

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

FORM 10-Q

(MARK ONE)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended June 30, 2025

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from to

Commission file number 001-38113

BOSTON OMAHA CORPORATION
(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

27-0788438
(I.R.S. Employer Identification No.)

1601 Dodge Street, Suite 3300, Omaha, Nebraska 68102
(Address of principal executive offices, Zip Code)

(857) 256-0079
(Registrant’s telephone number, including area code)

Securities registered under Section 12(b) of the Exchange Act:

Title of Class	Trading Symbol	Name of Exchange on Which Registered
Class A common stock, \$0.001 par value per share	BOC	The New York Stock Exchange

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

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

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

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or

revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: 30,872,876 shares of Class A common stock and 580,558 shares of Class B common stock as of August 12, 2025.

BOSTON OMAHA CORPORATION
QUARTERLY REPORT ON FORM 10-Q
FOR THE PERIOD ENDED JUNE 30, 2025
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References in this Quarterly Report on Form 10-Q to “the Company,” “our Company,” “we,” “us,” “our” and “Boston Omaha” refer to Boston Omaha Corporation and its consolidated subsidiaries, unless otherwise noted.

**BOSTON OMAHA CORPORATION
and SUBSIDIARIES**

**Condensed Consolidated Financial Statements
Unaudited**

For the Six Months Ended June 30, 2025 and 2024

**BOSTON OMAHA CORPORATION
and SUBSIDIARIES**

**Condensed Consolidated Balance Sheets
Unaudited**

ASSETS

	June 30, 2025	December 31, 2024
Current Assets:		
Cash and cash equivalents	\$ 29,694,785	\$ 28,289,712
Cash held by BOAM funds and other	2,316,011	2,933,723
Accounts receivable, net	13,350,535	12,433,587
Interest receivable	55,021	83,613
Short-term investments	38,925,193	44,953,337
Marketable equity securities	886,831	2,393,260
U. S. Treasury securities	18,353,150	10,976,969
Funds held as collateral assets	14,829,340	9,973,991
Prepaid expenses	5,923,862	5,409,209
Total Current Assets	124,334,728	117,447,401
Property and Equipment, net	167,471,673	161,593,673
Other Assets:		
Goodwill	182,380,136	182,380,136
Intangible assets, net	54,782,151	58,332,625
Investments	66,592,522	74,080,331
Investments in unconsolidated affiliates	72,165,396	72,435,867
Deferred policy acquisition costs	2,545,510	2,161,721
Right of use assets	60,187,216	59,742,166
Other	170,015	171,809
Total Other Assets	438,822,946	449,304,655
Total Assets	\$ 730,629,347	\$ 728,345,729

See accompanying notes to the unaudited condensed consolidated financial statements.

**BOSTON OMAHA CORPORATION
and SUBSIDIARIES**

**Condensed Consolidated Balance Sheets (Continued)
Unaudited**

LIABILITIES, REDEEMABLE NONCONTROLLING INTEREST, AND STOCKHOLDERS' EQUITY

	<u>June 30,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>
Current Liabilities:		
Accounts payable and accrued expenses	\$ 20,609,094	\$ 22,251,493
Short-term payables for business acquisitions	1,360,693	121,104
Lease liabilities	5,320,032	5,333,611
Funds held as collateral	14,829,340	9,973,991
Unearned premiums	13,559,466	12,985,868
Current maturities of long-term debt	1,918,808	1,201,448
Deferred revenue	3,185,471	3,044,009
	<u>60,782,904</u>	<u>54,911,524</u>
Long-term Liabilities:		
Asset retirement obligations	4,121,669	4,013,457
Lease liabilities	55,480,552	54,994,879
Long-term debt, less current maturities	43,848,012	38,363,356
Other long-term liabilities	124,213	1,417,091
Deferred tax liability	10,995,328	11,925,969
	<u>175,352,678</u>	<u>165,626,276</u>
Stockholders' Equity:		
Preferred stock, \$.001 par value, 1,000,000 shares authorized, 0 shares issued and outstanding	-	-
Class A common stock, \$.001 par value, 38,838,884 shares authorized, 30,989,991 and 30,943,349 shares issued, respectively	30,990	30,943
Class B common stock, \$.001 par value, 1,161,116 shares authorized, 580,558 and 527,780 shares issued and outstanding, respectively	581	528
Additional paid-in capital	540,349,925	539,126,302
Treasury stock, at cost, 117,115 and 111,323 shares, respectively	(1,676,492)	(1,589,322)
Accumulated deficit	(7,738,310)	(4,748,942)
	<u>530,966,694</u>	<u>532,819,509</u>
Total Boston Omaha Stockholders' Equity	530,966,694	532,819,509
Noncontrolling interests	24,309,975	29,899,944
Total Equity	<u>555,276,669</u>	<u>562,719,453</u>
Total Liabilities, Redeemable Noncontrolling Interest, and Stockholders' Equity	<u>\$ 730,629,347</u>	<u>\$ 728,345,729</u>

See accompanying notes to the unaudited condensed consolidated financial statements.

**BOSTON OMAHA CORPORATION
and SUBSIDIARIES**

**Condensed Consolidated Statements of Operations
Unaudited**

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
Revenues:				
Billboard rentals, net	\$ 11,440,033	\$ 11,437,468	\$ 22,204,508	\$ 22,134,128
Broadband services	10,233,463	9,787,983	20,553,593	19,471,412
Premiums earned	5,565,360	4,737,056	11,129,133	8,740,115
Insurance commissions	448,192	527,055	1,027,485	1,029,743
Investment and other income	516,622	598,221	1,019,445	1,265,116
Total Revenues	28,203,670	27,087,783	55,934,164	52,640,514
Costs and Expenses:				
Cost of billboard revenues (exclusive of depreciation and amortization)	3,702,731	3,880,807	7,546,865	7,671,441
Cost of broadband revenues (exclusive of depreciation and amortization)	2,315,896	2,475,451	4,689,027	4,973,563
Cost of insurance revenues (exclusive of depreciation and amortization)	3,548,719	2,255,664	6,412,394	4,162,585
Employee costs	8,653,880	11,820,937	17,463,990	20,452,848
Professional fees	713,704	1,719,922	1,454,982	2,857,070
General and administrative	4,001,019	4,003,081	7,780,881	8,061,486
Amortization	1,954,877	1,884,074	3,866,007	3,770,828
Depreciation	4,155,199	3,572,066	8,182,076	7,023,439
(Gain) Loss on disposition of assets	(76,101)	(183,738)	47,623	13,345
Accretion	54,236	56,134	108,212	108,805
Total Costs and Expenses	29,024,160	31,484,398	57,552,057	59,095,410
Net Loss from Operations	(820,490)	(4,396,615)	(1,617,893)	(6,454,896)
Other Income (Expense):				
Interest and dividend income	242,089	313,775	545,007	853,015
Equity in income (loss) of unconsolidated affiliates	6,147,581	2,957,387	3,833,176	(7,214,228)
Other investment (loss) income	(10,309,112)	(545,385)	(9,573,102)	7,243,060
Interest expense	(573,078)	(368,370)	(1,114,798)	(650,403)
Net Loss Before Income Taxes	(5,313,010)	(2,039,208)	(7,927,610)	(6,223,452)
Income tax benefit	743,706	22,046	930,641	959,239
Net Loss	(4,569,304)	(2,017,162)	(6,996,969)	(5,264,213)
Noncontrolling interest in subsidiary loss (income)	2,249,221	(218,057)	4,007,601	220,913
Net Loss Attributable to Common Stockholders	<u>\$ (2,320,083)</u>	<u>\$ (2,235,219)</u>	<u>\$ (2,989,368)</u>	<u>\$ (5,043,300)</u>
Basic Net Loss per Share	\$ (0.07)	\$ (0.07)	\$ (0.10)	\$ (0.16)
Diluted Net Loss per Share	\$ (0.07)	\$ (0.07)	\$ (0.10)	\$ (0.16)
Basic Weighted Average Class A and Class B Common Shares Outstanding	<u>31,453,434</u>	<u>31,853,692</u>	<u>31,440,934</u>	<u>31,594,198</u>
Diluted Weighted Average Class A and Class B Common Shares Outstanding	<u>31,453,434</u>	<u>31,853,692</u>	<u>31,440,934</u>	<u>31,594,198</u>

See accompanying notes to the unaudited condensed consolidated financial statements.

