Risk Factors Comparison 2023-06-30 to 2022-03-15 Form: 10-K

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Risks Related to Our Business and Industry In an enterprise as large and complex as ours, a wide range of factors could affect our business and financial results. The factors described below are considered to be the most significant, but are not listed in any particular order. There may be other currently unknown or unpredictable economic, business, competitive, regulatory or other factors that could have material adverse effects on our future results. Past financial performance may not be a reliable indicator of future performance and historical trends should not be used to anticipate results or trends in future periods. The following discussion of risk factors should be read in conjunction with " Item 7. Management' s Discussion and Analysis of Financial Condition and Results of Operations " and the consolidated financial statements and related notes in " Item 8. Financial Statements and Supplementary Data " of this Form 10- K. **We have identified material weaknesses in our internal control over financial reporting which could, if not remediated, result in material misstatements in our consolidated financial statements. As discussed in Part II, Item 9A, " Controls and Procedures " of this Form 10- K, management has concluded that our internal controls related to certain business processes and disclosure controls and procedures were not effective as of December 31, 2022 due to the identified material weaknesses. In addition, as discussed in Note 2 – Restatement of Financial Statements, management and our Audit Committee, after discussion with our independent registered public accounting firm, concluded that our previously issued financial statements for the Affected Periods should be restated due to understatements in the value of the MGM Investment. The restatement related to our material weakness in internal control over financial reporting over the investments in MGM National Harbor. In addition to the adjustments related to the MGM Investment, the Company also included corrections for previously identified out- of- period misstatements relating to radio broadcasting license impairment, misstatements relating to its right of use assets, misstatements relating to the fair value of the Reach Media redeemable noncontrolling interest, amortization of certain launch assets, misclassifications of certain line items in the balance sheets and statements of cash flows, and any related tax effects. Our management is responsible for establishing and maintaining adequate internal control over our financial reporting, as defined in Rule 13a- 15 (f) under the Securities Exchange Act. Management identified material weaknesses in our internal control over financial reporting. A material weakness is defined as a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis. As a result of these material weaknesses, our management concluded that our internal control over financial reporting was not effective based on criteria set forth by the Committee of Sponsoring Organization of the Treadway Commission in Internal Control – An Integrated Framework. We are actively engaged in remediation efforts designed to address these material weaknesses. If our remedial measures are insufficient to address the material weaknesses, or if additional material weaknesses or significant deficiencies in our internal control are discovered or occur in the future, our consolidated financial statements may contain material misstatements and we could be required to restate our financial results. The material weaknesses, or a failure to promptly remediate them, may adversely affect our business, our reputation, our results of operations and the market price of our common stock. If we are unable to remediate the material weaknesses in a timely manner, our investors, customers and other business partners may lose confidence in our business or our financial reports, and our access to capital markets may be adversely affected. In addition, our ability to record, process, and report financial information accurately, and to prepare financial statements within the time periods specified by the rules and regulations of the Securities and Exchange Commission and other regulatory authorities, could be adversely affected, which may result in violations of applicable securities laws, stock exchange listing requirements and the covenants under our debt agreements. We could also be exposed to lawsuits, investigations, or other legal actions. In such actions, a governmental authority may interpret a law, regulation or accounting principle differently than we have, exposing us to different or additional risks. We could incur significant costs in connection with these actions. We have not accrued for any such liabilities. The control deficiencies resulting in the material weaknesses, in the aggregate, if not effectively remediated could also result in misstatements of accounts or disclosures that would result in a material misstatement of the annual or interim consolidated financial statements that would not be prevented or detected. In addition, we cannot be certain that we will not identify additional control deficiencies or material weaknesses in the future. If we identify future control deficiencies or material weaknesses, these may lead to adverse effects on our business, our reputation, our results of operations, and the market price of our common stock. We face risks related to the restatement of our previously issued consolidated financial statements with respect to the Affected Periods. As discussed in the Explanatory Note and in Note 2 to the consolidated financial statements in this Form 10- K, we reached a determination to restate certain financial information and related footnote disclosures in our previously issued consolidated financial statements for the Affected Periods. As a result, we have become subject to a number of additional risks and uncertainties, which may affect investor confidence in the accuracy of our financial disclosures and may raise reputational issues for our business. We expect to continue to face many of the risks and challenges related to the restatement, including the following: ● we may face potential for litigation or other disputes, which may include, among others, claims invoking the federal and state securities laws, contractual claims or other claims arising from the restatement; and ● the processes undertaken to effect the restatement may not have been adequate to identify and correct all errors in our historical financial statements and, as a result, we may discover additional errors and our**

financial statements remain subject to the risk of future restatement. We cannot assure that all of the risks and challenges described above will be eliminated or that general reputational harm will not persist. If one or more of the foregoing risks or challenges persist, our business, operations and financial condition are likely to be materially and adversely affected. 22The restatement of our previously issued financial statements has been time- consuming and expensive and could expose us to additional risks that could materially adversely affect our financial position, results of operations and cash flows. We have incurred significant expenses, including audit, legal, consulting and other professional fees, in connection with the restatement of our previously issued financial statements and the ongoing remediation of material weaknesses in our internal control over financial reporting. We have implemented and will continue to implement additional processes utilizing existing resources and adding new resources as needed. To the extent these steps are not successful, we could be forced to incur additional time and expense. Our management' s attention has also been diverted from the operation of our business in connection with the restatements and ongoing remediation of material weaknesses in our internal controls. The delayed filing of our annual report has made us currently ineligible to use a registration statement on Form S- 3 to register the offer and sale of securities, which could adversely affect our ability to raise future capital or complete acquisitions. As a result of the delayed filing of our annual report with the SEC, we will not be eligible to register the offer and sale of our securities using a short form registration statement on Form S- 3 until one year from the date we regain and maintain status as a current filer. Should we wish to register the offer and sale of our securities to the public prior to the time we are eligible to use a short form registration statement on Form S- 3, both our transaction costs and the amount of time required to complete the transaction could increase, making it more difficult to timely execute any such transaction successfully and potentially harming our financial condition. Risks Related to the Nature and Operations of Our **BusinessImpact** ~~Business Impact~~ of ~~Ongoing~~ Public Health ~~Crisis~~ **CrisisAn** ~~An~~ epidemic or pandemic disease outbreak, such as the ~~ongoing~~ COVID- 19 pandemic, has caused, and ~~is causing~~ **may cause in the future** , ~~significant~~ disruption **to the media industry and** to our business operations. **Preventative and protective** ~~Measures~~ **measures** taken by governmental authorities and private actors **in response** to **a global health crisis may disrupt** ~~limit the spread of the