an earnings allocation formula that determines earnings per share for each class of Common Stock and participating security. The Company has participating securities related to restricted stock units, granted under the Company's Second Amended and Restated 2005 Incentive Compensation Plan and the Company's 2023 Incentive Compensation Plan, that earn dividends on an equal basis with common shares. In applying the two-class method, earnings are allocated to both common shares and participating securities.

The following table sets forth the computation of basic and diluted earnings per share:

	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2026</b>	<b>2025</b>
	<b>(In thousands, except per share data)</b>	
<b>Numerator:</b>		
Net loss	\$ (2,394)	\$ (1,575)
Less: Loss allocated to unvested participating securities	(109)	(73)
Net loss available to common shareholders	<u>\$ (2,285)</u>	<u>\$ (1,502)</u>
<b>Denominator:</b>		
Denominator for basic earnings per share — weighted average shares	6,074	6,123
Effect of dilutive securities:		
Common stock equivalents	—	—
Denominator for diluted earnings per share — adjusted weighted-average shares and assumed conversions	<u>6,074</u>	<u>6,123</u>
<b>Loss per share:</b>		
Basic	<u>\$ (0.38)</u>	<u>\$ (0.25)</u>
Diluted	<u>\$ (0.38)</u>	<u>\$ (0.25)</u>

There were no stock options outstanding that had an anti-dilutive effect on our earnings per share calculation for the three months ended March 31, 2026 and 2025, respectively.

#### ***Financial Instruments***

We account for marketable securities in accordance with ASC 320, “*Investments – Debt Securities*,” which require that certain debt securities be classified into one of three categories: held-to-maturity, available-for-sale, or trading securities, and depending upon the classification, value the security at amortized cost or fair market value. At March 31, 2026 and December 31, 2025, we have recorded \$9.4 million and \$9.3 million, respectively, of held-to-maturity U.S. Treasury Bills at amortized cost basis that have a fair market value of \$9.4 million and \$9.3 million, respectively. Our held-to-maturity U.S. Treasury Bills all have original maturity dates ranging from April 2026 to July 2026.

Our financial instruments are comprised of cash and cash equivalents, short-term investments, accounts receivable, accounts payable and long-term debt. The carrying value of cash and cash equivalents, accounts receivable and accounts payable approximate fair value due to their short maturities. The carrying value of long-term debt approximates fair value as it carries interest rates that either fluctuate with the secured overnight finance rate (“SOFR”), prime rate or have been reset at the prevailing market rate at March 31, 2026.

### *Allowance for Credit Losses*

A provision for credit losses is recorded based on our judgment of collectability of receivables. Amounts are written off when determined to be fully uncollectible. Delinquent accounts are based on contractual terms. We maintain a specific allowance for estimated losses resulting from the inability of certain customers to make required payments. We also consider factors external to the specific customer, including current conditions and forecasts of economic conditions, including the potential impact of uncertain economic conditions. In the event we recover amounts previously written off, we will reduce the specific allowance for credit loss. Our allowance for credit losses was \$1,134,000 and \$1,136,000 at March 31, 2026 and December 31, 2025, respectively. The activity in the allowance for credit losses during the three months ended March 31, 2025 was as follows:

<b>Three Months Ended</b>	<b>Balance at Beginning of Period</b>	<b>Charged to Costs and Expenses</b>	<b>Allowance From Acquisitions (in thousands)</b>	<b>Write Off of Uncollectible Accounts, Net of Recoveries</b>	<b>Balance at End of Period</b>
March 31, 2026	\$ 1,136	\$ 154	\$ —	\$ (156)	\$ 1,134

### *Income Taxes*

Our effective tax rate differs from the federal statutory rate as a result of the inclusion of state taxes in the income tax amount and permanent differences related to executive compensation. We have historically calculated the provision for income taxes during interim reporting periods by applying an estimate of the annual effective tax rate for the full fiscal year to “ordinary” income or loss (pretax income or loss excluding unusual or infrequently occurring discrete items) for the reporting period.

### *Segments*

We serve twenty-eight radio markets (reporting units) that aggregate into one operating segment (Radio), which also qualifies as a reportable segment. We operate under one reportable business segment for which segment disclosure is consistent with the management decision-making process that determines the allocation of resources and the measuring of performance. The Company’s Chief Executive Officer is our Chief Operating Decision Maker (“CODM”) and evaluates the results of the radio operating segment and makes operating and capital investment decisions based at the Company level. Furthermore, technological enhancements and system integration decisions are reached at the Company level and applied to all markets rather than to specific or individual markets to ensure that each market has the same tools and opportunities as every other market. Managers at the market level do not report to the CODM and instead report to other senior management, who are responsible for the operational oversight of radio markets and for communication of results to the CODM. The CODM is regularly provided with financial information consistent with the Condensed Consolidated Statement of Income presented within. Specifically, the CODM utilizes consolidated operating income as profitability measures for purposes of making operating decisions and assessing financial performance. Further, the CODM reviews and utilizes station operating expense and corporate general and administrative expenses at the consolidated level to manage the Company’s operations. Other segment items included in the consolidated net income are interest expense, interest income, other (income) expenses, net and income tax (benefit) expense, which are reflected in the Condensed Consolidated Statement of Income. We continually review our operating segment classification to align with operational changes in our business and may make changes as necessary.

Significant departmental expenses included in station operating expenses for the three months ended March 31, 2026 and 2025 are as follows:

	<b>Three Months Ended March 31,</b>	
	<b>2026</b>	<b>2025</b>
	<b>(In thousands)</b>	
Programming and Technical	\$ 6,864	\$ 7,204
Station General and Administrative	6,999	7,152
Selling	5,149	5,161
Digital	2,312	1,665
Other <sup>(1)</sup>	688	781
Station Operating Expense	<u>\$ 22,012</u>	<u>\$ 21,963</u>

<sup>(1)</sup> Other includes production and news departments, advertising and promotional expense.

***Time Brokerage Agreements / Local Marketing Agreements***

We have entered into Time Brokerage Agreements (“TBAs”) or Local Marketing Agreements (“LMAs”) in certain markets in the past. In a typical TBA/LMA, the FCC licensee of a station makes available, for a fee, blocks of air time on its station to another party that supplies programming to be broadcast during that air time and sells their own commercial advertising announcements during the time periods specified. Revenue and expenses related to TBAs/LMAs are included in the accompanying unaudited Condensed Consolidated Statements of Operations. Assets and liabilities related to the TBAs/LMAs are included in the accompanying unaudited Condensed Consolidated Balance Sheets.

***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. Upon classification as held for sale, non-current assets or disposal groups are measured at the lower of their carrying amount and fair value less costs to sell. Depreciation or amortization on such assets ceases from the date of classification. During the first quarter of 2026, the Company met the criteria related to certain land and buildings. As of March 31, 2026, assets held for sale were approximately \$872,000 and there were no liabilities held for sale. There were no assets held for sale or liabilities held for sale as of December 31, 2025.

**2. Recent Accounting Pronouncements**

***New Accounting Pronouncements***

In November 2024, the FASB issued ASU 2024-03, “Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses (DISE)” (“ASU 2024-03”), which requires disclosures about specific types of expenses included in the expense captions presented on the face of the income statement as well as disclosures about selling expenses on an annual and interim basis. In January 2025, the FASB issued ASU 2025-01 clarifying the effective date for ASU-2024-03. ASU 2024-03 is effective for us for annual periods beginning January 1, 2027 and interim periods beginning after January 1, 2028. We are currently evaluating the impact ASU 2024-03 will have on our financial statement disclosures.

In December 2025, the FASB issued ASU 2025-11, “Interim Reporting (Topic 270): Narrow-Scope Improvements”, (“ASU 2025-11”), which clarifies the guidance in Topic 270 to improve consistency of interim financial reporting. The ASU provides a comprehensive list of required interim disclosures and introduces a disclosure principle requiring entities to disclose events since the end of the last annual reporting period that have a material impact on the entity. ASU 2025-11 is effective for annual periods beginning after December 15, 2027, and interim periods within those annual periods and early adoption is permitted. The Company is currently evaluating the impact of this standard on its financial statements, including timing and method of adoption.

In December 2025, the FASB issued ASU 2025-12, “Codification Improvements”, (“ASU 2025-12”), which provides for several updates to the codification. The amendments of ASU 2025-12 are effective for annual periods beginning after December 15, 2026, and interim periods within those annual periods and early adoption is permitted. The Company is currently evaluating the impact of this standard on its financial statements, including timing and method of adoption.

