



Third Quarter 2025 Earnings Call Script

Roy Nir, VP, Financial Reporting and Investor Relations:

Good afternoon everyone, and welcome to Entravision's third quarter 2025 earnings call.

I am Roy Nir, Vice President of Financial Reporting and Investor Relations.

Joining me today to discuss our results are Michael Christenson, our Chief Executive Officer, and Mark Boelke, our Chief Financial Officer.

Before we begin, I would like to inform you that this call will contain forward-looking statements that are subject to risks and uncertainties that could cause actual results to differ. Please refer to Entravision's SEC filings for a list of risks and uncertainties that could impact actual results.

The press release is available on the Company's Investor Relations page and was filed with the SEC on Form 8-K. Additional information may also be found on quarterly report on Form 10-Q, which was also filed today.

As you can see, our call today is via Zoom. If you would like to ask a question, please use the Q&A function on the Zoom screen, indicate your name and company, and submit your question in writing. We will try to answer any questions that relate to the topics contained in today's call.

I will now turn the call over to Michael Christenson.



Michael Christenson, CEO

Thanks, Roy and thank you, to those of you joining this call today. We appreciate your interest and your support.

As you saw in our press release on a consolidated basis Entravision increased revenue 24% to \$120 million in 3Q25 compared to 3Q24. We did have an operating loss of \$9 million in 3Q25 compared to an operating profit of \$8 million in 3Q24.

The 3Q25 operating loss included \$9 million of restructuring costs and impairment charges so we were breakeven excluding those charges. Still not good.

As we have discussed on prior calls, we are committed to growing our business and earning a profit, so we acknowledge that we have work to do to improve our operating performance and profitability in our media business.

We report our results in two segments: Media and Advertising Technology and Services, what we call ATS.

For our media segment, our revenue declined 26% in 3Q25 compared to 3Q24. This was primarily due to lower political revenue but also weaker revenue from national television and radio advertisers. Average monthly advertisers and revenue per average monthly advertiser for our local media operations in 3Q25 were flat year-over-year.



In terms of operating expenses and profitability, as we have discussed in the past, we have made a number of investments in our media business in 2025. We have added capacity to our local sales teams, more sellers; and, we have added digital sales specialists and digital sales operations capabilities, so we can do more digital.

When we analyzed our local markets and our local advertiser base, we saw an opportunity to increase revenue by adding sales capacity. In addition, virtually all our local advertising customers are advertising in digital channels: search, social, streaming video and streaming audio.

We believe we can serve their needs in digital channels, as well as our traditional broadcast video and audio channels.

The increase in operating expenses in our media segment for these investments is about \$8 million on an annualized basis. We funded this investment, in part, by improving the efficiency and reducing costs in non-revenue generating operations.

Nevertheless, the combination of lower revenue and increased operating expenses produced an operating loss in our media segment of \$3.5 million in 3Q25 compared to an operating profit of \$11.7 million in 3Q24.

Now for our Advertising Technology and Services segment . ATS revenue more than doubled in 3Q25 compared to 3Q24. We had more monthly active customers and higher revenue per monthly active customer.



We continued to invest in our ATS segment in 3Q25 to grow revenue and operating profits. We are investing in our engineering team to improve our technology and to build more powerful AI capabilities into our platform. And we are investing to increase the capacity of our sales organization and customer operations.

In addition, our infrastructure costs, primarily cloud computing costs, continue to grow as our revenue grows. They are currently growing at about the same pace as revenue, but as the business gets larger we do expect to see some operating leverage. So we expect these costs will grow at a slower pace than revenue in the future.

The combination of these investments, that's investments in increased operating expenses, direct operating expenses plus selling, general and administrative expenses, were \$7 million higher in 3Q25 compared to 3Q24. \$30 million higher on an annualized basis.

Even with that increase, operating profit for ATS was nearly \$10 million in 3Q25, significantly higher than our operating profit in 3Q24.

So to summarize, in media we are investing to increase our local sales capacity and to expand our digital sales and digital sales operations capabilities. More sellers, and more digital.

In ATS, we are investing to add more engineers to advance our technology and to increase our sales capacity. So more technology, better technology, and more sellers.