**BOSTON OMAHA CORPORATION
and SUBSIDIARIES**

**Condensed Consolidated Statements of Changes in Stockholders' Equity
Unaudited**

	No. of shares									
	Class A Common Stock	Class B Common Stock	Class A Common Stock	Class B Common Stock	Additional Paid-in Capital	Treasury Stock	Non- controlling Interest	Retained Earnings	Total	
Beginning Balance, December 31, 2023	30,255,739	1,055,560	\$ 30,256	\$ 1,056	\$522,506,626	\$ -	\$ 62,606,822	\$ 15,669,488	\$600,814,248	
Stock issued as compensation	49,156	-	49	-	779,953	-	-	-	780,002	
Minority owner contribution, General Indemnity	-	-	-	-	-	-	37,166	-	37,166	
Contributions from noncontrolling interests, Build for Rent subsidiary	-	-	-	-	-	-	50,000	-	50,000	
Net loss attributable to noncontrolling interests	-	-	-	-	-	-	(484,775)	-	(484,775)	
Net loss attributable to common stockholders, March 31, 2024	-	-	-	-	-	-	-	(2,808,081)	(2,808,081)	
Ending Balance, March 31, 2024	<u>30,304,895</u>	<u>1,055,560</u>	<u>\$ 30,305</u>	<u>\$ 1,056</u>	<u>\$523,286,579</u>	<u>\$ -</u>	<u>\$ 62,209,213</u>	<u>\$ 12,861,407</u>	<u>\$598,388,560</u>	
Purchase of FIF Utah RNCI	275,611	-	276	-	5,653,524	-	-	-	\$ 5,653,800	
Purchase of FIF St. George RNCI	563,750	-	563	-	10,048,415	-	-	-	10,048,978	
Stock returned for payroll taxes	(5,487)	-	(5)	-	(81,257)	-	-	-	(81,262)	
Stock issued as compensation	2,580	-	2	-	40,014	-	-	-	40,016	
Cancellation of Class A and Class B treasury shares and Class B warrants repurchased	(210,000)	(527,780)	(210)	(528)	-	-	-	(19,125,980)	(19,126,718)	
Distributions to noncontrolling interests	-	-	-	-	-	-	(27,504,485)	-	(27,504,485)	
Net income attributable to noncontrolling interests	-	-	-	-	-	-	217,056	-	217,056	
Net loss attributable to common stockholders, June 30, 2024	-	-	-	-	-	-	-	(2,235,219)	(2,235,219)	
Ending Balance, June 30, 2024	<u>30,931,349</u>	<u>527,780</u>	<u>\$ 30,931</u>	<u>\$ 528</u>	<u>\$538,947,275</u>	<u>\$ -</u>	<u>\$ 34,921,784</u>	<u>\$ (8,499,792)</u>	<u>\$565,400,726</u>	

See accompanying notes to the unaudited condensed consolidated financial statements.

**BOSTON OMAHA CORPORATION
and SUBSIDIARIES**

Condensed Consolidated Statements of Changes in Stockholders' Equity (Continued)
Unaudited

	No. of shares								
	Class A Common Stock	Class B Common Stock	Class A Common Stock	Class B Common Stock	Additional Paid-in Capital	Treasury Stock	Non- controlling Interest	Retained Earnings (Accumulated Deficit)	Total
Beginning Balance, December 31, 2024	30,943,349	527,780	\$ 30,943	\$ 528	\$539,126,302	\$(1,589,322)	\$29,899,944	\$ (4,748,942)	\$562,719,453
Stock issued for cash	-	52,778	-	53	525,203	-	-	-	525,256
Stock issued as compensation	46,642	-	47	-	701,706	(87,170)	-	-	614,583
Distributions to noncontrolling interests, Build for Rent subsidiary	-	-	-	-	-	-	(1,120,465)	-	(1,120,465)
Distributions to noncontrolling interests, 24th Street Asset Management	-	-	-	-	-	-	(549,421)	-	(549,421)
Net loss attributable to noncontrolling interests	-	-	-	-	-	-	(1,758,380)	-	(1,758,380)
Net loss attributable to common stockholders, March 31, 2025	-	-	-	-	-	-	-	(669,285)	(669,285)
Ending Balance, March 31, 2025	<u>30,989,991</u>	<u>580,558</u>	<u>\$ 30,990</u>	<u>\$ 581</u>	<u>\$540,353,211</u>	<u>\$(1,676,492)</u>	<u>\$26,471,678</u>	<u>\$ (5,418,227)</u>	<u>\$559,761,741</u>
Offering costs	-	-	-	-	(3,286)	-	-	-	(3,286)
Contributions from noncontrolling interest	-	-	-	-	-	-	87,518	-	87,518
Net loss attributable to noncontrolling interest	-	-	-	-	-	-	(2,249,221)	-	(2,249,221)
Net loss attributable to common stockholders, June 30, 2025	-	-	-	-	-	-	-	(2,320,083)	(2,320,083)
Ending Balance, June 30, 2025	<u>30,989,991</u>	<u>580,558</u>	<u>\$ 30,990</u>	<u>\$ 581</u>	<u>\$540,349,925</u>	<u>\$(1,676,492)</u>	<u>\$24,309,975</u>	<u>\$ (7,738,310)</u>	<u>\$555,276,669</u>

See accompanying notes to the unaudited condensed consolidated financial statements.

**BOSTON OMAHA CORPORATION
and SUBSIDIARIES**

**Condensed Consolidated Statements of Cash Flows
Unaudited**

	For the Six Months Ended June 30,	
	2025	2024
Cash Flows from Operating Activities:		
Net Loss	\$ (6,996,969)	\$ (5,264,213)
Adjustments to reconcile net loss to cash provided by operating activities:		
Amortization of right of use assets	2,786,553	2,761,839
Depreciation, amortization, and accretion	12,156,295	10,903,072
Deferred income taxes	(930,641)	(945,209)
Loss on disposition of assets	47,623	13,345
Bad debt expense	110,489	126,000
Equity in (income) loss of unconsolidated affiliates	(3,833,176)	7,214,228
Amortization of bond premium	(614,209)	-
Other investment loss (income)	9,573,102	(7,243,060)
Compensation paid in stock	701,752	820,018
Changes in operating assets and liabilities exclusive of the effects of business combinations:		
Accounts receivable	(1,027,437)	(1,502,261)
Interest receivable	28,592	121,735
Prepaid expenses	(514,653)	295,817
Deferred policy acquisition costs	(383,792)	(339,363)
Other assets	1,794	(25,232)
Other liabilities, exclusive of debt	(38,776)	(46,235)
Accounts payable and accrued expenses	(1,642,399)	846,775
Lease liabilities	(3,024,373)	(2,946,673)
Unearned premiums	573,598	2,118,158
Deferred revenue	141,462	11,806
Net Cash Provided by Operating Activities	7,114,835	6,920,547
Cash Flows from Investing Activities:		
Payments on short-term payables for business acquisitions	(14,513)	(39,399)
Capital expenditures	(14,158,366)	(17,268,681)
Proceeds from sales of investments	133,242,021	212,352,984
Purchases of investments	(130,451,064)	(164,889,190)
Net Cash (Used in) Provided by Investing Activities	(11,381,922)	30,155,714

See accompanying notes to the unaudited condensed consolidated financial statements.

**BOSTON OMAHA CORPORATION
and SUBSIDIARIES**

**Condensed Consolidated Statements of Cash Flows (Continued)
Unaudited**

	For the Six Months Ended June 30,	
	2025	2024
Cash Flows from Financing Activities:		
Proceeds from the issuance of stock	\$ 525,256	\$ -
Repurchase of stock	(87,170)	(16,761,371)
Proceeds from long term credit facility	7,500,000	10,000,000
Principal payments of long-term debt	(1,297,984)	(403,191)
Collateral receipt (release), net	4,855,349	(4,504,530)
Distributions to noncontrolling interests	(1,669,886)	(27,504,485)
Contributions from noncontrolling interests	87,518	87,166
Offering Costs	(3,286)	-
Net Cash Provided by (Used in) Financing Activities	9,909,797	(39,086,411)
Net Increase (Decrease) in Cash, Cash Equivalents, and Restricted Cash	5,642,710	(2,010,150)
Cash, Cash Equivalents, and Restricted Cash, Beginning of Period	41,197,426	39,413,204
Cash, Cash Equivalents, and Restricted Cash, End of Period	\$ 46,840,136	\$ 37,403,054
Interest Paid in Cash	\$ 1,116,456	\$ 583,106
Income Taxes Paid in Cash	\$ 21,469	\$ 12,687

See accompanying notes to the unaudited condensed consolidated financial statements.

**BOSTON OMAHA CORPORATION
and SUBSIDIARIES**

Notes to Condensed Unaudited Consolidated Financial Statements

For the Six Months Ended June 30, 2025 and 2024

NOTE 1. ORGANIZATION AND BACKGROUND

Boston Omaha was organized on August 11, 2009 with present management taking over operations in February 2015. Our operations include (i) our outdoor advertising business with multiple billboards across Alabama, Arkansas, Florida, Georgia, Illinois, Iowa, Kansas, Missouri, Nebraska, Nevada, Oklahoma, South Dakota, Tennessee, Virginia, West Virginia, and Wisconsin; (ii) our insurance business that specializes in surety bond underwriting and brokerage; (iii) our broadband business that provides high-speed broadband services to its customers, (iv) our asset management business, and (v) our minority investments primarily in real estate, real estate services, private aviation infrastructure, and banking. Our billboard operations are conducted through our subsidiary, Link Media Holdings, LLC, our insurance operations are conducted through our subsidiary, General Indemnity Group, LLC, our broadband operations are conducted through our subsidiary, Boston Omaha Broadband, LLC, and our asset management operations are conducted through our subsidiary, Boston Omaha Asset Management, LLC.

We completed an acquisition of an outdoor advertising business and entered the outdoor advertising industry on June 19, 2015. From 2015 through 2025, we have completed more than twenty additional acquisitions of outdoor advertising businesses.