### 3. Revenue

#### *Nature of goods and services*

The following is a description of principal activities from which we generate our revenue:

#### *Broadcast Advertising Revenue*

Our primary source of revenue is from the sale of advertising for broadcast on our stations. We recognize revenue from the sale of advertising as performance obligations are satisfied upon airing of the advertising; therefore, revenue is recognized at a point in time when each advertising spot is transmitted. Agency commissions are calculated based on a stated percentage applied to gross billing revenue for our advertising inventory placed by an agency and are reported as a reduction of advertising revenue.

#### *Digital Advertising Revenue*

We recognize revenue from our digital initiatives across multiple platforms such as targeted digital advertising, search engine management, search engine optimization, online promotions, advertising on our online news sites, websites and digital audio streams, mobile messaging, email marketing and other e-commerce. Revenue is recorded when each specific performance obligation in the digital advertising campaign takes place, typically within a one month period. Digital audio stream revenue is recognized when the commercial spots have streamed. Third-party products such as targeted display advertising are recognized over time as digital items are used for advertising content and impression targets are met each month. The Company assesses each digital order to determine if the Company is operating as the principal or an agent. The Company currently operates as the principal for digital revenue with the exception of national streaming where we operate as the agent.

#### *Other Revenue*

Other revenue includes revenue from concerts, promotional events, tower rent and other miscellaneous items. Revenue is generally recognized when the event is completed, as the promotional events are completed or as each performance obligation is satisfied.

#### *Disaggregation of Revenue*

Revenues from contracts with customers comprised the following for three months ended March 31, 2026 and 2025:

	Three Months Ended	
	March 31,	
	2026	2025
	(in thousands)	
<b>Types of Revenue</b>		
Broadcast Advertising Revenue, net	\$ 16,969	\$ 18,854
Digital Advertising Revenue	4,374	3,495
Other Revenue	1,524	1,863
Net Revenue	<u>\$ 22,867</u>	<u>\$ 24,212</u>

### ***Contract Liabilities***

Payments from our advertisers are generally due within 30 days although certain advertisers are required to pay in advance. When an advertiser pays for the services in advance of the performance obligations these prepayments are recorded as contract liabilities. Typical contract liabilities relate to prepayments for advertising spots not yet run; prepayments from sponsors for events that have not yet been held; and gift cards sold on our websites used to finance a broadcast advertising campaign. Generally, all contract liabilities are expected to be recognized within one year and are included in accounts payable in the Company's Condensed Consolidated Financial Statements and are immaterial.

### ***Transaction Price Allocated to the Remaining Performance Obligations***

As the majority of our sales contracts are one year or less, we have utilized the optional exemption under ASC 606-10-50-14 and will not disclose information about the remaining performance obligations for sales contracts which have original expected durations of one year or less.

## **4. Broadcast Licenses and Other Intangible Assets**

We evaluate our FCC licenses for impairment annually or more frequently if events or changes in circumstances indicate that the asset might be impaired. We operate our broadcast licenses in each market as a single asset and determine the fair value by relying on a discounted cash flow approach assuming a start-up scenario in which the only assets held by an investor are broadcast licenses. The fair value calculation contains assumptions incorporating variables that are based on past experiences and judgments about future operating performance using industry normalized information for an average station within a market. These variables include, but are not limited to: (1) the forecasted growth rate of each radio market, including population, household income, retail sales and other expenditures that would influence advertising expenditures; (2) the estimated available advertising revenue within the market and the related market share and profit margin of an average station within a market; (3) estimated capital start-up costs and losses incurred during the early years; (4) risk-adjusted discount rate; (5) the likely media competition within the market area; and (6) terminal values. If the carrying amount of FCC licenses is greater than their estimated fair value in a given market, the carrying amount of FCC licenses in that market is reduced to its estimated fair value. The FCC license valuations are Level 3 non-recurring fair value measurements.

We evaluate amortizable intangible assets for recoverability when circumstances indicate impairment may have occurred, using an undiscounted cash flow methodology. If the future undiscounted cash flows for the intangible asset are less than net book value, then the net book value is reduced to the estimated fair value. Amortizable intangible assets are included in other intangibles, deferred costs and investments in the accompanying condensed consolidated balance sheets.

The Company considered the current and expected future economic and market conditions, and other potential indicators of impairment and determined a triggering event had not occurred which would necessitate any interim impairment tests during the three months ended March 31, 2026. We will continue to monitor changes in economic and market conditions, and if any event or circumstances indicate a triggering event has occurred, we will perform an interim impairment test of our intangible assets at the appropriate time.

If actual market conditions are less favorable than those estimated by us or if events occur or circumstances change that would reduce the fair value of our broadcast licenses below the carrying value, we may be required to recognize impairment charges in future periods. Such a charge could have a material effect on our consolidated financial statements.

Intangible assets that have finite lives are amortized over their useful lives using the straight-line method. Favorable lease agreements are amortized over the lives of the leases ranging from five to twenty-six years. Other intangibles are amortized over one to fifteen years. Customer relationships are amortized over three years.

## 5. Common Stock and Treasury Stock

As previously disclosed, the Company’s Articles of Incorporation (“Articles of Incorporation”) provide that shares of Class B Common Stock automatically convert into shares of Class A Common Stock if transferred to, or owned by, any person other than the “Principal Shareholder,” as defined in the Articles of Incorporation as Edward K. Christian. Following Mr. Christian’s passing in 2022 and the transfer of his Class B shares into an estate planning trust, all outstanding shares of Class B common stock were automatically converted into shares of Class A Common Stock. As of March 31, 2026, no shares of Class B common stock are issued or outstanding.

*Dividends.* Shareholders are entitled to receive such dividends as may be declared by our Board of Directors out of funds legally available for such purpose. However, no dividend may be declared or paid in cash or property on any share of any class of Common Stock unless simultaneously the same dividend is declared or paid on each share of the other class of Common Stock. In the case of any stock dividend, holders of Class A Common Stock would receive the same percentage dividend payable in shares of Class A Common Stock.

*Voting Rights.* Holders of shares of Common Stock vote as a single class on all matters submitted to a vote of the shareholders, with each share of Class A Common Stock entitled to one vote.

The Board of Directors consisted of eight members on March 31, 2026, and currently consists of eight members. Holders of Common Stock are not entitled to cumulative voting in the election of directors.

The holders of the Common Stock vote as a single class with respect to any proposed “going private” transaction with the “Principal Shareholder” or an affiliate of the “Principal shareholder”, with each share of each class of Common Stock entitled to one vote per share.

Under Florida law, the affirmative vote of the holders of a majority of the outstanding shares of any class of Common Stock is required to approve, among other things, a change in the designations, preferences and limitations of the shares of such class of Common Stock.

*Liquidation Rights.* Upon our liquidation, dissolution, or winding-up, the holders of Class A Common Stock are entitled to share ratably in accordance with the number of shares held in all assets available for distribution after payment in full of creditors.

The following summarizes information relating to the number of shares of our Common Stock issued in connection with stock transactions through March 31, 2026:

	Common Stock Issued	
	Class A	Class B
	(Shares in thousands)	
Balance, January 1, 2025	8,183	—
Issuance of restricted stock	126	—
Forfeiture of restricted stock	(5)	—
Balance, December 31, 2025	8,304	—
Forfeiture of restricted stock	(4)	—
Balance, March 31, 2026	8,300	—

We have a Stock Buy-Back Program (the “Buy-Back Program”) to allow us to purchase up to \$75.8 million of our Class A Common Stock. As of March 31, 2026, we have remaining authorization of \$15.1 million for future repurchases of our Class A Common Stock. On September 14, 2017, the Board of Directors authorized the repurchase of our Class A Common Stock under our trading plan adopted pursuant to Securities and Exchange Commission Rule 10b5-1. The Rule 10b5-1 repurchase plan allows us to repurchase our shares during periods when we would normally not be active in the market due to our internal trading blackout periods. Under the plan, we may repurchase our Class A Common Stock in any combination of open market, block transactions and privately negotiated transactions subject to market conditions, legal requirements including applicable Security and Exchange Commission regulations (which include certain price, market, volume and timing constraints), specific repurchase instructions and other corporate considerations. Purchases under the plan are funded by cash on our balance sheet. The plan does not obligate us to acquire any particular amount of Class A Common Stock. Our original purchase authorization was effective until September 1, 2018 and has been extended several times, with the most recent authorization instructions extension being through May 28, 2020. We halted the directions for any additional buybacks under our plan in 2020. We continue to monitor economic conditions to determine if and when it makes sense to make additional buybacks under our plan. During the three months ended March 31, 2026, 1,067 shares were retained for the payment of withholding taxes for approximately \$13,000 related to the vesting of restricted stock. During the three months ended March 31, 2025 no shares were repurchased under the Buy-Back Program.