We believe these investments will help us build a stronger company.

Now I will ask Mark to share with you more details of our financial results for 3Q25.



Mark Boelke, CFO

Thank you, Mike.

Let's start by reviewing revenue performance. On a consolidated basis, revenue for third quarter 2025 was \$120.6 million, up 24% compared to third quarter 2024.

In our Media segment, third quarter revenue was \$44.5 million, which was down 26% compared to third quarter 2024. Our Media business began the year slowly, in part due to advertiser uncertainty in the environment of a new administration and federal immigration enforcement actions. In addition, there was significant political advertising in 2024 that was not present in 2025. However, we've seen sequential quarterly improvements as we move through 2025, particularly in local ad sales, and we're seeing momentum and progress on executing our revenue strategies.

In our Ad Tech & Services segment, third quarter revenue was \$76.1 million, which was up 104% compared to third quarter 2024. We had a higher number of monthly active accounts and higher revenue per monthly active account. As discussed in previous quarters, we've had success executing our strategies in the ATS business during 2025, including expanding the sales team and geographic sales coverage, and strengthening our platform technology and AI capabilities. We had exceptional performance in Q3, with sequential quarterly growth from 2nd quarter to 3rd quarter, of 38%. With that said, we do not expect to repeat this level of quarterly sequential growth in 4th quarter, and we currently anticipate 4th quarter revenue and earnings to be comparable to third quarter.



Regarding expenses, one of our goals is to optimize our organizational structure and the expense of support services, in order to align them with revenue and be profitable in each segment and on a consolidated basis. With that in mind, let's look at total operating expense for each of our segments - this refers to the sum of direct operating expense, and selling, general and administrative expense, or SG&A, as those two line items are reported in our Segment Results.

For our Media segment, total operating expense in 3rd quarter 25 increased slightly compared to 3rd quarter 24, about 140 thousand dollars. At the end of third quarter 25, we took steps under an ongoing organizational design plan intended to support revenue growth and reduce expenses in our Media segment. Key components of this plan included a reduction of approximately 5% of the Media segment's total workforce, primarily in back-office roles, and we abandoned several leased facilities, with impacted employees transitioning to remote work. In addition, we shut down certain legacy international operations within the ATS segment.

We recorded charges during 3rd quarter, totaling \$3.2 million for the expenses associated with these moves, and these charges were reported as Restructuring costs on our income statement. We expect these changes to reduce Media segment operating expense by approximately \$5 million on an annual basis. We continue to evaluate the organizational structure of our Media business, in order to provide compelling content, drive sales, streamline our organization and optimize expense.

Total operating expenses in our Ad Tech & Services segment increased by 58% in the third quarter of 2025 compared to 2024, an increase of \$7.4 million. The ATS expense increase was



primarily related to the increase in revenue. For example, as Mike mentioned, the expense of cloud computing services has increased as a result of processing more transactions and using stronger AI capabilities built into our ad tech platform. There was an increase in sales commissions and performance compensation, as a result of the revenue increase and achievement of other performance metrics. And the ATS business has also hired additional sales, engineering and ad operations staff in recent quarters, in order to drive ATS growth and expand into new geographic areas.

Regarding segment results, the Media segment had an operating loss of \$3.5 million, compared to operating profit of \$11.7 million in Q3 24. This loss was due to a combination of lower revenue, mainly due to significant non-returning political advertising revenue which we had in Q3 24. As I noted earlier, we have undertaken an ongoing organization design plan intended to support revenue growth and reduce expenses in this segment.

Ad Tech & Services operating profit was \$9.8 million, an increase of 378% vs. Q3 24. Our goal is for this business is to generate positive operating leverage, and the ATS revenue increase did exceed the expense increase in terms of percentage and absolute dollars.

The operations of both segments together generated a consolidated segment operating profit of \$6.2 million. This was a 55% decrease compared to third quarter 2024, attributable primarily to the media segment, as I discussed earlier.

On a consolidated basis, we had an overall operating loss of \$9.1 million, compared to operating income of \$7.6 million in Q3 24. Our operating loss included a non-cash impairment charge of \$5.7 million, primarily related to the assets held for sale, as well as a charge of \$3.2



million for the expenses associated with the Restructuring costs that I mentioned a few moments ago.