On April 20, 2016, we completed an acquisition of a surety bond brokerage business. On December 7, 2016, we acquired a fidelity and surety bond insurance company. From 2017 through 2025, we completed four additional acquisitions of surety brokerage businesses.

On March 10, 2020, we completed the acquisition of a rural broadband internet provider located in Arizona. On December 29, 2020, we completed the acquisition of a second broadband internet provider located in Utah. On April 1, 2022, we completed the acquisition of our third broadband internet provider located in Utah.

On September 25, 2020, we filed a Registration Statement on Form S-1 with the Securities and Exchange Commission for a proposed initial public offering of units of a special purpose acquisition company, which we refer to as the “SPAC,” named Yellowstone Acquisition Company, which we refer to as “Yellowstone.” Yellowstone completed its initial public offering on October 26, 2020 and on January 25, 2022 completed a business combination with Sky Harbour Group and Yellowstone changed its name to Sky Harbour Group Corporation (see Note 8 for further discussion).

**BOSTON OMAHA CORPORATION
and SUBSIDIARIES**

Notes to Condensed Unaudited Consolidated Financial Statements

For the Six Months Ended June 30, 2025 and 2024

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The information included in the foregoing interim condensed consolidated financial statements is unaudited. In the opinion of management, all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation of the Company's financial position and results of operations for the interim periods presented have been reflected herein. The results of operations for interim periods are not necessarily indicative of the results to be expected for the entire year. These interim condensed consolidated financial statements should be read in conjunction with the Company's consolidated financial statements and the notes thereto included in the 2024 Form 10-K. Subsequent events, if any, are evaluated through the date on which the financial statements are issued.

Consolidation Policy

The financial statements of Boston Omaha Corporation include the accounts of the Company and our consolidated subsidiaries, which are comprised of voting interest entities in which we have a controlling financial interest and variable interest entities for which we have determined that we are the primary beneficiary. All intercompany profits, losses, transactions, and balances have been eliminated in consolidation.

Variable Interest Entities (VIEs)

We determine whether an entity is a VIE and, if so, whether it should be consolidated by utilizing judgments and estimates that are inherently subjective. Our determination of whether an entity in which we hold a direct or indirect variable interest is a VIE is based on several factors, including whether the entity's total equity investment at risk upon inception is sufficient to finance the entity's activities without additional subordinated financial support. We make judgments regarding the sufficiency of the equity at risk based first on a qualitative analysis, and then a quantitative analysis, if necessary.

We analyze any investments in VIEs to determine if we are the primary beneficiary. In evaluating whether we are the primary beneficiary, we evaluate our direct and indirect economic interests in the entity. A reporting entity is determined to be the primary beneficiary if it holds a controlling financial interest in the VIE. Determining which reporting entity, if any, has a controlling financial interest in a VIE is primarily a qualitative approach focused on identifying which reporting entity has both: (i) the power to direct the activities of a VIE that most significantly impact such entity's economic performance; and (ii) the obligation to absorb losses or the right to receive benefits from such entity that could potentially be significant to such entity. Performance of that analysis requires the exercise of judgment.

We consider a variety of factors in identifying the entity that holds the power to direct matters that most significantly impact the VIE's economic performance including, but not limited to, the ability to direct operating decisions and activities. In addition, we consider the rights of other investors to participate in those decisions. We determine whether we are the primary beneficiary of a VIE at the time we become involved with a variable interest entity and reconsider that conclusion continually. We consolidate any VIE of which we are the primary beneficiary. Such VIEs consist of 24th Street Fund I and 24th Street Fund II, collectively "the 24th Street Funds," and Fund One Boston Omaha Build for Rent LP, which we refer to as "BFR".

Total assets of the consolidated VIEs included within our Condensed Consolidated Balance Sheets were approximately \$40,400,000 and \$48,700,000 as of June 30, 2025 and December 31, 2024, respectively. Total liabilities of the consolidated VIEs included within our Condensed Consolidated Balance Sheets were approximately \$2,500 and \$27,000 as of June 30, 2025 and December 31, 2024, respectively. As of June 30, 2025 and December 31, 2024, the aggregate fair value of the 24th Street Funds' and BFR's investments in special purpose entities was approximately \$39,400,000 and \$46,900,000, respectively. During the first two quarters of 2025, the 24th Street Funds' and BFR's investments in special purpose entities recognized other investment loss of approximately \$4,700,000, and distributions to the funds of approximately \$1,700,000. The assets of the consolidated VIEs may only be used to settle obligations of the same VIE.

Our consolidated subsidiaries at June 30, 2025 include:

Link Media Holdings, LLC which we refer to as "LMH"

Link Media Alabama, LLC which we refer to as "LMA"

Link Media Florida, LLC which we refer to as "LMF"

Link Media Wisconsin, LLC which we refer to as "LMW"

Link Media Georgia, LLC which we refer to as "LMG"

Link Media Midwest, LLC which we refer to as "LMM"

Link Media Omaha, LLC which we refer to as "LMO"

Link Media Properties, LLC which we refer to as "LMP"

Link Media Southeast, LLC which we refer to as "LMSE"

Link Media Services, LLC which we refer to as "LMS"

Link Billboards Oklahoma, LLC which we refer to as "LBO"

General Indemnity Group, LLC which we refer to as "GIG"

United Casualty and Surety Insurance Company which we refer to as "UCS"

BOSS Bonds Insurance Agency, Inc., which we refer to as "BOSS Bonds", formerly known as South Coast Surety Insurance Services, LLC which we refer to

as “SCS”

Boston Omaha Investments, LLC which we refer to as “BOIC”

Boston Omaha Asset Management, LLC which we refer to as “BOAM”

Fund One Boston Omaha Build for Rent LP which we refer to as “BFR”

BOAM BFR, LLC which we refer to as “BOAM BFR”

BOC Business Services, LLC which we refer to as “BBS”

BOC Yellowstone, LLC which we refer to as “BOC Yellowstone”

BOC Yellowstone II, LLC which we refer to as “BOC Yellowstone II”

24th Street Asset Management LLC which we refer to as “24th Street”

24th Street Fund I, LLC which we refer to as “24th Street Fund I”

24th Street Fund II, LLC which we refer to as “24th Street Fund II”

Boston Omaha Broadband, LLC which we refer to as “BOB”

FIF AireBeam, LLC which we refer to as “AireBeam”

Fiber Fast Homes, LLC which we refer to as “FFH”

FIF Utah, LLC which we refer to as “FIF Utah”

FIF St George, LLC which we refer to as “FIF St George” or "InfoWest"

**BOSTON OMAHA CORPORATION
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Notes to Condensed Unaudited Consolidated Financial Statements

For the Six Months Ended June 30, 2025 and 2024

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenues

The majority of our advertising revenues are derived from contracts for advertising space on billboard structures and broadband internet services and are accounted for under Financial Accounting Standards Board, which we refer to as the “FASB,” Accounting Standards Codification, which we refer to as “ASC,” 606, *Revenue from Contracts with Customers*, and under ASC 842, *Leases*.

Premium revenues derived from our insurance operations are subject to ASC 944, *Financial Services – Insurance*.

Revenue Recognition

Billboard Rentals

We generate revenue from outdoor advertising through the leasing of advertising space on billboards. The terms of the contracts range from less than one month to three years and are generally billed monthly. Revenue for advertising space rental is recognized on a straight-line basis over the term of the contract. Advertising revenue is reported net of agency commissions. Agency commissions are calculated based on a stated percentage applied to gross billing revenue for operations. Payments received in advance of being earned are recorded as deferred revenue.

Another component of billboard rentals consists of production services which include creating and printing advertising copy. Contract revenues for production services are accounted for under ASC 606, *Revenue from Contracts with Customers*. Revenues are recognized at a point in time upon satisfaction of the contract, which is typically less than one week.

Practical expedients and exemptions: The Company is utilizing the following practical expedients and exemptions from ASC 606. We generally expense sales commissions when incurred because the amortization period is one year or less. These costs are recorded within costs of billboard revenues exclusive of depreciation and amortization. We do not disclose the value of unsatisfied performance obligations as the majority of our contracts with customers have an original expected length of less than one year. For contracts with customers which exceed one year, the future amount to be invoiced to the customer corresponds directly with the value to be received by the customer.

Deferred Revenues

We record deferred revenues when cash payments are received in advance of being earned or when we have an unconditional right to consideration before satisfying our performance obligation. The term between invoicing and when a payment is due is not significant. For certain services we require payment before the product or services are delivered to the customer. The balance of deferred revenue is considered short-term and will be recognized in revenue within twelve months.

Premiums and Unearned Premium Reserves

Premiums written are recognized as revenues based on a pro-rata daily calculation over the respective terms of the policies in-force. The cost of reinsurance ceded is initially written as prepaid reinsurance premiums and is amortized over the reinsurance contract period in proportion to the amount of insurance protection provided. Premiums ceded of \$2,405,015 and \$1,669,026 for the six months ended June 30, 2025 and 2024, respectively, are included within “Premiums earned” in our Condensed Consolidated Statements of Operations.