## 6. Leases

We lease certain land, buildings and equipment for use in our operations. We recognize lease expense for these leases on a straight-line basis over the lease term and combine lease and non-lease components for all leases. Right-of-use (“ROU”) assets and lease liabilities are recorded on the balance sheet for all leases with an expected term of at least one year. Some leases include one or more options to renew. The exercise of lease renewal options is generally at our discretion. The depreciable lives of ROU assets are limited to the expected lease term. Our lease agreements do not contain any residual value guarantees or material restrictive covenants. As of March 31, 2026, we do not have any non-cancellable operating lease commitments that have not yet commenced.

ROU assets are classified as operating right of use assets on the condensed consolidated balance sheet while current lease liabilities are classified within other accrued expenses and long-term lease liabilities are classified within other liabilities. Leases with an initial term of 12 months or less are not recorded on the balance sheet. ROU assets were \$10.0 million and \$10.3 million at March 31, 2026 and December 31, 2025 respectively. Lease liabilities were \$5.1 million and \$5.4 million at March 31, 2026 and December 31, 2025, respectively. During the three months ended March 31, 2026, we recorded additional ROU assets under operating leases of \$150,000. Payments on lease liabilities during the three months ended March 31, 2026 and 2025 totaled \$462,000, and \$534,000, respectively.

Lease expense includes cost for leases with terms in excess of one year. For the three months ended March 31, 2026 and 2025, our total lease expense was \$510,000, and \$480,000, respectively. Short-term lease costs are *de minimis* in nature.

We have no financing leases and minimum annual rental commitments under non-cancellable operating leases consisted of the following at March 31, 2026 (in thousands):

<b>Years Ending December 31,</b>	
2026 (a)	\$ 1,263
2027	1,569
2028	1,188
2029	752
2030	587
Thereafter	596
Total lease payments (b)	5,955
Less: Interest (c)	808
Present value of lease liabilities (d)	<u>\$ 5,147</u>

- (a) Remaining payments are for the nine-months ending December 31, 2026.
- (b) Lease payments include options to extend lease terms that are reasonably certain of being exercised. There were no legally binding minimum lease payments for leases signed but not yet commenced at March 31, 2026.
- (c) Our leases do not provide a readily determinable implicit rate. Therefore, we must estimate our discount rate for such leases to determine the present value of lease payments at the lease commencement date.
- (d) The weighted average remaining lease term and weighted average discount rate used in calculating our lease liabilities were 4.8 years and 6.1%, respectively, at March 31, 2026.

## 7. Income taxes

An income tax benefit of \$670,000 was recorded for the three months ended March 31, 2026 compared to an income tax benefit of \$585,000 for the three months ended March 31, 2025. The effective tax rate was approximately 21.9% for the three months ended March 31, 2026 compared to 27.1% for the three months ended March 31, 2025. Income tax provisions for interim (quarterly) periods are based on estimated annual income tax rates and are adjusted for the effects of significant, infrequent or unusual items (i.e. discrete items) occurring during the interim period.

## 8. Stock-Based Compensation

### 2005 Incentive Compensation Plan

On May 13, 2019 our shareholders approved an amendment to the Second Amended and Restated Saga Communications, Inc. 2005 Incentive Compensation Plan (as amended, the “The Second Restated 2005 Plan”). This plan was first approved in 2005, and subsequently re-approved in 2010 and 2013. The amendment to the Second Restated 2005 Plan (i) extended the date for making awards to September 6, 2023 and (ii) increased the number of authorized shares under the plan by 90,000 shares of Class B Common Stock. The Second Restated 2005 Plan allowed for the granting of restricted stock, restricted stock units, incentive stock options, nonqualified stock options, and performance awards to eligible employees and non-employee directors. As of December 31, 2025, there are no longer any unvested restricted stock awards for the Second Restated 2005 Plan.

### 2023 Incentive Compensation Plan

On May 8, 2023, our shareholders approved the 2023 Incentive Compensation Plan (the “2023 Plan”). The 2023 Plan replaces the Second Restated 2005 Plan. The Board of Directors does not intend to make any further awards under the Second Restated 2005 Plan. However, each outstanding award under the Second Restated 2005 Plan will remain outstanding under the Second Restated 2005 Plan and will continue to be governed under its terms and any applicable award agreement. The 2023 Plan allows for the granting of restricted stock, restricted stock units, incentive stock options, nonqualified stock options, and performance awards, including cash to eligible employees and non-employee directors of the Company and its subsidiaries. The number of shares of Common Stock that may be issued under the 2023 Plan may not exceed 600,000 shares of Class A Common Stock.

**Stock-Based Compensation**

All stock options granted were fully vested and expensed at December 31, 2012; therefore, there was no compensation expense related to stock options for the three months ended March 31, 2026 and 2025, respectively.

There were no stock options granted during 2026 or 2025 and there were no stock options outstanding as of March 31, 2026. All outstanding stock options were exercised in 2017.

The following summarizes the restricted stock transactions for the three months ended March 31, 2026:

	<b>Shares</b>	<b>Weighted Average Grant Date Fair Value</b>
Outstanding at January 1, 2026	278,673	\$ 13.16
Vested	3,265	13.78
Forfeited	3,929	13.71
Non-vested and outstanding at March 31, 2026	<u>271,479</u>	<u>\$ 13.15</u>

For the three months ended March 31, 2026 and 2025, we had \$518,000 and \$527,000, respectively, of total compensation expense related to restricted stock-based compensation arrangements. This expense is included in corporate general and administrative expenses in our results of operations. The associated tax benefit recognized for the three months ended March 31, 2026 and 2025 was \$136,000 and \$139,000, respectively.

**9. Long-Term Debt**

Long-term debt consisted of the following:

	<b>March 31, 2026</b>	<b>December 31, 2025</b>
	<b>(In thousands)</b>	
Credit agreement	\$ 5,000	\$ 5,000
Amounts payable within one year	—	—
	<u>\$ 5,000</u>	<u>\$ 5,000</u>

In connection with the Sale-Leaseback Transaction described in Note 13, the Company entered into a Fourth Amendment (“Fourth Amendment”) to its Credit Agreement, dated as of August 18, 2015 and amended on September 1, 2017, June 17, 2018, and December 19, 2022, between the Company, JPMorgan Chase Bank, N.A. and The Huntington National Bank (collectively, the “Lenders”), and JPMorgan Chase Bank, N.A., in its capacity as Administrative Agent for the Lenders (“Agent”), (i) reducing the aggregate amount of the Lender’s revolving commitments from \$50,000,000 to \$40,000,000, and (ii) releasing the Agent’s security interest in the GTC Assets, but not any proceeds paid for the GTC Assets or any other collateral (the borrowing arrangement governed by the Credit Agreement). On December 19, 2022, we entered into a Third Amendment to our Credit Agreement, (the “Third Amendment”), which extended the maturity date to December 19, 2027, reduced the lenders to JPMorgan Chase Bank, N.A., and the Huntington National Bank (collectively, the “Lenders”), established an interest rate equal to the secured overnight financing rate (“SOFR”) as administered by the SOFR Administrator (currently established as the Federal Reserve Bank of New York) as the interest base and increased the basis points.

We have pledged substantially all of our assets (excluding our FCC licenses and certain other assets) in support of the Credit Agreement and each of our subsidiaries has guaranteed the Credit Agreement and has pledged substantially all of their assets (excluding their FCC licenses and certain other assets) in support of the Credit Agreement.

Interest rates under the Credit Agreement are payable, at our option, at alternatives equal to SOFR (3.68% at March 31, 2026), plus 1% to 2% or the base rate plus 0% to 1%. The spread over SOFR and the base rate vary from time to time, depending upon our financial leverage. Letters of credit issued under the Credit Agreement will be subject to a participation fee (which is equal to the interest rate applicable to Eurocurrency Loans, as defined in the Credit Agreement) payable to each of the Lenders and a fronting fee equal to 0.25% per annum payable to the issuing bank. Under the Third Amendment, we now pay quarterly commitment fees of 0.25% per annum on the unused portion of the Credit Agreement. We previously paid quarterly commitment fees of 0.2% to 0.3% per annum on the unused portion of the Credit Agreement.

The Credit Agreement contains a number of financial covenants which, among other things, require us to maintain specified financial ratios and impose certain limitations on us with respect to investments, additional indebtedness, dividends, distributions, guarantees, liens and encumbrances. As of March 31, 2026, the Company was in compliance with all of our debt covenants with the exception of the fixed charges coverage ratio for which we obtained a waiver.

We have approximately \$35 million of unused borrowing capacity under the Credit Agreement at both March 31, 2026 and December 31, 2025.