virus have interfered and continue to interfere with the ability our employees, suppliers, and customers to conduct their~~ -- **the ways** ~~functions and business~~ in ~~a normal manner~~ **which Americans live, work and spend** . Further, the demand for advertising across our various segments / platforms is linked to the level of economic activity and employment in the U. S **. and the ways in and rates at which various media are consumed** . Specifically, our business is heavily dependent on the demand for advertising from consumer- focused companies. Dislocation of consumer demand due to **changes** ~~social distancing and government interventions (such as lockdowns or shelter~~ in ~~place policies)~~ **commuter volume and patterns and / or hybrid work models** has caused, and could further cause, advertisers to reduce, postpone or ~~eliminate~~ **otherwise change** their marketing spending generally, and on our platforms in particular. **Such results** ~~Continued or future social distancing, government interventions and / or recessions~~ could have a material adverse effect on our business and financial condition. ~~Moreover, continued or~~ **We are continuing to see some of the foregoing effects and could see additional effects in the** future **from** ~~declines or disruptions due to the~~ COVID- 19 ~~pandemic and new variants of COVID- 19, could adversely affect our business and financial performance. The extent to which our results continue to be affected by COVID- 19 will largely depend on future developments,~~ which are not within our control and cannot be accurately predicted and are uncertain ~~. These developments include, but are not limited to, the duration, scope and severity of the pandemic, any additional resurgences, variants or new viruses; the ability to effectively and widely manufacture and distribute vaccines; the public' s perception of the safety of the vaccines and their willingness to take the vaccines; the effect of the COVID- 19 pandemic on our customers and the ability of our clients to meet their payment terms; the public' s willingness to attend live events; and the pace of recovery when the pandemic subsides~~ . The state and condition of the global financial markets and fluctuations in the global and U. S. economies may have an unpredictable impact on our business and financial condition. From time to time, including as a result of **inflation, changes in interest rates, recession or** the current pandemic, the global equity and credit markets experience high levels of volatility and disruption. At various points in time, the markets have produced upward and / or downward pressure on stock prices and limited credit capacity for certain companies without regard to those companies' underlying financial strength. In addition, advertising is a discretionary and variable business expense **which may be reduced as companies contend with higher expenses, including higher costs of capital** . Spending on advertising tends to decline disproportionately during an economic recession or downturn as compared to other types of business spending. Consequently, a downturn in the United States economy generally has an adverse effect on our advertising revenue and, therefore, our results of operations. A recession or downturn in the economy of any individual geographic market, particularly a major market in which we operate, also may have a significant effect on us. Radio revenues in the markets in which we operate may also face greater challenges than the U. S. economy generally and may remain so. Radio revenues in certain markets in which we operate have lagged the growth of the general United States economy ~~. Radio revenues in markets in which we operate,~~ as **audiences** ~~measured by the accounting firm Miller Kaplan Arase LLP (" Miller Kaplan ") were down in 2020 and, while they~~ have **not returned** ~~recovered, they have yet~~ to ~~fully reach~~ pre- pandemic levels **. 23Adverse developments affecting the financial services industry could adversely affect our liquidity, financial condition, and results of operations, either directly or through adverse impacts on certain of our vendors and customers. Adverse developments that affect financial institutions, such as events involving liquidity that are rumored or actual, have in the past and may in the future lead to bank failures and / or market- wide liquidity problems. These events could have an adverse effect on our financial condition and results of operations, either directly or through an adverse impact on certain of our vendors and customers. For example, on March 10, 2023, Silicon Valley Bank was closed by the California Department of Financial Protection and Innovation, which appointed the Federal Deposit Insurance Corporation (" FDIC ") as receiver. Similarly, on March 12, 2023, Signature Bank was put into receivership. Since that time, there have been reports of instability at other U. S. banks. Although the Federal Reserve**

Board, the Department of the Treasury and the FDIC have taken steps to ensure that depositors at Silicon Valley Bank and Signature Bank can access all of their funds, including funds held in uninsured deposit accounts, and have taken additional steps to provide liquidity to other banks, there is no guarantee that, in the event of the closure of other banks or financial institutions in the future, depositors would be able to access uninsured funds or that they would be able to do so in a timely fashion. To date, we have not experienced any adverse impact to our liquidity, financial condition or results of operations as a result of the events described above. However, failures of other banks or financial institutions may expose us to additional risks, either directly or through the effect on vendors or other third parties, and may lead to significant disruptions to our operations, financial condition and reputation. Moreover, uncertainty remains over liquidity concerns in the broader financial services industry. Our business may be adversely impacted by these developments in ways that we cannot predict at this time, there may be additional risks that we have not yet identified, and we cannot guarantee that we will be able to avoid negative consequences directly or indirectly from any failure of one or more banks or other financial institutions. Any deterioration in the economy could negatively impact our results of operations. Many financial and economic analysts have forecasted a recession in calendar year 2023 and / or 2024. Our results of operations could be negatively impacted by recession, economic fluctuations, or future economic downturns. Also, expenditures by advertisers tend to be cyclical, reflecting overall economic conditions . Even in the absence of a general recession or downturn in the economy, an individual business sector (such as the automotive industry or the hospitality industry) that tends to spend more on advertising than other sectors might be forced to reduce its advertising expenditures if that sector experiences a downturn. If any such sector' s spending represents a significant portion of our advertising revenues, any reduction in its advertising expenditures may affect our revenue. ~~Any deterioration~~ **The risks associated with our business could be more acute** in ~~the~~ **periods of a slowing** economy **or recession, which may be accompanied by a decrease in advertising expenditures. A decrease in advertising expenditures** could ~~negatively~~ **adversely** impact our **business, financial condition, and results of operations. There can be no assurance that we will not experience an adverse impact on our** ability to ~~meet~~ **access capital, which could adversely impact** our **business,** ~~cash needs and our~~ ability to ~~maintain compliance with~~ **make future investments, our financial condition and results of operations. In addition, our ability to access the capital markets may be severely restricted at a time when we would like** ~~our~~ - **or** ~~debt covenants~~ **need to do so, which could have an adverse impact on our capacity to react to changing economic and business conditions** . ~~If~~ **We are exposed to credit risk on our accounts receivable. This risk is heightened during periods of uncertain** economic conditions ~~change,~~ **. Our outstanding accounts receivable are not covered by collateral or credit insurance. While we have procedures to monitor and limit exposure to credit risk on** ~~or~~ **our receivables, this risk is heightened during periods of uncertain economic conditions and** ~~other~~ - **there can be no assurance such procedures will effectively limit our credit risk. Such failures could have a material** adverse **effect on** ~~factors outside our control arise, including continued disruptions due to the pandemic or~~ **our financial condition** ~~other social factors~~ , ~~our~~ **results of** operations **and cash flow. Increases in interest rates and the reduced availability of financing for consumer products may impact the demand for advertising. In general, demand for certain consumer products may be adversely affected by increases in interest rates and the reduced availability of financing. Also, trends in the financial industry which influence the requirements used by lenders 24to evaluate potential consumers can result in reduced availability of financing. If interest rates or lending requirements increase and consequently, the ability of prospective consumers to finance purchases