Commissions

We generate revenue from commissions on surety bond sales and account for commissions under ASC 606. Insurance commissions are earned from various insurance companies based upon our agency agreements with them. We arrange with various insurance companies for the provision of a surety bond for entities that require a surety bond. The insurance company sets the price of the bond. The contract with the insurance company is fulfilled when the bond is issued by the insurance agency on behalf of the insurance company. The insurance commissions are calculated based upon a stated percentage applied to the gross premiums on bonds. Commissions are recognized at a point in time, on a bond-by-bond basis as of the policy effective date and are generally nonrefundable.

Broadband Revenues

Broadband revenue is derived principally from internet services and is recognized on a straight-line basis over the term of the contract in the period the services are rendered. Revenue received or receivable in advance of the delivery of services is included in deferred revenue.

**BOSTON OMAHA CORPORATION
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Notes to Condensed Unaudited Consolidated Financial Statements

For the Six Months Ended June 30, 2025 and 2024

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Supplemental Cash Flow Information

There were no non-cash activities for the six months ended June 30, 2025. For the six months ended June 30, 2024, non-cash activities included stock issued for redeemable noncontrolling interest of \$13,399,161, as well as an investment transferred as compensation for stock repurchased of \$1,474,292.

Recently Issued Accounting Pronouncements

In November 2023, the FASB issued ASU 2023-07, *Improvements to Reportable Segment Disclosures*, which requires companies to disclose significant segment expenses and other segment items that impact each reported measure of segment income or loss. This guidance is effective for fiscal years beginning after December 15, 2023 and interim periods within fiscal years beginning after December 15, 2024. We adopted this guidance effective for the year ended December 31, 2024 (see *Note 14*).

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which requires companies to disclose disaggregated information related to the effective tax rate reconciliation and income taxes paid. This guidance is effective for public entities for fiscal years beginning after December 15, 2024. We do not anticipate the adoption of this guidance will have a material impact on our condensed consolidated financial statements.

In November 2024, the FASB issued ASU 2024-03, *Disaggregation of Income Statement Expenses*, which requires disclosures about specific types of expenses included in expense captions presented on the face of the Condensed Consolidated Statement of Operations. This guidance is effective for public entities for fiscal years beginning after December 15, 2026. We are currently reviewing this guidance and its impact on our condensed consolidated financial statements.

In July 2025, the FASB issued ASU 2025-05, *Measurement of Credit Losses for Accounts Receivable and Contract Assets*, which introduces a practical expedient. The practical expedient gives companies the ability to assume current conditions as of the balance sheet date do not change for the remaining life of the asset. We are currently reviewing this guidance and its impact on our condensed consolidated financial statements.

**BOSTON OMAHA CORPORATION
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Notes to Condensed Unaudited Consolidated Financial Statements

For the Six Months Ended June 30, 2025 and 2024

NOTE 3. CASH, CASH EQUIVALENTS, AND RESTRICTED CASH

The following table sets forth a reconciliation of cash, cash equivalents, and restricted cash reported in the Condensed Consolidated Statements of Cash Flows that agrees to the total of those amounts as presented in the Condensed Consolidated Statements of Cash Flows.

	<u>June 30,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>
Cash and cash equivalents	\$ 29,694,785	\$ 28,289,712
Funds held as collateral	14,829,340	9,973,991
Cash held by BOAM funds and other	<u>2,316,011</u>	<u>2,933,723</u>
Total Cash, Cash Equivalents, and Restricted Cash as Presented in the Condensed Consolidated Statements of Cash Flows	<u>\$ 46,840,136</u>	<u>\$ 41,197,426</u>

NOTE 4. ACCOUNTS RECEIVABLE

Accounts receivable consist of the following:

	<u>June 30,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>
Trade accounts	\$ 7,354,540	\$ 6,696,413
Premiums	3,907,018	3,778,050
Recoverables from reinsurers	2,258,313	2,166,939
Allowance for credit losses	<u>(169,336)</u>	<u>(207,815)</u>
Total Accounts Receivable, net	<u>\$ 13,350,535</u>	<u>\$ 12,433,587</u>

NOTE 5. PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	<u>June 30,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>
Structures and displays	\$ 68,194,958	\$ 67,161,287
Fiber, towers, and broadband equipment	139,386,803	126,808,205
Land	597,892	583,892
Vehicles and equipment	11,368,965	11,255,755
Office furniture and equipment	5,701,861	5,594,698
Accumulated depreciation	<u>(57,778,806)</u>	<u>(49,810,164)</u>
Total Property and Equipment, net	<u>\$ 167,471,673</u>	<u>\$ 161,593,673</u>

Depreciation expense for the six months ended June 30, 2025 and 2024 was \$8,182,076 and \$7,023,439, respectively.

NOTE 6. BUSINESS ACQUISITIONS

We did not have any acquisitions during fiscal 2024 or during the first six months of 2025.

**BOSTON OMAHA CORPORATION
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Notes to Condensed Unaudited Consolidated Financial Statements

For the Six Months Ended June 30, 2025 and 2024

NOTE 7. INTANGIBLE ASSETS

Intangible assets consist of the following:

	June 30, 2025			December 31, 2024		
	Cost	Accumulated Amortization	Balance	Cost	Accumulated Amortization	Balance
Customer relationships	\$ 72,028,493	\$ (41,546,726)	\$ 30,481,767	\$ 72,028,493	\$ (38,854,986)	\$ 33,173,507
Permits, licenses, and lease acquisition costs	11,967,915	(7,202,522)	4,765,393	11,926,773	(6,656,353)	5,270,420
Site location	849,347	(448,034)	401,313	849,347	(419,955)	429,392
Noncompetition agreements	626,000	(626,000)	-	626,000	(626,000)	-
Technology	1,128,000	(657,343)	470,657	1,128,000	(608,250)	519,750
Trade names and trademarks	11,152,200	(2,563,883)	8,588,317	11,152,200	(2,271,025)	8,881,175
Nonsolicitation agreement	353,000	(271,702)	81,298	353,000	(176,611)	176,389
Capitalized contract costs	3,057,226	(769,411)	2,287,815	2,800,576	(624,175)	2,176,401
Indefinite lived intangibles	7,705,591	-	7,705,591	7,705,591	-	7,705,591
Total	\$ 108,867,772	\$ (54,085,621)	\$ 54,782,151	\$ 108,569,980	\$ (50,237,355)	\$ 58,332,625

Future Amortization

The future amortization associated with the intangible assets is as follows:

	June 30,					Thereafter	Total
	2026	2027	2028	2029	2030		
Customer relationships	\$ 5,428,083	\$ 5,418,941	\$ 5,386,691	\$ 3,757,720	\$ 3,206,182	\$ 7,284,150	\$30,481,767
Permits, licenses, and lease acquisition costs	1,076,021	1,049,834	1,021,935	403,152	211,805	1,002,646	4,765,393
Site location	56,623	56,623	56,623	56,623	56,623	118,198	401,313
Noncompetition agreements	-	-	-	-	-	-	-
Technology	99,000	99,000	99,000	99,000	74,657	-	470,657
Trade names and trademarks	590,565	558,383	525,667	525,667	525,667	5,862,368	8,588,317
Nonsolicitation agreement	81,195	103	-	-	-	-	81,298
Capitalized contract costs	305,722	305,722	305,723	305,723	305,723	759,202	2,287,815
Total	\$ 7,637,209	\$ 7,488,606	\$ 7,395,639	\$ 5,147,885	\$ 4,380,657	\$ 15,026,564	\$47,076,560

Amortization expense for the six months ended June 30, 2025 and 2024 was \$3,866,007 and \$3,770,828 respectively.

**BOSTON OMAHA CORPORATION
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Notes to Condensed Unaudited Consolidated Financial Statements

For the Six Months Ended June 30, 2025 and 2024

NOTE 7. INTANGIBLE ASSETS (Continued)

As of June 30, 2025, the weighted average amortization period, in months, for intangible assets is as follows:

Customer relationships	67
Permits, licenses, and lease acquisition costs	52
Site location	85
Technology	57
Trade names and trademarks	174
Nonsolicitation agreement	5
Capitalized contract costs	90

NOTE 8. INVESTMENTS, INCLUDING INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Short-term Investments

Short-term investments consist of U.S. Treasury securities and common stock warrants. The U.S. Treasury securities are held by UCS, classified as held to maturity, mature in less than twelve months, and are reported at amortized cost which approximates fair value. Our common stock warrants of Sky Harbour Group Corporation are measured at fair value, with any unrealized holding gains and losses during the period included in earnings.

	<u>June 30,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>
U.S. Treasury notes held to maturity	\$ 25,801,569	\$ 22,411,583
Common stock warrants of Sky Harbour Group Corporation	13,123,624	22,541,754
Total	<u>\$ 38,925,193</u>	<u>\$ 44,953,337</u>

Marketable Equity Securities

Our marketable equity securities are publicly traded stocks measured at fair value using quoted prices for identical assets in active markets and classified as Level 1 within the fair value hierarchy. Our marketable equity securities are held by UCS. Marketable equity securities as of June 30, 2025 and December 31, 2024 are as follows:

	<u>Cost</u>	<u>Gross Unrealized Gain (Loss)</u>	<u>Fair Value</u>
Marketable equity securities, June 30, 2025	\$ 1,074,440	\$ (187,609)	\$ 886,831
Marketable equity securities, December 31, 2024	\$ 2,455,024	\$ (61,764)	\$ 2,393,260

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Notes to Condensed Unaudited Consolidated Financial Statements

For the Six Months Ended June 30, 2025 and 2024

NOTE 8. INVESTMENTS, INCLUDING INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Continued)

U.S. Treasury Trading Securities

We classify our investments in debt securities that are bought and held principally for the purpose of selling them in the near term as trading securities. Our debt securities classified as trading are carried at fair value in the Condensed Consolidated Balance Sheets, with the change in fair value during the period included in earnings. Interest income is recognized at the coupon rate.