## **10. Litigation**

From time to time, the Company may be involved in various legal proceedings that are incidental to the Company's business. In management's opinion, the Company is not a party to any current legal proceedings that are material to its financial condition, either individually or in the aggregate.

## **11. Dividends**

During three months ended March 31, 2026, the Company's Board of Directors declared a quarterly cash dividend on its Class A Common Stock. This dividend totaling approximately \$1.6 million was paid during the first quarter of 2026.

During three months ended March 31, 2025, the Company's Board of Directors declared a quarterly cash dividends on its Class A Common Stock. This dividend totaling approximately \$1.6 million was paid during the first quarter of 2025.

The Company intends to pay regular quarterly cash dividends in the future. Consistent with its strategic objective of maintaining a strong balance sheet and returning value to the shareholders, the Board of Directors will also continue to consider declaring special cash dividends, variable dividends and stock buybacks in the future. The declaration and payment of any future dividend, whether fixed, special, or based on the variable policy, or the implementation of any stock buyback program will remain at the full discretion of the Board and will depend on the Company's financial results, cash requirements, future expectations, and other pertinent factors.

## **12. Other Income**

During the first quarter of 2026, as part of the Company's previously disclosed capital allocation plan to sell non-core assets, the Company sold a property in Springfield, Massachusetts for approximately \$460,000. As a result of the sale, the Company recorded a gain of approximately \$80,000, which is recorded in other operating (income) expense, net in the Company's Condensed Consolidated Statement of Operations.

During the first quarter of 2026, we had weather-related damages in Hilton Head, South Carolina. The Company's insurance policy provides coverage for repairs and replacements. As part of the insurance settlement, the Company received cash proceeds of \$55,000, resulting in a gain of \$55,000, which is recorded in other income in the Company's Condensed Consolidated Statement of Operations.

### 13. Sale-Leaseback Transaction

On October 17, 2025 (the “Closing Date”), the Company entered into an Asset Purchase Agreement (the “Purchase Agreement”) by and among the Company, GTC Uno, LLC (“GTC”) and certain of the Company’s subsidiaries (the “Subsidiaries”), under which the Subsidiaries agreed to sell 24 telecommunications towers and related real property and other assets located at 22 sites (the “GTC Assets”) for a total cash purchase price of approximately \$10.7 million (the “Sale-Leaseback Transaction”). The Purchase Agreement contains customary representations and warranties made by the Company, GTC and the Subsidiaries. On the Closing Date, the parties closed on the sale of the 22 tower sites. Sales proceeds, net of brokerage commissions and certain adjustments, of approximately \$10.1 million were paid to the Company, with the remaining purchase price of \$400,000 remaining in escrow and not controlled by the Company as of year-end. Several towers had underlying land leases requiring consent to the sale by the land-owners. There was one tower with a consent pending as of year-end, as the other were received prior to the sale and three were received during the fourth quarter of 2025. The Company anticipates that the remaining escrowed funds will be released within the second quarter of 2026 upon receipt of landlord consent to assign the leases on the real property where the tower is located. To the extent such consent is not received, within eight months of the Closing Date, title for that site will revert to the applicable Subsidiary. Simultaneously with the closing, each Subsidiary entered into an Antenna Site Lease Agreement (a “Lease”) with GTC for the Company’s continued use of the towers that were sold, pursuant to which the Subsidiaries have agreed to make annual lease payments of \$1.00 per annum. Each Lease has a term of 25 years.

The Company evaluated the Sale-Leaseback transaction under the sale-leaseback guidance in ASC 842-40 and concluded that the transfer of the properties qualified as sales because control of the assets transferred to the buyer-lessor in accordance with the guidance in ASC 606, with the exception of the one tower pending receipt of consent. The Company evaluated the lease classification criteria in ASC 842 and determined that the leasebacks are classified as operating leases.

As the contractual lease payments are nominal annual payments of \$1 per lease, the present value of lease payments was not material and therefore no lease liability was recorded. In accordance with ASC 842, the Company determined that the Sale-Leaseback transaction was not at fair value based on the difference between the present value of the lease payments and the present value of market rental payments. As such, the Company adjusted the sales price of the assets to recognize the prepayment of the rent, which is included within the right-of-use assets recorded at the time of the sale and lease commencement. The prepaid rent is amortized on a straight-line basis over the 25-year lease terms and recognized within station operating expenses in the accompanying condensed consolidated statements of operations. The estimated market rent was based on comparable third-party leases, including rent escalation provisions and then discounted to present value using a rate of 9.75%. The difference between the present value of the contractual lease payments and the present value of market lease payments was determined to be \$5.2 million. This amount was recorded as prepaid rent and added to the net cash proceeds of \$9.85 million from the sale, after expenses, to determine the adjusted sales price of \$15.1 million for purposes of calculating the gain on the sale. These proceeds do not include approximately \$400,000 being held in escrow, noted above.

At the time of the transaction, the carrying value of the towers was approximately \$3.5 million for the 23 towers that closed as of December 31, 2025. The Company recognized a gain on sale of \$11.6 million. This gain was included in other operating (income) expense, net during the year ended December 31, 2025.

As of March 31, 2026 and December 31, 2025, the carrying value of the prepaid rent included in the right-of-use asset associated with the sale-leaseback transaction was \$5.1 million and \$5.2 million, respectively.

The activity related to the prepaid rent associated with the sale-leaseback transaction for the three months ended March 31, 2026 was as follows (in thousands):

	Amount
Prepaid rent at lease commencement	\$ 5,244
Amortization expense (non-cash rent expense)	(54)
Prepaid rent at December 31, 2025	\$ 5,190
Amortization expense (non-cash rent expense)	(55)
Prepaid rent at March 31, 2026	\$ 5,135

Subsequent to March 31, 2026, in the second quarter of 2026, the Company entered into amendments to the existing Purchase Agreement and related lease arrangements (the “Amendments”) with GTC to align the previously executed documents with the intended economic substance of the transaction. Under the Amendments the Purchase Agreement was modified to provide for a \$15.9 million purchase price which includes the \$10.7 million up front cash payment that was previously received upon original closing, consistent with the original Purchase Agreement and new promissory notes totaling \$5.2 million. In addition, the original lease agreements were modified to provide for market rent payments over the 25-year original lease terms.

The amendments to the lease arrangements have been evaluated and determined to represent lease modifications in accordance with ASC 842, *Leases*. Upon the modification of the lease agreements in Q2 of FY2026, the Company will record right-of-use assets and lease liabilities using the Company’s incremental borrowing rate on the date of modification. Based on the Amendments, the Sale Leaseback Transaction is determined to be at fair value as the present value of contractual lease payments equals the present value of market lease payments. As a result, the previously recognized prepaid rent of \$5.2 million will be derecognized.

In accordance with ASC 610-20 *Other Income—Gains and Losses from the Derecognition of Nonfinancial Assets*, the notes receivable now included within the purchase price will be recorded at fair value in Q2 of FY2026 when the notes becomes enforceable. The notes receivable bears an interest rate of 9.3%, which is materially consistent to the Company’s incremental borrowing rate at the time of the Amendments. The lease payments under the amended lease agreements and principal and interest payments under the notes receivable are determinable and contractually consistent in amount and timing. The agreements include legally enforceable rights to offset, which both parties intend to exercise. As such, the notes receivable and operating lease liabilities based on the Amendments qualify for offsetting in accordance with ASC 210-20, *Balance Sheet – Offsetting*.

#### **14. Subsequent Events**

On May 6, 2026, the Company’s Board of Directors declared a quarterly cash dividend of \$0.25 per share on its Class A Common Stock. This dividend, totaling approximately \$1,600,000 will be paid on June 12, 2026 to shareholders of record on May 22, 2026.

On May 7, 2026, the Company obtained a waiver from the lenders under its Credit Agreement with respect to the Company’s noncompliance with the minimum fixed charge coverage ratio covenant as of March 31, 2026. The waiver applies solely to the March 31, 2026 covenant noncompliance and does not modify the covenant requirements for future periods.

See Note 13 – Sale-Leaseback Transaction for a discussion of certain Amendments to the Company’s Sale-Leaseback Transaction.