of products is adversely affected, the demand for advertising may also be adversely impacted and the impact may be material. In addition, our borrowing costs** could be ~~negatively~~ impacted, ~~which~~ **and such cost changes** could ~~prevent us from maintaining liquidity~~ **reduce the expected returns on certain of** ~~or~~ **our corporate development** ~~compliance with our debt covenants. If it appears that we could not meet our liquidity needs or that noncompliance with debt covenants is likely, we would implement remedial measures, which could include, but not be limited to, operating cost~~ and ~~capital expenditure reductions and deferrals. In addition, we could implement de- leveraging actions, which may include, but not be limited to,~~ other **investment opportunities** ~~debt repayments, subject to our available liquidity and contractual ability to make such repayments and / or debt refinancing and amendments~~ . The terms of our indebtedness and the indebtedness of our direct and indirect subsidiaries may restrict our current and future operations, particularly our ability to respond to changes in market conditions or to take some actions. Our debt instruments impose operating and financial restrictions on us. These restrictions limit or prohibit, among other things, our ability and the ability of our subsidiaries to incur additional indebtedness, issue preferred stock, incur liens, pay dividends, enter into asset purchase or sale transactions, merge or consolidate with another company, dispose of all or substantially all of our assets or make certain other payments or investments. These restrictions could limit our ability to grow our business through acquisitions and could limit our ability to respond to market conditions or meet extraordinary capital needs. We have historically incurred net losses which could ~~continue into~~ **resume in** the future. We have historically reported net losses in our consolidated statements of operations, due mostly in part to recording non- cash impairment charges for write-downs to radio broadcasting licenses and goodwill, interest expenses (both cash and non- cash), and revenue declines caused by weakened advertising demand resulting from the current economic environment. These results have had a negative impact on our financial condition and could be exacerbated in a poor economic climate. If ~~these trends continue~~ **such items recur** in the future, they could have a material adverse effect on our financial condition. ~~21Our~~ -- **Our** revenue is substantially dependent on spending and allocation decisions by advertisers, and seasonality and / or weakening economic conditions may have an impact upon our business. Substantially all of our revenue is derived from sales of advertisements and program sponsorships to local and national advertisers. Any reduction in advertising expenditures or changes in advertisers' spending priorities and / or allocations across different types of media / platforms or programming could have an adverse effect on the Company' s revenues and results of operations. We do not obtain long- term commitments from our advertisers and advertisers may cancel, reduce, or postpone advertisements without penalty, which could adversely affect our revenue. Seasonal net revenue fluctuations are common in the media industries and are due primarily to fluctuations in advertising expenditures by local and national advertisers. In addition, advertising revenues in even- numbered years tend to benefit from advertising placed by candidates for political offices. The effects of such seasonality (including the weather), combined with the severe structural changes that have occurred in the U. S. economy, make it difficult to estimate future operating results based on the previous results of any specific quarter and may adversely affect operating results. ~~Advertising expenditures also tend to be cyclical and reflect general economic conditions, both nationally and locally. Because we derive a substantial portion of our revenues from the sale of advertising, a decline or delay in advertising expenditures could reduce our revenues or hinder our ability to increase these revenues. Advertising expenditures by companies in certain sectors of the economy, including the automotive, financial, entertainment, and retail industries, represent a significant portion of our advertising revenues. Structural changes (such as reduced footprints in retail and the movement of retailers online) and business failures in these industries have affected our revenues and continued structural changes or business failures in any of these industries could have significant further impact on our revenues. Any political, economic, social, or technological change resulting in a significant reduction in the advertising spending of these sectors could adversely affect our advertising revenues or our ability to increase such revenues. In addition, because many of the products and services offered by our advertisers are largely discretionary items, weakening economic conditions or changes in consumer spending patterns could reduce the consumption of such products and services and, thus, reduce advertising for such products and services. Changes in advertisers' spending priorities during economic cycles may also affect our results. Pandemics, disasters (domestic or external to the United States), acts of terrorism, political uncertainty or hostilities could also lead to a reduction in advertising expenditures as a result of supply or demand issues, uninterrupted news coverage and economic uncertainty.~~ Our success is dependent upon audience acceptance of our content, particularly our television and radio programs, which is difficult to predict. Radio, video, and digital content production and distribution are inherently risky businesses because the revenues derived from the production and distribution of media content or a radio program, and the licensing of rights to the intellectual property associated with the content or program, depend primarily upon their acceptance and perceptions by the public, which can change quickly and are difficult to predict. The commercial success of content or a program also depends upon the quality and acceptance of other competing programs released into the marketplace at or near the same time, the availability of alternative forms of entertainment and leisure time activities, general economic conditions, and other tangible and intangible factors, all of which are difficult to predict. Our failure to obtain or retain rights to popular content on any part of our multi- media platform could adversely affect our revenues ~~. Further, social distancing measures and governmental restrictions on gatherings can make the production of new content difficult (if not impossible) and this difficulty can translate in to difficulty in making sales to advertiser who prefer to advertise against new content~~ . Ratings for broadcast stations and traffic on a particular website are also factors that are weighed when advertisers determine which outlets to use and in determining the advertising rates that the outlet receives. Poor ratings or traffic levels can lead to a reduction in pricing and advertising revenues. For example, if there is an event causing a change of programming at one of our stations, there could be no assurance that any replacement programming would generate the ~~same~~ **25same** level of ratings, revenues, or profitability as the previous programming. In addition, changes in ratings methodology, search engine algorithms and technology could adversely impact our businesses and negatively affect our advertising revenues. Television content production is inherently a risky business because the revenues derived from the production and distribution of a television program and the licensing of rights to the associated intellectual property depends primarily ~~22upon~~ -- **upon** the public' s level of acceptance, which is difficult to predict. The commercial success of a television program also depends upon the quality and acceptance of other competing programs in the marketplace at or near the same time, the availability of alternative forms of entertainment and leisure time activities, general economic conditions, and other tangible and intangible factors, all of which are difficult to predict. Rating points are also factors that are weighed when determining the advertising rates that TV One / CLEO TV receive. Poor ratings can lead to a reduction in pricing and advertising revenues. Consequently, low public acceptance of TV One / CLEO TV' s content may have an adverse effect on our cable television segment' s results of operations. Further, networks or programming launched by NetflixTM, Oprah Winfrey (OWNTM), Sean Combs (REVOLT TVTM), and Magic Johnson (ASPIRETM), could take away from our audience share and ratings and thus have an adverse effect on our cable television' s results of operations. Increases in or new royalties, including through legislation, could adversely impact our business, financial condition and results of operations. We currently pay royalties to song composers and publishers through BMI, ASCAP, SESAC and GMR but not to record labels or recording artists for exhibition or use of over the air broadcasts of music. We must also pay royalties to the copyright owners of sound recordings for the digital audio transmission of such sound recordings on the Internet. We pay such royalties under