Debt securities classified as trading as of June 30, 2025 and December 31, 2024 are as follows:

	Cost	Gross Unrealized Gain (Loss)	Fair Value
U.S. Treasury trading securities, June 30, 2025	\$ 18,317,903	\$ 35,247	\$ 18,353,150
U.S. Treasury trading securities, December 31, 2024	\$ 10,949,883	\$ 27,086	\$ 10,976,969

Long-term Investments

Long-term investments consist of U.S. Treasury securities held to maturity, investments in special purpose entities, and equity investments in three private companies. We have the intent and the ability to hold the U.S. Treasury securities to maturity. Treasury securities are stated at amortized cost which approximates fair value, mature during 2027, and are held by UCS.

24th Street Fund I & 24th Street Fund II

On May 1, 2023, our subsidiary, Boston Omaha Asset Management, LLC, acquired 100% of the membership interests in 24th Street Asset Management LLC, from the members of 24th Street other than BOAM, for cash and BOC Class A common stock for a total purchase price of \$5,016,494 in the aggregate. Prior to the transaction, BOAM indirectly owned 48% of the membership interests of 24th Street. The consideration consisted of \$2,759,072 in cash at closing, an additional \$1,254,102 in cash subject to holdback, and 45,644 shares of BOC Class A common stock.

Each of the 24th Street Funds hold investments in special purpose entities whose primary assets are real estate property. We include the 24th Street Funds' investments in special purpose entities within long-term investments in our Condensed Consolidated Balance Sheets.

Equity Investments

During May 2018, we invested \$19,058,485 in voting common stock of CB&T Holding Corporation, which we refer to as "CB&T," the privately held parent company of Crescent Bank & Trust. Our investment represents 15.60% of CB&T's outstanding common stock. CB&T is a closely held corporation, whose majority ownership rests with one family.

In July 2023, we invested approximately \$3,000,000 in voting preferred stock of MyBundle.TV Inc., which we refer to as "MyBundle." The preferred stock has one vote per share and is convertible into whole shares of common stock, determined according to the conversion formula contained in MyBundle's amended and restated articles of incorporation.

	June 30, 2025	December 31, 2024
U.S. Treasury securities held to maturity	\$ 4,752,355	\$ 4,736,409
Investments in special purpose entities	39,432,988	46,936,743
Preferred stock	348,694	348,694
Voting preferred stock of MyBundle TV Inc.	3,000,000	3,000,000
Voting common stock of CB&T Holding Corporation	19,058,485	19,058,485
Total	\$ 66,592,522	\$ 74,080,331

We reviewed our investments as of June 30, 2025 and December 31, 2024 and concluded that no impairment to the carrying value was required.

**BOSTON OMAHA CORPORATION
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Notes to Condensed Unaudited Consolidated Financial Statements

For the Six Months Ended June 30, 2025 and 2024

NOTE 8. INVESTMENTS, INCLUDING INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Continued)

Investment in Unconsolidated Affiliates

We have various investments in equity method affiliates, whose businesses are in real estate, real estate services, and private aviation infrastructure. One of the investments in affiliates, Logic Real Estate Companies, LLC, which we refer to as “Logic,” is managed by an entity controlled by a member of our board of directors.

Sky Harbour Group Corporation

In October 2020, our subsidiary BOC Yellowstone LLC, served as sponsor for the underwritten initial public offering of a special purpose acquisition company named Yellowstone Acquisition Company, which we refer to as “Yellowstone”. Yellowstone sold in its public offering 13,598,898 units at a price of \$10.00 per unit, each unit consisting of one share of Class A common stock and a redeemable warrant to purchase one-half of a share of Class A common stock at an exercise price of \$11.50 per share. Between August and November 2020, we invested, through BOC Yellowstone, approximately \$7.8 million through the purchase of 3,399,724 shares of Class B common stock and 7,719,779 non-redeemable private placement warrants, each warrant entitling us to purchase one share of Class A common stock at \$11.50 per share. BOC Yellowstone, as the sponsor of Yellowstone and under the terms of the public offering, owned approximately 20% of Yellowstone’s issued and outstanding common stock. The purpose of the offering was to pursue a business combination in an industry other than the three industries in which we owned and operated businesses at that time: outdoor advertising, surety insurance, and broadband services businesses.

On August 1, 2021, Yellowstone entered into a business combination agreement with Sky Harbour LLC (“SHG”), a developer of private aviation infrastructure focused on building, leasing, and managing business aviation hangars. On September 14, 2021, our subsidiary BOC YAC Funding LLC completed the previously-announced investment of \$55 million in Series B Preferred Units of SHG. In addition to our \$55 million investment, we also agreed to provide SHG an additional \$45 million through the purchase of additional shares of Yellowstone Class A common stock at a price of \$10 per share through a private placement investment (“PIPE”).

On January 25, 2022, Yellowstone completed the previously announced proposed business combination with SHG following stockholder approval. As a result, SHG became a consolidated subsidiary of Yellowstone and Yellowstone was renamed Sky Harbour Group Corporation, which we refer to as “Sky Harbour.” In connection with the business combination, our Series B Preferred Units of SHG converted into 5,500,000 shares of Sky Harbour Group Class A common stock at a price of \$10 per share. Also, in connection with the business combination, we entered into a subscription agreement with Sky Harbour, pursuant to which Sky Harbour sold to us 4,500,000 shares of Class A common stock at a price of \$10 per share, for total cash consideration of \$45 million.

**BOSTON OMAHA CORPORATION
and SUBSIDIARIES**

Notes to Condensed Unaudited Consolidated Financial Statements

For the Six Months Ended June 30, 2025 and 2024

NOTE 8. INVESTMENTS, INCLUDING INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Continued)

On November 2, 2023, Sky Harbour entered into a securities purchase agreement with certain investors, pursuant to which Sky Harbour agreed to sell and issue to the Investors at an initial closing an aggregate of 6,586,154 shares of the Company's Class A common stock, par value \$0.0001 per share and accompanying warrants to purchase up to an aggregate of 1,141,600 shares of Class A Common Stock, for an aggregate purchase price of \$42,810,000. On November 29, 2023, Sky Harbour sold and issued to the Investors an aggregate of 2,307,692 PIPE Shares of the Company's Class A common stock, par value \$0.0001 per share and accompanying PIPE warrants to purchase an aggregate of 400,000 shares of Class A Common Stock for an aggregate purchase price of \$15,000,000. Together with the first closing on November 2, 2023, the aggregate PIPE financing through the Purchase Agreement totaled \$57,810,000. In connection with Sky Harbour's financing transactions occurring in November 2023, we recorded a dilution loss of approximately \$2,200,000 within 'Equity in income of unconsolidated affiliates' to reflect the decrease in our ownership of Sky Harbour's net assets.

On October 25, 2024, Sky Harbour entered into a securities purchase agreement with certain investors, pursuant to which Sky Harbour agreed to sell and issue to the Investors at an initial closing an aggregate of 3,955,790 PIPE shares of its Class A Common stock for an aggregate purchase price of approximately \$37,600,000. On December 20, 2024, Sky Harbour issued an additional 3,955,790 PIPE shares of its Class A Common Stock in connection with the exercise of all the rights to purchase additional shares provided to PIPE investors who participated in the October 2024 closing for net proceeds of approximately \$37,600,000, at a sale price of \$9.50 per share. Aggregate proceeds from both closings were approximately \$75,200,000, representing the full capacity of the equity raise. In connection with Sky Harbour's financing transactions occurring during the fourth quarter of fiscal 2024, we recorded a dilution gain of approximately \$5,100,000 within 'Equity in income of unconsolidated affiliates' to reflect the change in our ownership of Sky Harbour's net assets.

All the shares of Sky Harbour Class A common stock and Sky Harbour warrants to purchase Class A common stock that we hold have been registered under the Securities Act. However, our ability to resell any significant portion of these shares is limited by both the large number of shares and warrants we hold relative to the average trading volume of these securities which may prevent us from selling shares as we retain one seat on Sky Harbour's Board of Directors. The terms of the Sky Harbour business combination prohibited us from selling any of our securities in Sky Harbour prior to January 25, 2023 and has since expired. The carrying value of our investment in Sky Harbour's Class A common stock as of June 30, 2025 is approximately \$71,700,000. If our investment in Sky Harbour's Class A common stock was accounted for at fair value based on its quoted market price as of June 30, 2025 and December 31, 2024, it would be valued at approximately \$114,000,000 and \$148,000,000, respectively.