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

#### **Cautionary Note Regarding Forward-Looking Statements**

This quarterly report on Form 10-Q contains forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of forward-looking terms such as “will,” “may,” “believes,” “intends,” “expects,” “anticipates,” “plans,” “estimates,” “guidance,” and similar expressions that are intended to identify forward-looking statements that are not historical facts. These statements are made as of the date of this report or as otherwise indicated, based on current expectations. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions (“Future Factors”) that are difficult to predict with regard to timing, extent, likelihood and degree of occurrence. Therefore, actual results and outcomes may materially differ from what may be expressed or forecasted in such forward-looking statements. We undertake no obligation to update, amend, or clarify forward-looking statements, whether as a result of new information, future events (whether anticipated or unanticipated), or otherwise

Future Factors include, among others, changes in national, regional and local economic conditions and advertising demand; shifts in audience behavior and listening habits; competition from traditional and non-traditional media, including digital, streaming and other online platforms; our ability to attract and retain advertising customers and to maintain or increase advertising rates; adverse changes in interest rates and interest rate relationships; our financial leverage, our ability to comply with debt covenants, and service our indebtedness; dependence on key personnel; dependence on key stations and the advertising revenue they generate; U.S. national and local economic conditions or an economic recession; market volatility; demand for our services; the degree of competition by traditional and non-traditional competitors; our ability to successfully integrate acquired stations; regulatory requirements including royalties we pay; variability in political advertising revenue due to election cycles, timing, candidate spending levels, regulatory developments, and advertising demand; our ability to execute our digital strategy, including our ability to deliver measurable outcomes across paid search, display, social and online news offerings; our ability to successfully implement and scale our consumer-journey focus (including “Click, Visit, Call and Search”) and to demonstrate value to customers; our ability to maintain and grow our “blended advertising” model and to integrate radio and digital solutions in a manner that is easy for advertisers to adopt; governmental and regulatory policy changes; changes in tax laws; the impact of technological advances; risks associated with cyber-attacks on our computer systems and those of our vendors; the outcomes of contingencies; trends in audience behavior; damage to our reputation resulting from adverse publicity, regulatory actions, litigation, and operational failures, the failure to meet client or listener expectations and other facts; changes in local real estate values; natural disasters; terrorist attacks; geopolitical conflicts, including conflicts in regions where we or our advertisers conduct business, the effects of widespread outbreak of illness or disease, inflation or deflation; our belief that our cash flow from operations will be sufficient to meet debt service requirements for payments of interest and scheduled payments of principal under our Credit Agreement if we borrow in the future; increased energy costs; and risk factors described in our annual report on Form 10-K for the year ended December 31, 2025 or elsewhere in this quarterly report. These are representative of the Future Factors that could cause a difference between an ultimate actual outcome and a forward-looking statement.

## **Introduction**

The following discussion should be read in conjunction with the unaudited condensed consolidated financial statements and accompanying notes thereto of Saga Communications, Inc. and its subsidiaries contained elsewhere herein and the audited financial statements and Management’s Discussion and Analysis contained in our annual report on Form 10-K for the year ended December 31, 2025. The following discussion is presented on a consolidated basis.

## **Critical Accounting Policies and Estimates**

Our consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States (GAAP), which require us to make estimates, judgments and assumptions that affect the reported amounts of certain assets, liabilities, revenues, expenses and related disclosures and contingencies. We evaluate estimates used in preparation of our financial statements on a continual basis. There have been no significant changes to our critical accounting policies that are described in Item 7. “Management’s Discussion and Analysis of Financial Condition and Results of Operations — Critical Accounting Policies” in our annual report on Form 10-K for the year ended December 31, 2025.

We use certain financial measures that are not calculated in accordance with generally accepted accounting principles in the United States of America (GAAP) to assess our financial performance. For example, we evaluate the performance of our markets based on “station operating income” (operating income plus corporate general and administrative expenses, depreciation and amortization, other operating (income) expenses, impairment of intangible assets and impairment of goodwill). Station operating income is generally recognized by the broadcasting industry as a measure of performance, is used by analysts who report on the performance of the broadcasting industry, and it serves as an indicator of the market value of a group of stations. In addition, we use it to evaluate individual stations, market-level performance, overall operations and as a primary measure for incentive-based compensation of executives and other members of management. Station operating income is not necessarily indicative of amounts that may be available to us for debt service requirements, other commitments, reinvestment or other discretionary uses. Station operating income is not a measure of liquidity or of performance in accordance with GAAP, and should be viewed as a supplement to, and not a substitute for, our results of operations presented on a GAAP basis. The most directly comparable GAAP measure to station operating income is operating income (loss).

## **Financial Condition and Results of Operations**

### ***General***

We are a media company primarily engaged in acquiring, developing and operating broadcast properties including opportunities complementary to our core radio business including digital, e-commerce and non-traditional revenue initiatives. We actively seek and explore opportunities for expansion through the acquisition of additional broadcast properties. We review acquisition opportunities on an ongoing basis.

### ***Radio Stations and Complementary Digital Marketing Services***

Our radio stations' primary source of revenue is from the sale of advertising for broadcast on our stations. Depending on the format of a particular radio station, there are a predetermined number of advertisements available to be broadcast each hour.

Most advertising contracts are short-term and generally run for a few weeks only. The majority of our revenue is generated from local advertising, which is sold primarily by each radio market's sales staff. For the three months ended March 31, 2026 and 2025, approximately 90% and 88%, respectively, of our radio stations' gross revenue was from local advertising. To generate national advertising sales, we engage independent advertising sales representative firms that specialize in national sales for each of our broadcast markets.

Our revenue varies throughout the year. Advertising expenditures, our primary source of revenue, generally have been lowest during the winter months, which include the first quarter of each year. Furthermore, political advertising revenue may fluctuate significantly from period to period and year to year based on election cycles, the timing and competitiveness of races within our markets, and advertiser spending patterns. While gross political revenue was not a significant factor in our first quarter results, we expect political advertising to increase in periods that include higher levels of election activity; however, the timing and amount of political revenue is difficult to predict and may vary materially from historical levels. Our gross political revenue for the three months ended March 31, 2026 and 2025 was \$275,000 and \$271,000, respectively. For the remainder of the year, we have approximately \$1.1 million of gross political revenue sold for a total of \$1.4 million of gross political revenue sold thus far for the entire year compared to \$650,000 for 2025.

Our net operating revenue, station operating expense and operating income varies from market to market based upon each market's rank or size which is based upon population and the available radio advertising revenue in that particular market.

The broadcasting industry and advertising in general is influenced by the state of the overall economy, including unemployment rates, inflation, energy prices and consumer interest rates. Our stations primarily broadcast in small to midsize markets.

Our financial results are dependent on a number of factors, the most significant of which is our ability to generate advertising revenue through rates charged to advertisers. The rates a station is able to charge are, in large part, based on a station's ability to attract audiences in the demographic groups targeted by its advertisers. In a number of our markets, this is measured by periodic reports generated by independent national rating services. In the remainder of our markets it is measured by the results advertisers obtain through the actual running of an advertising schedule. Advertisers measure these results based on increased demand for their goods or services and/or actual revenues generated from such demand. Various factors affect the rates a station can charge, including the general strength of the local and national economies, population growth, ability to provide popular programming, local market competition, target marketing capability of radio compared to other advertising media, and signal strength.

When we acquire and/or begin to operate a station or group of stations we generally increase programming and advertising and promotion expenses to increase our share of our target demographic audience. Our strategy sometimes requires levels of spending commensurate with the revenue levels we plan on achieving in two to five years. During periods of economic downturns, or when the level of advertising spending is flat or down across the industry, this strategy may result in the appearance that our cost of operations is increasing at a faster rate than our growth in revenues, until such time as we achieve our targeted levels of revenue for the acquired station or group of stations.

The number of advertisements that can be broadcast without jeopardizing listening levels (and the resulting ratings) is limited in part by the format of a particular radio station. Our stations strive to maximize revenue by constantly managing the number of commercials available for sale and adjusting prices based upon local market conditions and ratings. While there may be shifts from time to time in the number of advertisements broadcast during a particular time of day, the total number of advertisements broadcast on a particular station generally does not vary significantly from year to year. Any change in our revenue, with the exception of those instances where stations are acquired or sold, is generally the result of inventory sell-out ratios and pricing adjustments, which are made to ensure that the station efficiently utilizes available inventory.

Our radio stations employ a variety of programming formats. We periodically perform market research, including music evaluations, focus groups and strategic vulnerability studies. Because reaching a large and demographically attractive audience is crucial to a station's financial success, we endeavor to develop strong listener loyalty. Our stations also employ audience promotions to further develop and secure a loyal following. We believe that the diversification of formats on our radio stations helps to insulate us from the effects of changes in musical tastes of the public on any particular format.

The primary operating expenses involved in owning and operating radio stations are employee salaries and related benefits costs, sales commissions, programming expenses, depreciation, and advertising and promotion expenses.

The radio broadcasting industry is subject to rapid technological change, evolving industry standards and the emergence of new media technologies and services. These new technologies and media are gaining advertising share against radio and other traditional media.

The advertising industry continues to evolve as businesses increasingly utilize multiple media channels to reach consumers. In response to these industry trends, we have expanded the range of advertising solutions offered to our clients to include both broadcast radio advertising and complementary digital marketing services.