federal statutory licenses and pay applicable license fees to **Sound** ~~SoundExchange~~ ----- **Exchange** , the non- profit organization designated by the United States Copyright Royalty Board to collect such license fees. The royalty rates applicable to sound recordings under federal statutory licenses are subject to adjustment. The royalty rates we pay to copyright owners for the public performance of musical compositions on our radio stations and internet streams could increase as a result of private negotiations and the emergence of new performing rights organizations, which could adversely impact our businesses, financial condition, results of operations and cash flows. Further, from time to time, Congress considers legislation which could change the copyright fees and the procedures by which the fees are determined. The legislation historically has been the subject of considerable debate and activity by the broadcast industry and other parties affected by the proposed legislation. It cannot be predicted whether any proposed future legislation will become law or what impact it would have on our results from operations, cash flows or financial position. A disproportionate share of our radio segment revenue comes from a small number of geographic markets and our syndicated radio business, Reach Media. For the year ended December 31, ~~2021~~ **2022** , approximately ~~31~~ **32** . ~~8~~ **3** % of our net revenue was generated from the sale of advertising in our core radio business, excluding Reach Media. Within our core radio business, ~~four~~ **seven** (**Atlanta, Baltimore, Charlotte, Dallas,** Houston, **Indianapolis, and** Washington, DC ~~, Atlanta and Baltimore~~) of the 13 markets in which we operated radio stations throughout

~~2021~~ **2022** or a portion thereof accounted for approximately ~~53~~ **73** . 8 % of our radio station net revenue for the year ended December 31, ~~2021~~ **2022** . Revenue from the operations of Reach Media, along with revenue from ~~both~~ the **seven significant contributing radio** ~~Houston and Washington, DC~~ markets **,** accounted for approximately ~~19~~ **32** . ~~3~~ **5** % of our total consolidated net revenue for the year ended December 31, ~~2021~~ **2022** ~~. Revenue from the operations of Reach Media, along with revenue from the four significant contributing radio markets, accounted for approximately 27. 5 % of our total consolidated net revenue for the year ended December 31, 2021~~ . Adverse events or conditions (economic, including government cutbacks or otherwise) could lead to declines in the contribution of Reach Media or declines in one or more of the ~~four~~ **seven** significant contributing radio markets, which could have a material adverse effect on our overall financial performance and results of operations. We may lose audience share and advertising revenue to our competitors. Our media properties compete for audiences and advertising revenue with other radio stations and station groups and other media such as broadcast television, newspapers, magazines, cable television, satellite television, satellite radio, outdoor advertising, " over the top providers " on the internet and direct mail. Adverse changes in audience ratings, internet traffic, and market shares could have a material adverse effect on our revenue. Larger media companies, with more financial resources than we have may target our core audiences or enter the segments or markets in which we operate, causing competitive pressure. Further, other media and broadcast companies may change their programming format or ~~engage~~ **26engage** in aggressive promotional campaigns to compete directly with our media properties for our core audiences and advertisers. Competition for our core audiences in any of our segments or markets could result in lower ratings or traffic and, hence, lower advertising revenue for us, or cause us to increase promotion and other expenses and, consequently, lower our earnings and cash flow. Changes in population, demographics, audience tastes and other factors beyond our ~~23control~~ -- **control** , could also cause changes in audience ratings or market share. Failure by us to respond successfully to these changes could have an adverse effect on our business and financial performance. We cannot assure that we will be able to maintain or increase our current audience ratings and advertising revenue. We must respond to the rapid changes in technology, content offerings, services, and standards across our entire platform in order to remain competitive. Technological standards across our media properties are evolving and new distribution technologies / platforms are emerging at a rapid pace. We cannot assure that we will have the resources to acquire new technologies or to introduce new features, content or services to compete with these new technologies. New media has resulted in fragmentation in the advertising market, and we cannot predict the effect, if any, that additional competition arising from new technologies or content offerings may have across any of our business segments or our financial condition and results of operations, which may be adversely affected if we are not able to adapt successfully to these new media technologies or distribution platforms. The continuing growth and evolution of channels and platforms has increased our challenges in differentiating ourselves from other media platforms. We continually seek to develop and enhance our content offerings and distribution platforms / methodologies. Failure to effectively execute in these efforts, actions by our competitors, or other failures to deliver content effectively could hurt our ability to differentiate ourselves from our competitors and, as a result, have adverse effects across our business. The loss of key personnel, including certain on-air talent, could disrupt the management and operations of our business. Our business depends upon the continued efforts, abilities and expertise of our executive officers and other key employees, including certain on- air personalities. We believe that the combination of skills and experience possessed by our executive officers and other key employees could be difficult to replace, and that the loss of one or more of them could have a material adverse effect on us, including the impairment of our ability to execute our business strategy. In addition, several of our on- air personalities and syndicated radio programs hosts have large loyal audiences in their respective broadcast areas and may be significantly responsible for the ratings of a station. The loss of such on- air personalities or any change in their popularity could impact the ability of the station to sell advertising and our ability to derive revenue from syndicating programs hosted by them. We cannot be assured that these individuals will remain with us or will retain their current audiences or ratings. If our digital segment does not continue to develop and offer compelling and differentiated content, products and services, our advertising revenues could be adversely affected. In order to attract consumers and generate increased activity on our digital properties, we believe that we must offer compelling and differentiated content, products and services. However, acquiring, developing, and offering such content, products and services may require significant costs and time to develop, while consumer tastes may be difficult to predict and are subject to rapid change. ~~Further, social distancing and governmental restrictions on gatherings may inhibit our ability to produce content.~~ If we are unable to provide content, products and services that are sufficiently attractive to our digital users, we may not be able to generate the increases in activity necessary to generate increased advertising revenues. In addition, although we have access to certain content provided by our other businesses, we may be required to make substantial payments to license such content. Many of our content arrangements with third parties are non- exclusive, so competitors may be able to offer similar or identical content. If we are not able to acquire or develop compelling content and do so at reasonable prices, or if other companies offer content that is similar to that provided by our digital segment, we may not be able to attract and increase the engagement of digital consumers on our digital properties. Continued growth in our digital business also depends on our ability to continue offering a competitive and distinctive range of advertising products and services for advertisers and publishers and our ability to maintain or increase prices for our advertising products and services. Continuing to develop and improve these products and services may require significant time and costs. If we cannot continue to develop and improve our advertising products and services or if prices ~~for~~ **27for** our advertising products and services decrease, our digital advertising revenues could be adversely affected. Finally, recently, our digital business has seen significant growth in its business due to advertisers increased interest in minority ~~24controlled~~ -- **controlled** media given recent social justice / equality trends. Should these trends reverse or decline, revenues within our digital and other segments could be adversely impacted. More individuals are using devices other than personal and laptop computers to access and use the internet, and, if we cannot make our