Our goal is to be profitable for each segment and generate a consolidated operating profit. As Mike mentioned, we have additional work to do, and we remain focused on growing revenue and reducing operating expense throughout the remainder of 2025 and beyond.

Turning to corporate expenses, we have taken significant steps to reduce corporate expense over the past year and a half. We had \$6.3 million of corporate expense in 3rd quarter 2025. This was a decrease of 9% compared to 3rd quarter 2024, or about six hundred thousand dollars. The decrease was primarily due to a reduction in audit fees and rent expense. On a year-to-date basis, we reduced our corporate expense by \$9.5 million compared to the prior year.

Entravision's balance sheet remains strong, with over \$66 million in cash and marketable securities at the end of third quarter. We're proud of our strong balance sheet, which we believe sets us apart from others in the industry.

Our strategy regarding allocation of cash is first, reduce debt and maintain low leverage, and, second, return capital to our shareholders, primarily through dividends.

We entered into an amendment to our credit facility in 3rd quarter, as we noted on our 2nd quarter earnings report and 10-Q. The amendment was a proactive and strategic move to accelerate debt reduction and provide more financial stability and flexibility under our credit agreement. During 2025 year to date, we have made total debt payments of \$15 million, reducing our credit facility indebtedness to about \$173 million as of 3rd quarter end.



In addition, we paid \$4.5 million in dividends to stockholders in the third quarter, or 5 cents per share. For the fourth quarter, our Board of Directors has approved a 5 cent dividend per share, payable on December 31st, to stockholders of record as of December 16th, for a total payment of approximately \$4.5 million.

We'd like to thank you for joining our call today. We welcome our investors to connect with us through the Investor Relations page on our corporate website, entravision.com, where you will have access to a transcript of this call, the press release containing our 3rd quarter financial results and a copy of our Form 10-Q quarterly report filed with the SEC.

At this time, Mike and I would like to open the call for questions from the investment community.

Roy, I'll turn it back over to you.

Q&A

Roy Nir, VP, Financial Reporting and Investor Relations

Thank you, Mark. We will now begin the questions and answers session. As a reminder, if you have a question, please use the Q&A function on the Zoom screen, indicate your name and company, and submit your question in writing.

Please hold as we review any questions.

The first question coming in, Mike and Mark, Can you comment on the outlook for political revenue in 2026?



Michael Christenson, CEO

You know I think that's probably an appropriate question since we are now precisely one year away from election day in 2026. What I can say is we are obviously positioning ourselves for a very strong political spending environment in 2026. We believe that the Latino vote will be critical to the outcome of the congressional elections in our six southwestern states.

The Cook Political Report lists 16 critical toss up races of the 435 races, congressional races in 2026. We have TV and Radio in 6 of those 16 markets, so we are very well positioned there. We also have key US senate races, including Texas, and then we have Governors' races in California, Colorado, Nevada, New Mexico, and Texas plus smaller opportunities in Connecticut and Massachusetts.

So this will be one of the most consequential congressional elections frankly, in our lifetime. Who wins in Nevada and Arizona, will also have a significant influence on the 2028 presidential election.

So, we believe the Latino vote will be critical to the outcome of all these elections. And we have a powerful, a unique and powerful channel for reaching that audience.

So we are very excited about the opportunities coming up, and working hard to make sure we are well positioned.

Roy Nir, VP, Financial Reporting and Investor Relations

Thank you, Mike. And we received another question related to our call. The question is:

What's the status of renewing the Affiliation Agreement with TelevisaUnivision?



Michael Christenson, CEO

Thanks for that question. Our affiliation agreement with TelevisaUnivision runs through December 31st of 2026. We have been partners with Univision for 3 decades, nearly 3 decades. Our plan is to renew that agreement, and we are in discussions with TelevisaUnivision, so we are working to that goal

Roy Nir, VP, Financial Reporting and Investor Relations

Thank you, Mike. At this time we don't have any more questions. Mike I will turn it to you for any closing remarks.

Michael Christenson, CEO

Thanks, Roy and again thank you to all of you for joining our call today. We look forward to speaking with you again when we report our fourth quarter results. Thank you.