We continue to execute Saga's digital strategy focused on the consumer journey. Our integrated (or "blended") advertising approach allows advertisers to combine the reach and audience engagement of radio with digital advertising tools that enable more targeted consumer engagement and campaign measurement. These services include paid search advertising, targeted digital display advertising, streaming advertising, social media advertising, online video advertising, website-based advertising, on-line news services and other related digital marketing services.

Paid search advertising campaigns are designed to reach consumers actively searching for products or services. Targeted digital display advertising campaigns are delivered through programmatic advertising platforms and allow advertisers to reach audiences based on geographic location, behavioral attributes, contextual relevance and other targeting parameters. Most of our radio stations are able to be streamed on third party music platforms and our customers advertise between songs played on the streaming service. Additionally, we have online news sites, where advertisers place web banners that link to the client's website and other e-commerce initiatives. Performance within these digital product categories may vary based on consumer behavior, advertiser demand, and the effectiveness of our sales execution. We consider these categories part of our broader digital strategy to provide advertisers with measurable outcomes across multiple touchpoints in the consumer journey. For the three months ended March 31, 2026 and 2025, approximately 19% and 14%, respectively, of our radio stations' gross revenue was from digital advertising.

Our digital advertising services are supported by a centralized team of digital implementation specialists who work in conjunction with local market personnel to execute and optimize campaigns. Campaign performance is monitored throughout the duration of the advertising schedule and clients are generally provided periodic reports which may include impressions, clicks, website visits, calls generated and other campaign performance indicators. As part of our digital transformation strategy, we focus on a blended approach that combines broadcast radio with complementary digital products, including paid search and targeted digital display, to support the consumer journey. In evaluating progress, we monitor key operating metrics such as (i) growth in paid search and targeted display activity, (ii) the number of advertising accounts that purchase blended campaigns and related client retention, and (iii) changes in local direct advertising activity associated with blended campaigns. These operating metrics are intended to provide insight into our execution and adoption of our blended strategy, and may be influenced by factors such as overall advertising demand, our ability to train and retain personnel, competition, and client budget allocations.

Our digital advertising services rely on a number of third-party technology platforms and advertising exchanges, including major search, social media and programmatic advertising providers. Changes in the policies, technologies or pricing structures of these platforms could affect the manner in which digital advertising services are delivered.

We expect the use of integrated advertising strategies combining broadcast and digital media to continue evolving as advertisers seek broader reach, targeted messaging and measurable marketing outcomes.

We also continue to evaluate opportunities to increase operating efficiencies through technology and automation, including the use of artificial intelligence in certain content and operational workflows, where appropriate, to support efficiency and scalability.

During the three months ended March 31, 2026 and 2025 and the years ended December 31, 2025 and 2024, our Charleston, South Carolina; Columbus, Ohio; Milwaukee, Wisconsin; Norfolk, Virginia and Portland, Maine markets, when combined, represented approximately 36%, 35%, 34% and 36%, respectively, of our consolidated net operating revenue. An adverse change in any of these radio markets or our relative market position in those markets could have a significant impact on our operating results as a whole.

The following table describes the percentage of our consolidated net operating revenue represented by each of these markets:

Market:	Percentage of Consolidated Net Operating Revenue for the Three Months Ended March 31,		Percentage of Consolidated Net Operating Revenue for the Years Ended December 31,	
	2026	2025	2025	2024
	Charleston, South Carolina	7 %	6 %	6 %
Columbus, Ohio	6 %	7 %	7 %	8 %
Milwaukee, Wisconsin	12 %	12 %	11 %	12 %
Norfolk, Virginia	5 %	5 %	5 %	5 %
Portland, Maine	6 %	5 %	5 %	5 %

During the three months ended March 31, 2026 and 2025 and the years ended December 31, 2025 and 2024, the radio stations in our five largest markets, when combined, represented approximately 60%, 51%, 39% and 40%, respectively, of our consolidated station operating income. The following table describes the percentage of our consolidated station operating income represented by each of these markets:

Market:	Percentage of Consolidated Station Operating Income (*) for the Three Months Ended March 31,		Percentage of Consolidated Station Operating Income (*) for the Years Ended December 31,	
	2026	2025	2025	2024
	Charleston, South Carolina	22 %	9 %	8 %
Columbus, Ohio	(29)%	— %	1 %	5 %
Milwaukee, Wisconsin	58 %	31 %	19 %	17 %
Norfolk, Virginia	(8)%	2 %	4 %	5 %
Portland, Maine	17 %	9 %	7 %	6 %

\* Station operating income is operating income adjusted for corporate general and administrative expenses, depreciation and amortization, other operating (income) expenses, impairment of goodwill and impairment of intangible assets (a non-GAAP measure). Markets may reflect negative percentages when station operating income is negative.

### Three Months Ended March 31, 2026 Compared to Three Months Ended March 31, 2025

#### Results of Operations

The following table summarizes our results of operations for the three months ended March 31, 2026 and 2025.

	Three Months Ended March 31,		\$ Increase	% Increase
	2026	2025	(Decrease)	(Decrease)
	(In thousands, except percentages and per share information)			
Net operating revenue	\$ 22,867	\$ 24,212	\$ (1,345)	(5.6)%
Station operating expenses	22,012	21,963	49	0.2 %
Corporate general and administrative	2,976	3,167	(191)	(6.0)%
Depreciation and amortization	1,174	1,326	(152)	(11.5)%
Other operating (income) expense, net	(33)	54	(87)	N/M
Operating loss	(3,262)	(2,298)	(964)	(41.9)%
Interest expense	91	107	(16)	(15.0)%
Interest income	(234)	(222)	(12)	5.4 %
Other income	(55)	(23)	(32)	139.1 %
Loss before income tax expense	(3,064)	(2,160)	(904)	(41.9)%
Income tax (benefit) expense				
Current	75	(670)	745	(111.2)%
Deferred	(745)	85	(830)	976.5 %
	(670)	(585)	(85)	14.5 %
Net loss	\$ (2,394)	\$ (1,575)	\$ (819)	(52.0)%
Earnings (loss) per share (diluted)	\$ (0.38)	\$ (0.25)	\$ (0.13)	(52.0)%

N/M = Not Meaningful

For the three months ended March 31, 2026, consolidated net operating revenue was \$22,867,000 compared with \$24,212,000 for the three months ended March 31, 2025, a decrease of \$1,345,000 or 5.6%. The decrease was primarily a result of decreases in gross local revenue, gross national revenue, gross other income of \$1,716,000, \$247,000 and \$197,000 respectively partially offset by increases in gross digital revenue of \$879,000 for the comparable period of 2025. The most significant decreases in gross local revenue were at our Asheville, North Carolina, Columbus, Ohio; Des Moines, Iowa and Ocala, Florida markets. The significant decreases in gross local revenue were partially offset by increases in our local e-commerce revenue which was up \$100,000 or 23%. The markets with the most significant decreases in gross national revenue were at our Columbus, Ohio; Des Moines, Iowa; Manchester, New Hampshire and Norfolk, Virginia markets. The decrease in other income is primarily related to the tower lease income the Company is no longer receiving as a result of the tower sale discussed in Note 13 as part of the Company's capital allocation plan to sell non-core assets. The increase in gross digital revenue is primarily due to an increase in our digital services revenue of \$1,090,000, which is comprised of display, which increased \$636,000 or 120%, search, which increased \$378,000 or 105%, and other digital services which includes OTT/CTV campaigns, social media campaigns, best of digital, search engine optimization, and managed email, which combined increased \$63,000 or 19% and an increase in mobile streaming of \$82,000 or 116%, partially offset by a decline in our national streaming revenue of \$197,000 or 32%, local streaming revenue of \$50,000 or 7%, and online news revenue of \$44,000 or 7% .

Station operating expense was \$22,012,000 for the three months ended March 31, 2026, compared with \$21,963,000 for the three months ended March 31, 2025, an increase of \$49,000 or 0.2%. The increase in station operating expense was primarily the result of increases in digital services expenses, FCC related fees and sales survey expenses of \$613,000, \$105,000 and \$60,000, respectively, partially offset by decreases in compensation-related expenses, and advertising and promotional expenses of \$678,000 and \$93,000, respectively for the comparable period of 2025. The increases in our digital services expenses relate to the investment we are making in our digital fulfillment team and digital campaign managers, as well as the cost of the digital service products. For 2026, we expect our digital service expenses to increase approximately \$1 million to cover these additional hires. We are also investing in local sales managers at several of our markets, which we expect to increase station operating expense approximately \$500,000 in 2026.