products and services available and attractive to consumers via these alternative devices, our internet advertising revenues could be adversely affected. Digital users are increasingly accessing and using the internet through mobile tablets, smartphones and wearable devices. In order for consumers to access and use our products and services via these devices, we must ensure that our products and services are technologically compatible with such devices. If we cannot effectively make our products and services available on these devices, fewer internet consumers may access and use our products and services and our advertising revenue may be negatively affected. Unrelated third parties may claim that we infringe on their rights based on the nature and content of information posted on websites we maintain. We host internet services that enable individuals to exchange information, generate content, comment on our content, and engage in various online activities. The law relating to the liability of providers of these online services for activities of their users is currently unsettled both within the United States and internationally. While we monitor postings to such websites, claims may be brought against us for defamation, negligence, copyright or trademark infringement, unlawful activity, tort, including personal injury, fraud, or other theories based on the nature and content of information that may be posted online or generated by our users. Our defense of such actions could be costly and involve significant time and attention of our management and other resources. If we are unable to protect our domain names and / or content, our reputation and brands could be adversely affected. We currently hold various domain name registrations relating to our brands, including urban1. com, radio- one. com and interactiveone. com. The registration and maintenance of domain names are generally regulated by governmental agencies and their designees. Governing bodies may establish additional top- level domains, appoint additional domain name registrars, or modify the requirements for holding domain names. As a result, we may be unable to register or maintain relevant domain names. We may be unable, without significant cost or at all, to prevent third parties from registering domain names that are similar to, infringe upon, or otherwise decrease the value of our trademarks and other proprietary rights. Failure to protect our domain names could adversely affect our reputation and brands, and make it more difficult for users to find our websites and our services. In addition, piracy of the Company' s content, including digital piracy, may decrease revenue received from the exploitation of the Company' s programming and other content and adversely affect its businesses and profitability. Future asset impairment to the carrying values of our FCC licenses and goodwill could adversely impact our results of operations and net worth. As of December 31, ~~2021~~ **2022** , we had approximately $ ~~505~~ **488** . ~~2~~ **4** million in broadcast licenses and $ ~~223~~ **216** . ~~4~~ **6** million in goodwill, which totaled $ ~~728~~ **705** . ~~6~~ **0** million, and represented approximately ~~57~~ **52** . ~~8~~ **7** % of our total assets. Therefore, we believe estimating the fair value of goodwill and radio broadcasting licenses is a critical accounting estimate because of the significance of their carrying values in relation to our total assets. We are required to test our goodwill and indefinite- lived intangible assets for impairment at least annually, which we have traditionally done ~~in the fourth quarter~~ **as of October 1 each year** , or on an interim basis when events or changes in circumstances suggest impairment may have occurred. Impairment is measured as the excess of the carrying value of the goodwill or indefinite- lived intangible asset over its fair value. Impairment may result from deterioration in our performance, changes in anticipated future cash flows, changes in business plans, adverse economic or market conditions, adverse changes in applicable laws and regulations, or other factors beyond our control. The amount of any impairment must be expensed as a charge to operations. Fair values of FCC licenses **have been estimated using the income approach, which incorporates 28several judgmental assumptions over a 10- year model including, but not limited to, market revenue** and **projected revenue growth by market, mature market share, mature operating profit margin, discount rate and terminal growth rate. Fair values of** goodwill have been estimated using the income approach, which ~~involves~~ **incorporates several judgmental assumptions over** a 10- year model **including,** ~~that incorporates several judgmental assumptions about~~ -- **but** ~~projected~~ **not limited to,** revenue growth **rates** , future operating **profit** margins, discount ~~rates~~ - **rate** and terminal ~~values~~ **growth rate** . We also utilize a market- based approach to evaluate our fair value ~~25estimates~~ -- **estimates** . There are inherent uncertainties related to these assumptions and our judgment in applying them to the impairment analysis. Changes in certain events or circumstances could result in changes to our estimated fair values ~~,~~ and may result in further write- downs to the carrying values of these assets. Additional impairment charges could adversely affect our financial results, financial ratios and could limit our ability to obtain financing in the future. Our business depends on maintaining our licenses with the FCC. We could be prevented from operating a radio station if we fail to maintain its license. Within our core radio business, we are required to maintain radio broadcasting licenses issued by the FCC. These licenses are ordinarily issued for a maximum term of eight years and are renewable. Currently, subject to renewal, our radio broadcasting licenses expire at various times beginning ~~August~~ **October** ~~2021~~ **2027** through August 1, ~~2029~~ **2030** . While we anticipate receiving renewals of all of our broadcasting licenses, interested third parties may challenge our renewal applications. A station may continue to operate beyond the expiration date of its license if a timely filed license renewal application was filed and is pending, as is the case with respect to each of our stations with licenses that have expired. During the periods when a renewal application is pending, informal objections and petitions to deny the renewal application can be filed by interested parties, including members of the public, on a variety of grounds. In addition, we are subject to extensive and changing regulation by the FCC with respect to such matters as programming, indecency standards, technical operations, employment and business practices. If we or any of our significant stockholders, officers, or directors violate the FCC' s rules and regulations or the Communications Act of 1934, as amended (the " Communications Act "), or is convicted of a felony or found to have engaged in certain other types of non- FCC related misconduct, the FCC may commence a proceeding to impose fines or other sanctions upon us. Examples of possible sanctions include the imposition of fines, the renewal of one or more of our broadcasting licenses for a term of fewer than eight years or the revocation of our broadcast licenses. If the FCC were to issue an order denying a license renewal application or revoking a license, we would be required to cease operating the radio station covered by the license only after we had exhausted administrative and judicial review without success. Disruptions or security breaches of our information technology infrastructure could interfere with our operations, compromise client information and expose us to liability, possibly causing our business and reputation to suffer. Our industry is prone to cyber- attacks by third parties seeking unauthorized access to our data or users' data. Any failure to prevent or mitigate security breaches and improper access to or disclosure of our data or user data could result in the loss or misuse of such data, which could harm our business and reputation and diminish our competitive position. In addition, computer malware, viruses, social engineering (predominantly spear phishing attacks), and general hacking have become more prevalent in general. Our efforts to protect our company' s data or the information we receive may be unsuccessful due to software bugs or other technical malfunctions; employee, contractor, or vendor error or malfeasance; government surveillance; or other threats that evolve. In addition, third parties may attempt to fraudulently induce employees or users to disclose information in order to gain access to our data or our users' data on a continual basis. Any internal technology breach, error or failure impacting systems hosted internally or externally, or any large scale external interruption in technology infrastructure we depend on, such as power, telecommunications or the Internet, may disrupt our technology network. Any individual, sustained or repeated failure of technology could impact our customer service and result in increased costs or reduced revenues. Our technology systems and related data also may be vulnerable to a variety of sources of interruption due to events beyond our control, including natural disasters, terrorist attacks, telecommunications failures, computer viruses, hackers