The following table is a reconciliation of our investments in equity affiliates as presented in investments in unconsolidated affiliates on our Condensed Consolidated Balance Sheets, together with combined summarized financial data related to the unconsolidated affiliates:

	<u>June 30,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>
Beginning of year	\$ 72,435,867	\$ 94,244,788
Additional investments in unconsolidated affiliates	-	21,000
Sale of interest	(4,103,647)	(2,748,292)
Distributions received	-	(1,798,348)
Equity in income (loss) of unconsolidated affiliates	<u>3,833,176</u>	<u>(17,283,281)</u>
End of period	<u>\$ 72,165,396</u>	<u>\$ 72,435,867</u>

Combined summarized financial data for these affiliates is as follows:

	<u>For the Three Months Ended</u> <u>June 30,</u>		<u>For the Six Months Ended</u> <u>June 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Revenue	\$ 8,205,391	\$ 4,709,014	\$ 14,613,616	\$ 8,304,406
Gross profit	7,156,079	3,963,714	12,828,652	6,608,463
Net income (loss) from operations	(6,933,449)	(5,110,583)	(13,881,157)	(10,159,290)
Net income (loss)	\$ 14,566,115	3,977,046	5,693,660	(17,013,532)

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Notes to Condensed Unaudited Consolidated Financial Statements

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NOTE 9. FAIR VALUE

The fair value hierarchy prioritizes inputs to valuation techniques used to measure fair value into three broad levels:

Level 1 — Observable inputs such as unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 — Inputs other than quoted prices in active markets that are observable either directly or indirectly, including: quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active or other inputs that are observable or can be corroborated by observable market data.

Level 3 — Unobservable inputs that are supported by little or no market data and require the reporting entity to develop its own assumptions.

At June 30, 2025 and December 31, 2024, our financial instruments included cash, cash equivalents, receivables, marketable securities, investments, accounts payable, and long-term debt. The carrying value of cash, cash equivalents, receivables, and accounts payable approximates fair value due to the short-term nature of the instruments. The carrying value of borrowings under our billboard revolving line of credit facility as well as our broadband term loan facility approximates fair value because of the variable market interest rate charged to us for these borrowings. The fair value of borrowings under our billboard term loan facilities are estimated using quoted prices for similar debt (level 2 in the fair value hierarchy). At June 30, 2025, the estimated fair value of our billboard term loan borrowings included within long-term debt was \$24,350,000, which is less than the approximate carrying amount of \$26,100,000. At December 31, 2024, the estimated fair value of our billboard term loan borrowings included within long-term debt was \$24,500,000, which was less than the approximate carrying amount of \$26,500,000.

Warrants

Our Private Placement warrants related to Sky Harbour are considered level 2 and measured at fair value using observable inputs for similar assets in an active market. Our re-measurement of the Private Placement warrants from January 1, 2025 to June 30, 2025 and January 1, 2024 to June 30, 2024, resulted in a loss of approximately \$9,400,000 and a gain of \$4,000,000, respectively, which are included within "Other investment income" within our Condensed Consolidated Statements of Operations.

Fund I, Fund II and BFR Special Purpose Entities

We report fund investments on our Condensed Consolidated Balance Sheets at their estimated fair value, with gains (losses) resulting from changes in fair value reflected within "Other investment income" in the accompanying Condensed Consolidated Statements of Operations. Each of the 24th Street Funds' and BFR's investments in special purpose entities invested in real estate are categorized in Level 3 of the fair value hierarchy. The primary asset held by each special purpose entity is real estate property, for which third-party appraisals were obtained. Appraisals on the investments in special purpose entities used an income capitalization and/or comparable sales approach to value the underlying real estate property. The income capitalization approach used capitalization rates ranging from 6.25% to 6.75%. The comparable sales approach used observable market transactions to value the underlying real estate property.

As of June 30, 2025 and December 31, 2024, the estimated aggregate fair value of the 24th Street Funds' and BFR's investments in special purpose entities was approximately \$39,400,000 and \$46,900,000, respectively.

Marketable Equity Securities

On an investment life-to-date basis, we have realized net gains on the sale of equity securities within the marketable equity portfolio held at Boston Omaha of approximately \$84,000,000. These amounts exclude any realized gains on equity securities held within the marketable equity portfolio managed by UCS.

Sky Harbour Group Corporation Class A common stock

We account for our 15.4% equity interest in Sky Harbour, comprised of 11,671,494 shares of Class A common stock, under the equity method. If our investment in Sky Harbour's Class A common stock was accounted for at fair value based on its quoted market price as of June 30, 2025, it would be valued at approximately \$114,000,000. As of December 31, 2024 our equity interest in Sky Harbour was 16.4% and was comprised of 12,401,589 shares of Class A common stock. If our investment in Sky Harbour's Class A common stock was accounted for at fair value based on its quoted market price as of December 31, 2024 it would be valued at approximately \$148,000,000.

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For the Six Months Ended June 30, 2025 and 2024

NOTE 9. FAIR VALUE (Continued)

Marketable Equity Securities and U.S. Treasury Trading Securities

Marketable equity securities and U.S. Treasury trading securities are reported at fair values. Substantially all of the fair value is determined using observed prices of publicly traded securities, level 1 in the fair value hierarchy.

	Total Carrying Amount in Condensed Consolidated Balance Sheet	Quoted Prices in Active Markets for Identical Assets	Realized Gains and (Losses) Included in Current Period Earnings (Loss)	Total Changes in Fair Values Included in Current Period Earnings (Loss)
Marketable equity securities and U.S. Treasury trading securities at June 30, 2025	\$ 19,239,981	\$ 19,239,981	\$ 41,232	\$ (111,129)
Marketable equity securities and U.S. Treasury trading securities at December 31, 2024	\$ 13,370,229	\$ 13,370,229	\$ 1,063,730	\$ 1,029,051

NOTE 10. ASSET RETIREMENT OBLIGATIONS

Our asset retirement obligations include the costs associated with the removal of structures, resurfacing of the land and retirement cost, if applicable, related to our outdoor advertising and broadband assets. The following table reflects information related to our asset retirement obligations:

Balance, December 31, 2024	\$ 4,013,457
Additions	-
Liabilities settled	-
Accretion expense	108,212
Balance, June 30, 2025	<u>\$ 4,121,669</u>

NOTE 11. CAPITAL STOCK

On April 25, 2022, we filed a shelf registration statement on Form S-3 (File No. 333-264470) that was declared effective on May 11, 2022, relating to the offering of Class A common stock, preferred stock, par value \$0.001 per share, which we refer to as “preferred stock,” debt securities and warrants of the Company for up to \$500,000,000 (the “2022 Shelf Registration Statement”). Additionally, in the 2022 Shelf Registration Statement, we registered for resale up to 8,297,093 shares of Class A common stock acquired in 2018 or earlier in private placements in accordance with the terms of a 2018 registration rights agreement. We will not receive any proceeds from the sale of Class A common stock by the selling shareholders. The selling stockholders are the Massachusetts Institute of Technology, or “MIT,” as well as 238 Plan Associates LLC, an MIT pension and benefit fund and a limited partnership holding our Class A common stock for the economic benefit of MIT. In May 2022, we also registered 1,018,660 shares of Class A common stock held by Magnolia and Boulderado and their affiliates. All the shares held by Boulderado were repurchased by the Company in May 2024 and, as a result, 522,231 shares of our Class A common stock are available for resale under that registration statement. As of June 30, 2025, certain of our stockholders still hold 8,555,957 registered shares of our Class A common stock. The 2022 shelf registration statement expired in May 2025.

We may in the future file a new shelf registration statement which would allow us, from time to time, in one or more offerings, to offer and sell Class A common stock or preferred stock, various series of debt securities and/or warrants. We or any selling security holders may offer these securities from time to time in amounts, at prices and on terms determined at the time of offering. We may sell these securities to or through one or more underwriters, dealers or agents, or directly to purchasers on a delayed or continuous basis. Unless otherwise set forth in an applicable prospectus supplement, we intend to use the net proceeds from the sale of the securities that we may offer for general corporate purposes, including, but not limited to, financing our existing businesses and operations, and expanding our businesses and operations through additional hires, strategic alliances, and acquisitions. Unless otherwise set forth in a prospectus supplement, we will not receive any proceeds from the sale of securities by any selling stockholders.

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NOTE 11. CAPITAL STOCK (Continued)

On July 23, 2024, the Board approved and authorized a share repurchase program (the “Share Repurchase Program”), pursuant to which the Company intends to repurchase up to \$20 million of its Class A common stock, from time to time, in the open market, privately negotiated transactions, or otherwise in compliance with Rule 10b-18 under the Securities Exchange Act of 1934. The Board also authorized the Company, in its discretion, to establish “Rule 10b5-1 trading plans” for these share repurchases. The Share Repurchase Program went into effect on or about August 15, 2024, following the release of the quarterly report on Form 10-Q for the quarter ended June 30, 2024 and will terminate on September 30, 2025, unless earlier terminated in the discretion of the Board. The actual timing, number, and value of shares repurchased under the Share Repurchase Program will depend on a number of factors, including constraints specified in applicable SEC regulations, price, general business and market conditions, and alternative investment opportunities. Pursuant to the Share Repurchase Program, the Company is not obligated to repurchase any specific number of shares of its Class A common stock and shall not repurchase more than 25% of the average daily volume of its stock over the previous 20 trading days. To date, we have repurchased 111,323 shares of our Class A common stock for a total cost of approximately \$1,600,000. We did not repurchase any shares of our Class A common stock during the first six months of fiscal 2025 due to share repurchase blackout periods which covered most of the first six months.