We had an operating loss for the three months ended March 31, 2026 of \$3,262,000 compared to an operating loss of \$2,298,000 for the three months ended March 31, 2025, an increase in the loss of \$964,000. The increase was a result of the decrease in net operating revenue and a minor increase in station operating expense, as noted above, partially offset by a decrease in corporate general and administrative expenses of \$191,000, a decrease in depreciation and amortization of \$152,000 and by a decrease in other operating expense of \$87,000. The decrease in corporate general and administrative expenses was primarily comprised of decreases in additional expenses related to shareholder activism and a potential proxy contest of \$110,000 in 2025 and a decrease in travel expense of approximately \$82,000. The decrease in depreciation and amortization is primarily attributable to a reduction in assets as a result of the tower sale described in Note 13. In 2026, we recorded a gain on the sale of fixed assets and intangibles of \$33,000 compared to a loss on the sale of fixed assets of \$54,000 in 2025. The gain on the sale of fixed assets is primarily related to the sale of a property in Springfield, Massachusetts as described in Note 12.

We generated a net loss of \$2,394,000 (\$ (0.38) per share on a fully diluted basis) during the three months ended March 31, 2026, compared to a net loss of \$1,575,000 (\$ (0.25) per share on a fully diluted basis) for the three months ended March 31, 2025, an increase in the net loss of \$819,000. The decrease in net income or increase in net loss is primarily due to the decrease in operating income, described above, a decrease in interest expense of \$16,000, an increase in interest income of \$12,000, an increase in other income of \$32,000, and an increase in income tax benefit of \$85,000. The decrease in interest expense is due to a decrease in our interest rates. The increase in our interest income is due to a higher cash on hand balance during the period. The increase in other income was due to insurance proceeds. The increase in the tax benefit is due to the increase in our loss before income taxes in 2026.

## **Liquidity and Capital Resources**

### ***Debt Arrangements and Debt Service Requirements***

In connection with the Sale-Leaseback Transaction described in Note 13 to the accompanying consolidated financial statements, the Company entered into a Fourth Amendment (“Fourth Amendment”) to its Credit Agreement, dated as of August 18, 2015 and amended on September 1, 2017, June 17, 2018, and December 19, 2022, between the Company, JPMorgan Chase Bank, N.A. and The Huntington National Bank (collectively, the “Lenders”), and JPMorgan Chase Bank, N.A., in its capacity as Administrative Agent for the Lenders (“Agent”), (i) reducing the aggregate amount of the Lender’s revolving commitments from \$50,000,000 to \$40,000,000, and (ii) releasing the Agent’s security interest in the GTC Assets, but not any proceeds paid for the GTC Assets or any other collateral (the borrowing arrangement governed by the Credit Agreement). Previously, on December 19, 2022, we entered into a Third Amendment to our Credit Agreement, (the “Third Amendment”), which extended the maturity date to December 19, 2027, reduced the lenders to JPMorgan Chase Bank, N.A., and the Huntington National Bank (collectively, the “Lenders”), established an interest rate equal to the secured overnight financing rate (“SOFR”) as administered by the SOFR Administrator (currently established as the Federal Reserve Bank of New York) as the interest base and increased the basis points.

We have pledged substantially all of our assets (excluding our FCC licenses and certain other assets) in support of the Credit Agreement and each of our subsidiaries has guaranteed the Credit Agreement and has pledged substantially all of their assets (excluding their FCC licenses and certain other assets) in support of the Credit Agreement.

Interest rates under the Credit Agreement are payable, at our option, at alternatives equal to SOFR (3.68% at March 31, 2026), plus 1% to 2% or the base rate plus 0% to 1%. The spread over SOFR and the base rate vary from time to time, depending upon our financial leverage. Letters of credit issued under the Credit Agreement will be subject to a participation fee (which is equal to the interest rate applicable to Eurocurrency Loans, as defined in the Credit Agreement) payable to each of the Lenders and a fronting fee equal to 0.25% per annum payable to the issuing bank. Under the Third Amendment, we now pay quarterly commitment fees of 0.25% per annum on the unused portion of the Credit Agreement. We previously paid quarterly commitment fees of 0.2% to 0.3% per annum on the unused portion of the Credit Agreement.

The Credit Agreement contains a number of financial covenants which, among other things, require us to maintain specified financial ratios and impose certain limitations on us with respect to investments, additional indebtedness, dividends, distributions, guarantees, liens and encumbrances.

As of March 31, 2026, the Company was not in compliance with the minimum fixed charge coverage ratio covenant under its Credit Agreement which requires the Company to maintain a minimum fixed charge coverage ratio of 1.15 to 1.00 at the end of each fiscal quarter. At March 31, 2026, the Company's fixed charge coverage ratio was 0.92 to 1.00, constituting an event of default under the Credit Agreement.

On May 7, 2026, the Company obtained a waiver from its lenders for this covenant violation (the "Waiver"). The Waiver applies solely to the noncompliance as of March 31, 2026 and does not modify the covenant requirements for future periods unless otherwise amended.

We are currently in discussions with the Lenders regarding a potential amendment to the Credit Agreement to, among other things, modify the fixed charge coverage ratio covenant calculation going forward. However, there can be no assurance that we will be able to negotiate such an amendment. If we are unable to obtain an amendment or otherwise comply with the covenant in future periods, the Lenders would have the right to declare all outstanding borrowings under the Credit Agreement immediately due and payable. Our intent would be to pay-off the outstanding indebtedness using existing cash and cash equivalents, which we believe are sufficient for our short-term and long-term cash requirements.

We have \$5,000,000 debt outstanding at December 31, 2025 and March 31, 2026 that we borrowed in conjunction with our Lafayette acquisition.

We have approximately \$35 million of unused borrowing capacity under the Revolving Credit Agreement at both March 31, 2026 and December 31, 2025.

#### ***Sources and Uses of Cash***

During the three months ended March 31, 2026 and 2025, we had net cash flows from operating activities of \$407,000 and \$1,364,000, respectively. We believe that cash flow from operations will be sufficient to meet quarterly debt service requirements for payments of interest and scheduled payments of principal under our Credit Agreement if we borrow in the future. However, if such cash flow is not sufficient, we may be required to sell additional equity securities, refinance our obligations or dispose of one or more of our properties in order to make such scheduled payments. There can be no assurance that we would be able to effect any such transactions on favorable terms, if at all.

In March 2013, our Board of Directors authorized an increase to our Stock Buy-Back Program (the "Buy-Back Program") to allow us to purchase up to \$75.8 million of our Class A Common Stock. From its inception in 1998 through March 31, 2026, we have repurchased 2.4 million shares of our Class A Common Stock for \$60.6 million. During the three months ended March 31, 2026, approximately 1,067 shares were retained for payment of withholding taxes for approximately \$13,000 related to the vesting of restricted stock. We continue to monitor economic conditions to determine if and when it makes sense to make additional buybacks under our plan.

Our capital expenditures, exclusive of acquisitions, for the three months ended March 31, 2026 were \$779,000 (\$696,000 in 2025). We anticipate capital expenditures in 2026 to be approximately \$3.5 million, which we expect to finance through funds generated from operations.

During the first quarter of 2026, as part of the Company's previously disclosed capital allocation plan to sell non-core assets, the Company sold a property in Springfield, Massachusetts for approximately \$460,000. As a result of the sale, the Company recorded a gain of approximately \$80,000, which is recorded in other operating (income) expense, net in the Company's Condensed Consolidated Statement of Operations.

During the three months ended March 31, 2026, the Company's Board of Directors declared a quarterly cash dividend on its Class A Common Stock. This dividend totaling approximately \$1.6 million was paid during the first quarter of 2026.

During the three months ended March 31, 2025, the Company's Board of Directors declared a quarterly cash dividend on its Class A Common Stock. This dividend totaling approximately \$1.6 million was paid during the first quarter of 2025.

We anticipate that any future acquisitions of radio stations and dividend payments will be financed through funds generated from operations, borrowings under the Credit Agreement, additional debt or equity financing, cash on hand, or a combination thereof. However, there can be no assurances that any such financing will be available on acceptable terms, if at all.

***Summary Disclosures About Contractual Obligations and Commercial Commitments***

We have future cash obligations under various types of contracts, including the terms of our Credit Agreement, operating leases, programming contracts, employment agreements, and other operating contracts. For additional information concerning our future cash obligations see “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operation — Summary Disclosures About Contractual Obligations” in our annual report on Form 10-K for the year ended December 31, 2025.

We anticipate that our contractual cash obligations will be financed through funds generated from operations or additional borrowings under the Credit Agreement, or a combination thereof.

**Recent Accounting Pronouncements**

Recent accounting pronouncements are described in Note 2 to the accompanying financial statements.