and other security issues. Our technology security initiatives, disaster recovery plans and other measures may not be adequate or implemented properly to prevent a business disruption and its adverse financial consequences to our reputation. ~~In~~ **29In** addition, as a part of our ordinary business operations, we may collect and store sensitive data, including personal information of our clients, listeners and employees. The secure operation of the networks and systems on which this type of information is stored, processed and maintained is critical to our business operations and strategy. Any compromise of our technology systems resulting from attacks by hackers or breaches due to employee error or malfeasance could result in the loss, disclosure, misappropriation of or access to clients', listeners', employees' or business partners' information. ~~26Any~~ -- **Any** such loss, disclosure, misappropriation or access could result in legal claims or proceedings, liability or regulatory penalties under laws protecting the privacy of personal information, disruption of our operations and damage to our reputation, any or all of which could adversely affect our business. Although we have developed systems and processes that are designed to protect our data and user data, to prevent data loss, and to prevent or detect security breaches, we cannot assure you that such measures will provide absolute security. In the event of a technical or cyber event, we could experience a significant, unplanned disruption, or substantial and extensive degradation of our services, or our network may fail in the future. Despite our significant infrastructure investments, we may have insufficient communications and server capacity to address these or other disruptions, which could result in interruptions in our services. Any widespread interruption or substantial and extensive degradation in the functioning of our IT or technical platform for any reason could negatively impact our revenue and could harm our business and results of operations. If such a widespread interruption occurred, or if we failed to deliver content to users as expected, our reputation could be damaged severely. Moreover, any disruptions, significant degradation, cybersecurity threats, security breaches, or attacks on our internal information technology systems could impact our ratings and cause us to lose listeners, users or viewers or make it more difficult to attract new ones, either of which could harm our business and results of operations. ~~On December 13~~ **Our business could be materially and adversely affected as a result of natural disasters** , ~~2020~~ **terrorism or other catastrophic events. Any economic failure or other material disruption caused by war** , ~~SolarWinds Corporation (" SolarWinds ") made~~ **climate change or natural disasters, including fires, floods, hurricanes, earthquakes, and tornadoes; power loss or shortages; environmental disasters; telecommunications or business information systems failures or similar events could also adversely affect our ability to conduct business. If such disruptions contribute to a general decrease in economic activity or corporate spending on IT, or impair our ability to meet our customer demands, our operating results and financial condition could be materially adversely affected. There** ~~its~~ **is also an increasing concern over the risks of climate change and related environmental sustainability matters. In addition to physical risks, climate change risk includes longer- term shifts in climate patterns, such as extreme heat, sea level rise, and more frequent and prolonged drought. Such events could disrupt our operations or those of our** customers **or third parties on which we rely** , including **through direct damage to assets** ~~the Company, aware of a cyberattack against SolarWinds that inserted a vulnerability within its Orion monitoring products, products which the Company uses as a part of its IT infrastructure. SolarWinds advised its customers that this incident was likely the result of a highly sophisticated, targeted~~ and ~~manual~~ **indirect impacts from** supply chain **disruption** ~~attack by an~~ **and market volatility** ~~outside nation state. SolarWinds delivered a communication to its customers, including the Company, that contained risk mitigation steps, including making available a hotfix update to address this vulnerability in part and additional measures that customers could take to help secure their environments. As of the date of this report, while we believe this attack against SolarWinds did not have an impact on the Company, this may not continue to be the case going forward. Following the disclosure from SolarWinds, we have taken steps designed to improve the security of our networks and computer systems. Despite these defensive measures, there can be no assurance that we are adequately protecting our information or that we will not experience future incidents~~ . The Company' s business diversification efforts, including its efforts to expand its gaming investments, are subject to risks and uncertainties. On May 20, 2021, the City of Richmond, Virginia (the " City ") announced that it had selected the Company' s wholly- owned unrestricted subsidiary RVA Entertainment Holdings, LLC (" RVAEH "), as the City' s preferred casino gaming operator to develop and operate a casino resort in Richmond (" Casino Resort "). Pursuant to the Virginia Casino Act, the City is one of five cities in the Commonwealth of Virginia eligible to host a casino gaming establishment, subject to the citizens of the City approving a referendum (the " Referendum "). In November 2021, the required Referendum was conducted and failed to pass. On January 24, 2022, the Richmond City Council adopted a new resolution in efforts to bring the ONE Casino Resort to the City. The new resolution was the first of several steps in pursuit of a second referendum. **After the resolution was passed** ~~Upon obtaining precertification for RVA Entertainment Holdings~~ , ~~LLC, Urban One' s wholly owned subsidiary, by~~ the Virginia ~~Lottery Board, the City will~~ **General Assembly passed legislation that sought to delay** ~~then~~ **the** ~~pursue an order from the Circuit Court for the City of Richmond ordering a~~ second referendum **that was anticipated to occur in November 2022** . ~~If~~ **While there was some question as to the applicability of the legislation, RVAEH and** the City ~~is successful in obtaining~~ **determined to adhere to** the ~~precertification~~ **legislation** and **to seek** ~~the court orders~~ a second referendum ~~, it is currently anticipated the second referendum would occur~~ in November ~~2022~~ **2023** . If the voters approve the **second** referendum then the

Commonwealth may issue one license permitting operation of a casino in Richmond. While **the path** ~~a new process has been initiated with respect~~ to a second referendum **remains** , **efforts have been made by third parties to move potential grant of the final casino license out of the City and** there can be no assurance that a second ~~referendum~~ **30referendum** will be ordered, pass with the required voter approval or that we will otherwise be able to move forward with the Casino Resort or any similar initiative. As with all corporate development activities the Company may engage in, any of our current and future business diversification efforts, including pursuit of the Casino Resort, are subject to a number of risks, including but not limited to: ● delays in obtaining or inability to obtain necessary permits, licenses and approvals; ● changes to plans and / or specifications; ● lack of sufficient, or delays in the availability of, financing; ~~27~~ ● changes in laws and regulations, or in the interpretation and enforcement of laws and regulations, applicable to gaming, leisure, real estate development or construction projects; ● availability of qualified contractors and subcontractors; ● environmental, health and safety issues, including site accidents and the spread of viruses; ● weather interferences or delays; and ● other unanticipated circumstances or cost increases. In addition, in engaging ~~of~~ **in** certain of these corporate development activities, we may rely on key contracts and business relationships, and if any of our business partners or contracting counterparties fail to perform, or terminate, any of their contractual arrangements with us for any reason or cease operations, our business could be disrupted and our revenues could be adversely affected. The failure to perform or termination of any of the agreements by a partner or a counterparty, the discontinuation of operations of a partner or counterparty, the loss of good relations with a partner or counterparty or our inability to obtain similar relationships or agreements, may have an adverse effect on our financial condition, results of operations and cash flow. Our **former** operating partner, Pacific Peninsula Entertainment, **sold** ~~recently entered into an agreement to sell~~ substantially all of its assets, including its interest in the ONE Casino Resort project to Churchill Downs, Incorporated, the owner of the Kentucky Derby. While the Company views this as a positive development for the project, there can be no assurance that this development will not have any negative impact on the development of the project. Certain Regulatory RisksThe FCC' s media ownership rules could restrict our