As of December 31, 2024 there were 53,562 Class B warrants. Each share of Class B common stock is identical to Class A common stock in liquidation, dividend and similar rights. The only differences between our Class B common stock and our Class A common stock are that each share of Class B common stock has 10 votes for each share held, while the Class A common stock has a single vote per share, and certain actions cannot be taken without the approval of the holders of the Class B common stock.

On January 10, 2025, Magnolia Capital Fund, LP (“MCF”) exercised, in full, Class B warrants, issued in 2015 and expiring in June 2025, to purchase shares of our Class B common stock. Under the terms of the warrants, MCF purchased 52,778 shares of Class B common stock at an exercise price of approximately \$525,000 paid in cash. As a result, there are no outstanding warrants issued by BOC to purchase Class B common stock.

At March 31, 2025, there were 784 outstanding warrants for our Class A common stock. These warrants expired in June. As a result, there were no outstanding warrants for our Class A common stock as of June 30, 2025.

A summary of warrant activity for the six months ended June 30, 2025 is presented in the following table.

	Shares Under Warrants	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (in years)	Aggregate Intrinsic Value of Vested Warrants
Outstanding as of December 31, 2024	53,562	\$ 9.95	0.5	\$ 226,567
Issued	-			
Exercised	(52,778)			
Redeemed	-			
Expired	(784)			
Outstanding as of June 30, 2025	-	\$ 9.95	0.00	\$ -

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NOTE 11. CAPITAL STOCK (Continued)

Separation Agreement with Alex Rozek

Separation and Benefits

On May 9, 2024, the Company, Alex Rozek, and certain other parties set forth therein, entered into a Separation and Stock Repurchase Agreement (the "Separation Agreement"). Effective as of May 9, 2024, Mr. Rozek resigned as an officer and director of the Company and all of its direct and indirect subsidiaries, other than as a member of the board of directors of Sky Harbour.

Securities Repurchase

Pursuant to the Separation Agreement, the Company repurchased from Mr. Rozek and Boulderado Partners, LLC, an entity controlled by Mr. Rozek, in the aggregate, 210,000 shares of Company Class A Common Stock, 527,780 shares of Company Class B Common Stock, and 51,994 warrants to acquire 51,994 shares of Company Class B Common Stock.

The price of the Class A shares repurchased was based on the 30-trading day volume-weighted average price of the Class A Common Stock for the 30 trading days ending two trading days prior to the execution of the Separation Agreement. The price of the Class B shares repurchased was based on the 30-trading day volume-weighted average price of the Class A Common Stock for the 30 trading days ending two trading days prior to the execution of the Separation Agreement plus a blocking/control premium, for which management employed a third-party valuation expert.

The aggregate purchase price paid to Mr. Rozek was \$9,175,605, comprised of cash payments of \$8,800,480 and 36,705 shares of Class A Common Stock of Sky Harbour. The aggregate purchase price paid to Boulderado was \$9,951,113, comprised of cash payments of \$7,960,891 and 194,738 shares of Class A Common Stock of Sky Harbour.

Separation and Benefits

Pursuant to the Separation Agreement, (a) we transferred to Mr. Rozek 200,000 shares of Class A Common Stock, par value \$0.0001, of Sky Harbour, as consideration for his efforts in connection with the successful launch of Sky Harbour, (b) Mr. Rozek received severance of \$960,000, to be paid in equal monthly installments for a period of 18 months, and (c) Mr. Rozek received employee benefits of \$75,000, to be paid in equal monthly installments for a period of 18 months, each of which are included within "Employee costs" within our Condensed Consolidated Statements of Operations.

Mr. Rozek agreed to customary non-solicitation, non-competition, confidentiality, cooperation, and return of property covenants. As consideration for entering into a non-competition agreement, we paid Mr. Rozek \$250,000.

In addition, Mr. Rozek and the named executive officers and board of directors of the Company agreed to a mutual non-disparagement covenant, and the Company agreed, subject to certain conditions, to retain Mr. Rozek as its representative on the board of directors of Sky Harbour until December 31, 2026.

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For the Six Months Ended June 30, 2025 and 2024

NOTE 12. LONG-TERM DEBT

Link Credit Facility

On August 12, 2019, Link Media Holdings, Inc., (“Link”), a wholly owned subsidiary of Boston Omaha Corporation (“BOC”), which owns and operates BOC’s billboard businesses, entered into a Credit Agreement (the “Credit Agreement”) with First National Bank of Omaha (the “Lender”) under which Link could borrow up to \$40,000,000 (the “Credit Facility”). The Credit Agreement provided an initial term loan (“Term Loan 1”), an incremental term loan (“Term Loan 2”) and a revolving line of credit. Link initially borrowed approximately \$18,000,000 under Term Loan 1 and \$5,500,000 under Term Loan 2. These loans are secured by all assets of Link and its operating subsidiaries, including a pledge of equity interests of each of Link’s subsidiaries. In addition, each of Link’s subsidiaries has joined as a guarantor to the obligations under the Credit Agreement. These loans are not guaranteed by BOC or any of BOC’s non-billboard businesses.

On December 6, 2021, Link entered into a Fourth Amendment to the Credit Agreement with the Lender which modified the original Credit Agreement by merging all outstanding principal amounts under both Term Loan 1 and Term Loan 2 into one term loan (the “Term Loan”) having a fixed interest rate of 4.00% per annum, and increasing the total Term Loan borrowing limit to \$30,000,000.

On May 31, 2022, Link entered into a Fifth Amendment to the Credit Agreement with the Lender which modified the Credit Agreement by extending the period of time under which Link may issue to BOC a cash dividend from January 31, 2022 to June 30, 2022 in the amount up to \$8,125,000 in the aggregate.

On April 6, 2023, Link entered into a Sixth Amendment to Credit Agreement (the “Sixth Amendment”) with the Lender. The Sixth Amendment modifies the Credit Agreement to provide additional flexibility for Link in making “Investment Capital Expenditures” by no longer deducting expenditures which qualify as Investment Capital Expenditures from EBITDA in calculating the Consolidated Fixed Charge Coverage Ratio. As a result, only “Maintenance Capital Expenditures” shall be deducted from EBITDA in testing the Consolidated Fixed Charge Coverage Ratio. The amount of unfunded Investment Capital Expenditures (Investment Capital Expenditures other than expenditures funded by BOC) allowable during any test period shall not exceed the Investment Capital Expenditure Available Amount during such test period.

On September 22, 2023, Link entered into a Seventh Amendment to the Credit Agreement with the Lender which modified the Credit Agreement by increasing the maximum availability under the revolving line of credit loan facility from \$5,000,000 to \$10,000,000.

On February 14, 2024, Link entered into an Eighth Amendment to the Credit Agreement with the Lender which modified the Credit Agreement to provide additional flexibility for Link to issue dividends to BOC.

On May 30, 2024, Link entered into a Ninth Amendment to the Credit Agreement with the Lender which modified the Credit Agreement by increasing the maximum availability under the revolving line of credit loan facility from \$10,000,000 to \$15,000,000.

As of June 30, 2025, Link has borrowed \$30,000,000 through the Term Loan under the Credit Facility. Principal amounts under the Term Loan are payable in monthly installments according to a 25-year amortization schedule. Principal payments commenced on July 1, 2020 for amounts previously borrowed under Term Loan 1 and October 1, 2020 for amounts previously borrowed under Term Loan 2. The Term Loan is payable in full on December 6, 2028.

The revolving line of credit loan facility has a \$15,000,000 maximum availability. Interest payments are based on the 30-day U.S. Prime Rate minus an applicable margin ranging between 0.65% and 1.15% dependent on Link’s consolidated leverage ratio. The revolving line of credit is due and payable on August 12, 2026.

Long-term debt included within our Condensed Consolidated Balance Sheets as of June 30, 2025 consists of Term Loan borrowings of approximately \$26,100,000, of which approximately \$870,000 is classified as current. As of June 30, 2025, there was \$9,100,000 outstanding related to the revolving line of credit, which is included within long-term debt in our Condensed Consolidated Balance Sheets.

During the term of the Credit Facility, Link is required to comply with the following financial covenants: A consolidated leverage ratio for any test period ending on the last day of any fiscal quarter of Link (a) beginning with the fiscal quarter ended June 30, 2024 of not greater than 3.50 to 1.00, (b) beginning with the fiscal quarter ending December 31, 2026 of not greater than 3.25 to 1.00 and (c) beginning with the fiscal quarter ending December 31, 2027 and thereafter of not greater than 3.00 to 1.00, and a minimum consolidated fixed charge coverage ratio of not less than 1.15 to 1.00 measured quarterly, based on rolling four quarters. Link was in compliance with these covenants as of June 30, 2025.

The Credit Agreement includes representations and warranties, reporting covenants, affirmative covenants, negative covenants, financial covenants and events of default customary for financings of this type. Upon the occurrence of an event of default the Lender may accelerate the loans. Upon the occurrence of certain insolvency and bankruptcy events of default the loans will automatically accelerate.