**Inflation**

The impact of inflation on our operations has not been significant to date. We are, however, starting to see the effects of higher inflation starting to impact costs of most goods and services. There can be no assurance that a high rate of inflation in the future would not have an adverse effect on our operations.

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

Refer to “Item 7A. Quantitative and Qualitative Disclosures About Market Risk” and “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations — Market Risk and Risk Management Policies” in our annual report on Form 10-K for the year ended December 31, 2025 for a complete discussion of our market risk. There have been no material changes to the market risk information included in our 2025 annual report on Form 10-K.

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

As of the end of the period covered by this report, the Company carried out an evaluation, under the supervision and with the participation of the Company’s management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the Company’s disclosure controls and procedures pursuant to Rule 13a-15 of the Securities Exchange Act of 1934. Based upon that evaluation, the Company’s Chief Executive Officer and Chief Financial Officer concluded that the Company’s disclosure controls and procedures are effective to cause the material information required to be disclosed by the Company in the reports that it files or submits under the Securities Exchange Act of 1934 to be recorded, processed, summarized and reported within the time periods specified in the Security and Exchange Commission’s rules and forms. There have been no changes in the Company’s internal controls over financial reporting during the quarter ended March 31, 2026, that have materially affected, or are reasonably likely to materially affect, the Company’s internal controls over financial reporting.

## PART II — OTHER INFORMATION

### ***Item 1. Legal Proceedings***

From time to time, the Company may be involved in various legal proceedings that are incidental to the Company's business. In management's opinion, the Company is not a party to any current legal proceedings that are material to its financial condition, either individually or in the aggregate.

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

Except as described below, there have been no material changes to the risk factors previously disclosed in response to Part 1, "Item 1A. Risk Factors," of our annual report on Form 10-K for the year ended December 31, 2025.

#### ***Our Debt Covenants Restrict our Financial and Operational Flexibility***

Our credit agreement contains a number of financial covenants which, among other things, require us to maintain specified financial ratios and impose certain limitations on us with respect to investments, additional indebtedness, dividends, distributions, guarantees, liens and encumbrances. Our ability to meet these financial ratios can be affected by operating performance or other events beyond our control, and we cannot assure you that we will meet those ratios.

As of March 31, 2026, the Company was not in compliance with the minimum fixed charge coverage ratio covenant under its Credit Agreement. On May 7, 2026, the Company obtained a waiver from its lenders for this covenant violation (the "Waiver"). The Waiver applies solely to the noncompliance as of March 31, 2026 and does not modify the covenant requirements for future periods unless otherwise amended. We are currently in discussions with the Lenders regarding a potential amendment to the Credit Agreement to, among other things, modify the fixed charge coverage ratio covenant calculation going forward. However, there can be no assurance that we will be able to negotiate such an amendment. If we are unable to obtain an amendment or otherwise comply with our financial covenants in future periods, the Lenders would have the right to declare all outstanding borrowings under the Credit Agreement immediately due and payable. A failure to obtain an amendment or maintain compliance could result in the lenders exercising remedies under credit facility, which could adversely affect our ability to use the credit facility for future acquisitions or other capital initiatives.

#### ***Our Success Depends on Our Ability to Scale Digital Revenue Using Historical Relationships with Our Radio Advertisers and Creating New Relationships with Digital Advertisers***

Part of our strategy is to continue to broaden our existing revenue verticals related to our core radio advertisers to include digital advertising services that will complement our existing radio platform. This transition will require retaining and hiring individuals that we can train and develop to perform all the leadership, sales, accounting, technical and implementation activities required to be successful in this expansion of advertising services.

We believe we have achieved initial success in developing and deploying digital advertising services. Our continued success relies on expanding our digital advertising transformation quickly and effectively, in accordance with the rate of decline of traditional radio advertising demand. Despite initial success, we face significant risks in adapting digital products, attracting and training talent, and scaling digital revenue. Intense competition from digital-native platforms and changes in consumer behavior may hinder our progress. Failure to continue this transformation effectively, efficiently, and timely could lead to increased costs, a reduction in revenue, and adverse effects on our financial condition and competitive position.

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

We made no unregistered sales of equity securities during the quarter ended March 31, 2026.

The following table summarizes our repurchases of our Class A Common Stock during the three months ended March 31, 2026. Shares repurchased during the quarter were from the retention of shares for the payment of withholding taxes related to the vesting of restricted stock under the Buy-Back Program.

<b>Period</b>	<b>Total Number of Shares Purchased <sup>(1) (3)</sup></b>	<b>Average Price Paid per Share <sup>(2)</sup></b>	<b>Total Number of Shares Purchased as Part of Publicly Announced Program</b>	<b>Approximate Dollar Value of Shares that May Yet be Purchased Under the Program <sup>(3)</sup></b>
January 1 - January 31, 2026	—	\$ —	—	\$ 15,153,267
February 1 - February 28, 2026	—	\$ —	—	\$ 15,153,267
March 1 - March 31, 2026	1,067	\$ 11.99	1,067	\$ 15,140,474
Total	<u>1,067</u>	<u>\$ 11.99</u>	<u>1,067</u>	<u>\$ 15,140,474</u>

- (1) From time to time, we may repurchase shares of our Class A Common Stock pursuant to our publicly announced share repurchase program through open market purchases, privately negotiated transactions, or pursuant to a trading plan adopted under Rule 10b5-1 under the Exchange Act. Of the shares reported as purchased shares during the quarter, 1,067 were forfeited to the Company for payment of tax withholding obligations.
- (2) The average price paid per share, as applicable, reflects (i) the amount privately negotiated and (ii) the fair market value of our Class A Common Stock on the applicable vesting or settlement date for purposes of satisfying tax withholding obligations.
- (3) In 1998, we established a share repurchase program allowing us to purchase Class A Common Stock. In March 2013, our Board of Directors authorized an amendment to our share repurchase program increasing the amount authorized from \$60.0 million to \$75.8 million in common stock.

**Item 5. Other Information**

None of the Company's directors or executive 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, 2026.

***Item 6. Exhibits***

- 31.1 \* [Certification of Chief Executive Officer Pursuant to Rule 13a-14\(a\) and Rule 15d-14\(a\) of the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.](#)
- 31.2 \* [Certification of Chief Financial Officer Pursuant to Rule 13a-14\(a\) and Rule 15d-14\(a\) of the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.](#)
- 32 \*\* [Certification of Chief Executive Officer and Chief Financial Officer Pursuant to 18 U.S.C. Section 1350 and Rule 13a-14\(b\) of the Securities Exchange Act of 1934, 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 Calculation Linkbase Document
- 101.DEF \* Inline XBRL Taxonomy Extension Definition Linkbase Document
- 101.LAB \* Inline XBRL Taxonomy Extension Label 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)

\* Filed herewith.

\*\* Furnished herewith.

**SIGNATURES**

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.

SAGA COMMUNICATIONS, INC.

Date: May 8, 2026

/s/ SAMUEL D. BUSH

Samuel D. Bush  
*Executive Vice President, Chief Financial Officer and  
Treasurer (Principal Financial Officer)*

Date: May 8, 2026

/s/ CATHERINE A. BOBINSKI

Catherine A. Bobinski  
*Senior Vice President, Chief Accounting Officer and  
Corporate Controller (Principal Accounting Officer)*

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO RULE 13a-14(a)  
AND RULE 15d-14(a) OF THE SECURITIES EXCHANGE ACT, AS AMENDED**

I, Christopher S. Forgy, Chief Executive Officer of Saga Communications, Inc., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Saga Communications, 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 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.

Date: May 8, 2026

/s/ Christopher S. Forgy

Christopher S. Forgy  
Chief Executive Officer

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**CERTIFICATION OF CHIEF FINANCIAL OFFICER PURSUANT TO RULE 13a-14(a)  
AND RULE 15d-14(a) OF THE SECURITIES EXCHANGE ACT, AS AMENDED**

I, Samuel D. Bush, Chief Financial Officer of Saga Communications, Inc., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Saga Communications, 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 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.

Date: May 8, 2026

/s/ Samuel D. Bush

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Samuel D. Bush  
Chief Financial Officer

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**CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER  
PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Saga Communications, Inc. (the "Company") on Form 10-Q for the period ended March 31, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), we, Christopher S. Forgy, Chief Executive Officer of the Company, and Samuel D. Bush, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of our knowledge, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) 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.

Dated: May 8, 2026

/s/ Christopher S. Forgy

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Christopher S. Forgy  
Chief Executive Officer

Dated: May 8, 2026

/s/ Samuel D. Bush

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Samuel D. Bush  
Chief Financial Officer

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