ability to acquire radio stations. The Communications Act and FCC rules and policies limit the number of broadcasting properties that any person or entity may own (directly or by attribution) in any market and require FCC approval for transfers of control and assignments of licenses. The FCC' s media ownership rules remain subject to further agency and court proceedings. As a result of the FCC media ownership rules, the outside media interests of our officers and directors could limit our ability to acquire stations. The filing of petitions or complaints against Urban One or any FCC licensee from which we are acquiring a station could result in the FCC delaying the grant of, refusing to grant or imposing conditions on its consent to the assignment or transfer of control of licenses. The Communications Act and FCC rules and policies also impose limitations on non- U. S. ownership and voting of our capital stock. Enforcement by the FCC of its indecency rules against the broadcast industry could adversely affect our business operations. The FCC' s rules prohibit the broadcast of obscene material at any time and indecent or profane material on broadcast stations between the hours of 6 a. m. and 10 p. m. Broadcasters risk violating the prohibition against broadcasting indecent material because of the vagueness of the FCC' s indecency and profanity definitions, coupled with the spontaneity of live programming. The FCC has in the past vigorously enforced its indecency rules against the broadcasting industry and has threatened to initiate license revocation proceedings against broadcast licensees for " serious " indecency violations. In June 2012, the Supreme Court issued a decision which, while setting aside certain FCC indecency enforcement actions on narrow due process grounds, declined to rule on the constitutionality of the FCC' s indecency policies. Following the ~~Supreme~~ **31Supreme** Court' s decision, the FCC requested public comment on the appropriate substance and scope of its indecency enforcement policy. It is not possible to predict whether and, if so, how the FCC will revise its indecency enforcement policies or the effect of any such changes on us. The fines for broadcasting indecent material are a maximum of $ 325, 000 per utterance. The determination of whether content is indecent is inherently subjective and, as such, it can be difficult to predict whether particular content could violate indecency standards. The difficulty in predicting whether individual programs, words or phrases may violate the FCC' s indecency rules adds significant uncertainty to our ability to comply with the rules. Violation of the indecency rules could lead to sanctions which may adversely affect our business and results of operations. In addition, third parties could oppose our license renewal applications or applications for consent to acquire broadcast stations on the grounds that we broadcast allegedly indecent programming on our stations. Some policymakers ~~28support~~ -- **support** the extension of the indecency rules that are applicable to over- the- air broadcasters to cover cable programming and / or attempts to increase enforcement of or otherwise expand existing laws and rules. If such an extension, attempt to increase enforcement, or other expansion took place and was found to be constitutional, some of TV One' s content could be subject to additional regulation and might not be able to attract the same subscription and viewership levels. Changes in current federal regulations could adversely affect our business operations. Congress and the FCC have considered, and may in the future consider and adopt, new laws, regulations and policies that could, directly or indirectly, affect the profitability of our broadcast stations. In particular, Congress may consider and adopt a revocation of terrestrial radio' s exemption from paying royalties to performing artists and record companies for use of their recordings (radio already pays a royalty to songwriters, composers and publishers). In addition, commercial radio broadcasters and entities representing artists are negotiating agreements that could result in broadcast stations paying royalties to artists. A requirement to pay additional royalties could have an adverse effect on our business operations and financial performance. Moreover, it is possible that our license fees and negotiating costs associated with obtaining rights to use musical compositions and sound recordings in our programming could sharply increase as a result of private negotiations, one or more regulatory rate- setting processes, or administrative and court decisions. Finally, there has been in the past and there could be again in the future proposed legislation that requires radio broadcasters to pay additional fees such as a spectrum fee for the use of the spectrum. We cannot predict whether such actions will occur. The television and distribution industries in the United States are highly regulated by U. S. federal laws and regulations issued and administered by various federal agencies, including the FCC. The television broadcasting industry is subject to extensive regulation by the FCC under the Communications Act. The U. S. Congress and the FCC currently have under consideration, and may in the future adopt, new laws, regulations, and policies regarding a wide variety of matters that could, directly or indirectly, affect the operations of our cable television segment. For example, the FCC has initiated a proceeding to examine and potentially regulate more closely embedded advertising such as product placement and product integration. Enhanced restrictions affecting these means of delivering advertising messages may adversely affect our cable television segment' s advertising revenues. Changes to the media ownership and other FCC rules may affect the competitive landscape in ways that could increase the competition faced by TV One / CLEO TV. Proposals have also been advanced from time to time before the U. S. Congress and the FCC to extend the program access rules (currently applicable only to those cable program services which also own or are owned by cable distribution systems) to all cable program services. TV One / CLEO TV' s ability to obtain the most favorable terms available for its content could be adversely affected should such an extension be enacted into law. We are unable to predict the effect that any such laws, regulations or policies may have on our cable television segment' s operations. New or changing federal, state or international privacy regulation or requirements could hinder the growth of our internet business. A variety of federal and state laws govern the collection, use, retention, sharing and security of consumer data that our business uses to operate its services and to deliver certain advertisements to its customers, as well as the technologies used to collect such data. Not only are existing privacy- related laws in these jurisdictions evolving and subject to potentially disparate interpretation by governmental entities, new legislative proposals affecting privacy are now pending at both the federal and state level in the U. S. Further, third- party service providers may from time to time change their privacy requirements. Changes to the interpretation of existing law or the adoption of new privacy- related requirements by governments or other businesses could hinder the growth of our business and cause us to incur new and additional costs and expenses. Also, a failure or perceived failure to comply with such laws or requirements or with our own policies and ~~procedures~~ **32procedures** could result in significant liabilities, including a possible loss of consumer or investor confidence or a loss of customers or advertisers ~~. Our controls and procedures may fail or be circumvented, which may result in a material adverse effect on our business, financial condition and results of operations. Management regularly reviews and updates our internal controls, disclosure controls and procedures, and corporate governance policies and procedures. Any system of controls, however well designed and operated, is based in part on certain assumptions and can provide only reasonable, not absolute, assurances that the objectives of the system are met. 29Any failure or circumvention of the controls and procedures or failure to comply with regulations related to controls and procedures could have a material adverse effect on our business, results of operations and financial condition. In the past, we have identified material weaknesses in our internal controls over financial reporting. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis. We have remediated our past the material weaknesses, however, our remedial measures to address the material weakness may be insufficient and we may in the future discover areas of our internal controls that need improvement. Failure to maintain effective controls or to timely implement any necessary improvement of our internal and disclosure controls could, among other things, result in losses from errors, harm our reputation, or cause investors to lose confidence in the reported financial information, all of which could have a material adverse effect on our results of operations and financial condition~~ . Unique Risks Related to Our Cable Television SegmentThe loss of affiliation agreements could materially adversely affect our cable television segment' s results of operations. Our cable television segment is dependent upon the maintenance of affiliation agreements with cable and direct broadcast distributors for its revenues, and there can be no assurance that these agreements will be renewed in the future on terms acceptable to such distributors. The loss of one or more of these arrangements could reduce the distribution of TV One' s and / or CLEO TV' s programming services and reduce revenues from subscriber fees and advertising, as applicable. Further, the loss of favorable packaging, positioning, pricing or other marketing opportunities with any distributor could reduce revenues from subscribers and associated subscriber fees. In addition, consolidation among cable distributors and increased vertical integration of such distributors into the cable or broadcast network business have provided more leverage to these distributors and could adversely affect our cable television segment' s ability to maintain or obtain distribution for its network programming on favorable or commercially reasonable terms, or at all. The results of renewals could have a material adverse effect on our cable television segment' s revenues and results and operations. We cannot assure you that TV One and / or CLEO TV will be able to renew their affiliation agreements on commercially reasonable terms, or at all. The loss of a significant number of these arrangements or the loss of carriage on basic programming tiers could reduce the distribution of our content, which may adversely affect our revenues from subscriber fees and our ability to sell national and local advertising time. Changes in consumer behavior resulting from new technologies and distribution platforms may impact the performance of our businesses. Our cable television segment faces emerging competition from other providers of digital media, some of which have greater financial, marketing and other resources than we do. In particular, content offered over the internet has become more prevalent as the speed and quality of broadband networks have improved. Providers such as NetflixTM, HuluTM, AppleTM, AmazonTM and GoogleTM, as well as gaming and other consoles such as Microsoft' s XboxTM, Sony' s PS5TM, Nintendo' s WiiTM, and RokuTM, are aggressively establishing themselves as alternative providers of video content and services, including new and independently developed long form video content. Most recently, new online distribution services have emerged offering live sports and other content without paying for a traditional cable bundle of channels. These services and the growing availability of online content, coupled with an expanding market for mobile devices and tablets that allow users to view content on an on-demand basis and internet- connected televisions, may impact our cable television segment' s distribution for its services and content. Additionally, devices or services that allow users to view television programs away from traditional cable providers or on a time- shifted basis and technologies that enable users to fast- forward or skip programming, including commercials, such as DVRs and portable digital devices and systems that enable users to store or make portable copies of content, have caused changes in consumer behavior that may affect the attractiveness of our offerings to advertisers and could therefore adversely affect our revenues. If we cannot ensure that our distribution methods and content are responsive to our cable television segment' s target audiences, our business could be adversely affected. ~~30~~ **Unique Risks Related to Our Capital StructureOur President and Chief Executive Officer has an interest in TV One that may conflict with your interests. Pursuant to the terms of employment with our President and Chief Executive Officer, Mr. Alfred C. Liggins, III, in recognition of Mr. Liggins' contributions in founding TV One on our behalf, he is eligible to receive an award amount equal to approximately 4 % of any proceeds from distributions or other liquidity events in excess of the return of our aggregate investment in TV One (the " Employment Agreement Award "). Our obligation to pay the award was triggered after our recovery of the aggregate amount of capital contribution in TV One, and payment is required only upon actual receipt of distributions of cash or marketable securities or proceeds from a liquidity event in excess of such invested amount. Mr. Liggins' rights to the Employment Agreement Award (i) cease if he is terminated for cause or he resigns without good reason and (ii) expire at the termination of his employment (but similar rights could be included in the terms 33of a new employment agreement or arrangement). As a result of this arrangement, the interest of Mr. Liggins' with respect to TV One may conflict with your interests as holders of our debt or equity securities. Two common stockholders have a majority voting interest in Urban One and have the power to control matters on which our common stockholders may vote, and their interests may conflict with yours. As of December 31, 2022, our Chairperson and her son, our President and CEO, together held in excess of 75 % of the outstanding voting power of our common stock. As a result, our Chairperson and our CEO control our management and policies and decisions involving or impacting Urban One, including transactions involving a change of control, such as a sale or merger. The interests of these stockholders may differ from the interests of our other stockholders and our debt holders. In addition, certain covenants in our debt instruments require that our Chairperson and the CEO maintain a specified ownership and voting interest in Urban One, and prohibit other parties' voting interests from exceeding specified amounts. Our Chairperson and the CEO have agreed to vote their shares together in elections of members to the Board of Directors of Urban One. Further, we are a " controlled company " under rules governing the listing of our securities on the NASDAQ Stock Market because more than 50 % of our voting power is held by our Chairperson and the CEO. Therefore, we are not subject to NASDAQ Stock Market listing rules that would otherwise require us to have: (i) a majority of independent directors on the board; (ii) a compensation committee composed solely of independent directors; (iii) a nominating committee composed solely of independent directors; (iv) compensation of our executive officers determined by a majority of the independent directors or a compensation committee composed solely of independent directors; and (v) director nominees selected, or recommended for the board' s selection, either by a majority of the independent directors or a nominating committee composed solely of independent directors. While a majority of our board members are currently independent directors, we do not make any assurances that a majority of our board members will be independent directors at any given time. We are a smaller reporting company as defined by Item 10 of Regulation S- K and we cannot be certain if the reduced disclosure requirements applicable to our filing status will make our common stock less attractive to investors. We are a " smaller reporting company " and, thus, have certain decreased disclosure obligations in our SEC filings, including, among other things, simplified executive compensation disclosures and only being required to provide two years of audited financial statements in annual reports. Decreased disclosures in our SEC filings due to our status as a " smaller reporting company " may make it harder for investors to analyze our results of operations and financial prospects and may make our common stock a less attractive investment. If we fail to meet the continued listing standards of Nasdaq, our common stock may be delisted, which could have a material adverse effect on the liquidity and market price of our common stock and expose the Company to litigation. Our common stock is currently traded on the Nasdaq Stock Exchange. The Nasdaq Stock Market LLC (" NASDAQ ") has requirements that a company must meet in order to remain listed. On April 3, 2023, we were notified that we were not in compliance with requirements of NASDAQ Listing Rule 5250 (c) (1) (the " Rule ") as a result of not having timely filed the Company' s Annual Report on Form 10- K for the fiscal year ended December 31, 2022 (the " 2022 Form 10- K "), with the Securities and Exchange Commission (" SEC "). On May 19, 2023, the Company received a second letter (the " Second Nasdaq Letter ") notifying the Company that it was not in compliance with requirements of the Rule as a result of not having timely filed its 2022 Form 10- K and its Quarterly Report on Form 10- Q for the period ended March 31, 2023 (the " Q1 2023 Form 10- Q " and, together with the 2022 Form 10- K, the " Delinquent Reports "), with the SEC. In accordance with the Second Nasdaq Letter, the Company had until June 2, 2023, to submit a plan to file both Delinquent Reports or to submit a plan to regain compliance with respect to these Delinquent Reports. The Company submitted its plan to regain compliance with respect to these Delinquent Reports on May 26, 2023, and on June 5, 2023, the Company received a letter from Nasdaq granting an exception to enable the Company to regain compliance with the Rule. Under the terms of the exception, on or before September 27, 2023, the Company must file its Form 10- K and Form 10- Q for the period ended December 31, 2022, and March 31, 2023, as required by the Rule. 34**