**BOSTON OMAHA CORPORATION
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Notes to Condensed Unaudited Consolidated Financial Statements

For the Six Months Ended June 30, 2025 and 2024

NOTE 12. LONG-TERM DEBT (Continued)

Boston Omaha Broadband Credit Facility

On September 17, 2024, three operating subsidiaries of Boston Omaha Broadband, LLC (“BOB”) entered into a Credit Agreement (the “BOB Credit Agreement”) with First National Bank of Omaha (the “Lender”) under which certain subsidiaries of BOB can borrow up to \$20,000,000 in the aggregate in term loans (the “BOB Credit Facility”). The three operating subsidiaries which are the borrowers under the Credit Agreement are FIF AireBeam, LLC, FIF St. George, LLC, and FIF Utah, LLC (collectively, the “Borrowers”). The loan is guaranteed by BOB but is not guaranteed by BOC or any other businesses owned by BOC and its other subsidiaries. The loans under the BOB Credit Facility are secured by all assets of each of the Borrowers. Funds available under the BOB Credit Facility are to be used for capital expenditures associated with capital acquisition and leasing of capital equipment for expansion of the Borrowers’ businesses and must be drawn by September 16, 2025.

The BOB Credit Agreement provides for incremental drawdowns of the term loan in minimum increments of \$1,000,000. Each term loan is due five years following the borrowing date of such term loan. Principal under each term loan is amortized in equal monthly payments over a 10-year period from the date of each term loan. Interest under each term loan accrues at the “Applicable Margin,” which is set at (a) 2.75% per annum with respect to any SOFR Loan, and (b) 1.75% per annum with respect to any Base Rate Loan. There is a fee during the first year of the Credit Facility equal to 0.25% of any unused portion of the \$20 million loan commitment.

Pursuant to the BOB Credit Agreement, BOB is required to comply with the following financial covenants: A consolidated leverage ratio for any test period ending on the last day of any fiscal quarter of BOB of not greater than 3.50 to 1.00, a minimum consolidated fixed charge coverage ratio of not less than 1.15 to 1.00 measured quarterly, based on rolling four quarters, and maximum capital expenditures not exceeding Consolidated Adjusted EBITDA less dividends and distributions paid to BOB, the cash portion of taxes, unfinanced maintenance capital expenditures, principal amortization payments or redemptions on indebtedness to be paid in cash, cash payments made with respect to capital lease obligations during the period, and cash interest expense for the period.

The BOB Credit Agreement includes representations and warranties, reporting covenants, affirmative covenants, negative covenants, financial covenants, and events of default customary for financings of this type. Upon the occurrence of an event of default the Lender may accelerate the loan. Upon the occurrence of certain insolvency and bankruptcy events of default the loan will automatically accelerate. All assets of the Borrowers, their Subsidiaries and BOB are secured by the grant of a security interest in substantially all of their assets to the Lender.

Long-term debt included within our Condensed Consolidated Balance Sheets as of June 30, 2025 consists of approximately \$10,600,000 under BOB's credit facility, of which approximately \$1,050,000 is classified as current. The aggregate minimum principal payments required on long-term debt as of June 30, 2025 were as follows: \$1,050,000 in 2025, \$1,050,000 in 2026, \$1,050,000 in 2027, \$1,050,000 in 2028, \$1,050,000 in 2029, and \$5,316,500 thereafter.

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For the Six Months Ended June 30, 2025 and 2024

NOTE 13. LEASES

We enter into operating lease contracts primarily for land and office space. Agreements are evaluated at inception to determine whether such arrangements contain a lease. Operating leases include land lease contracts and contracts for the use of office space.

Right of use assets, which we refer to as “ROU assets,” represent the right to use an underlying asset for the lease term, and lease liabilities represent the obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at the commencement date based on the present value of lease payments over the respective lease term. Lease expense is recognized on a straight-line basis over the lease term.

Certain of our operating lease agreements include rental payments based on a percentage of revenue and others include rental payments adjusted periodically for inflationary changes. Percentage rent contracts, in which lease expense is calculated as a percentage of advertising revenue, and payments due to changes in inflationary adjustments are included within variable rent expense, which is accounted for separately from periodic straight-line lease expense.

Many of our leases entered into in connection with land provide options to extend the terms of the agreements. Generally, renewal periods are included in minimum lease payments when calculating the lease liabilities as, for most leases, we consider exercise of such options to be reasonably certain. As a result, optional terms and payments are included within the lease liability. Our lease agreements do not contain any material residual value guarantees or material restrictive covenants.

The implicit rate within our lease agreements is generally not determinable. As such, we use the incremental borrowing rate, which we refer to as “IBR,” to determine the present value of lease payments at the commencement of the lease. The IBR, as defined in ASC 842, is “the rate of interest that a lessee would have to pay to borrow on a collateralized basis over a similar term an amount equal to the lease payments in a similar economic environment.”

Operating Lease Cost

Operating lease cost is as follows:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,		Statement of Operations Classification
	2025	2024	2025	2024	
Lease cost	\$ 2,249,242	\$ 2,170,464	\$ 4,426,841	\$ 4,303,473	Cost of billboard revenues and general and administrative
Variable and short-term lease cost	690,696	695,367	1,567,609	1,431,298	Cost of billboard revenues and general and administrative
Total Lease Cost	<u>\$ 2,939,938</u>	<u>\$ 2,865,831</u>	<u>\$ 5,994,450</u>	<u>\$ 5,734,771</u>	

Supplemental cash flow information related to operating leases is as follows:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
Cash payments for operating leases	\$ 2,377,065	\$ 2,236,542	\$ 4,612,243	\$ 4,427,132
New operating lease assets obtained in exchange for operating lease liabilities	\$ 516,336	\$ 619,668	\$ 2,653,090	\$ 1,710,141

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Notes to Condensed Unaudited Consolidated Financial Statements

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NOTE 13. LEASES (Continued)

Operating Lease Assets and Liabilities

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>Balance Sheet Classification</u>
Lease assets	\$ 60,187,216	\$ 59,742,166	Other Assets: Right of use assets
Current lease liabilities	\$ 5,320,032	\$ 5,333,611	Current Liabilities: Lease liabilities
Noncurrent lease liabilities	55,480,552	54,994,879	Long-term Liabilities: Lease liabilities
Total Lease Liabilities	<u>\$ 60,800,584</u>	<u>\$ 60,328,490</u>	

Maturity of Operating Lease Liabilities

	<u>June 30, 2025</u>
2026	\$ 8,380,320
2027	7,916,235
2028	7,620,415
2029	7,085,214
2030	6,374,681
Thereafter	<u>54,783,790</u>
Total lease payments	92,160,655
Less imputed interest	<u>(31,360,071)</u>
Present Value of Lease Liabilities	<u>\$ 60,800,584</u>

As of June 30, 2025, our operating leases have a weighted-average remaining lease term of 15.85 years and a weighted-average discount rate of 5.28%.

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NOTE 14. INDUSTRY SEGMENTS

This summary presents our current segments, as described below.

General Indemnity Group, LLC

GIG conducts our insurance operations through its subsidiaries, UCS and BOSS Bonds Insurance Agency, LLC, formerly known as South Coast Surety Insurance Services, LLC. Both BOSS Bonds and UCS clients are nationwide. Revenue consists of surety bond sales and insurance commissions. GIG's corporate resources are used to support BOSS Bonds and UCS, and to make additional business acquisitions in the insurance industry.

Link Media Holdings, LLC

LMH conducts our billboard rental operations. LMH billboards are located in Alabama, Arkansas, Florida, Georgia, Illinois, Iowa, Kansas, Missouri, Nebraska, Nevada, Oklahoma, South Dakota, Tennessee, Virginia, West Virginia, and Wisconsin.

Boston Omaha Broadband, LLC

BOB conducts our broadband operations. BOB provides high-speed broadband services to its customers located mainly in Arizona, Florida, Nevada, and Utah.

Boston Omaha Asset Management, LLC

BOAM conducts our asset management operations. BOAM's primary objective is to achieve long-term returns while seeking to limit the risk of capital and purchasing power loss in our investments in other companies and our real estate activities. We commenced reporting BOAM as a separate segment based on our acquisition of 24th Street Asset Management on May 1, 2023 and are in the process of winding down its operations.

The accounting policies of the above segments are the same as those described within Footnote 2 "Summary of Significant Accounting Policies" of the 2024 Form 10-K.

Resources are allocated and performance is assessed by our CEO, whom we have determined to be our Chief Operating Decision Maker (CODM). The CODM evaluates the performance of our segments and allocates resources to them based on segment operating income and segment adjusted EBITDA. We define adjusted EBITDA as net income (loss) before income tax expense (benefit), noncontrolling interest in subsidiary income (loss), interest expense, interest and dividend income, equity in income (loss) of unconsolidated affiliates, depreciation, amortization, accretion, gain or loss on disposition of assets, and other investment income (loss).

The cost and expense information provided below is based on the information regularly provided to the CODM. Given the diversity of our operating segments and the differences in revenue streams and cost structures, there are variances in the form, content, and levels of such expense information significant to the business. Expenses considered significant for one operating segment may not be significant for others.

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NOTE 14. INDUSTRY SEGMENTS (Continued)

Three Months Ended June 30, 2025	GIG	LMH	BOB	BOAM	Unallocated	Total Consolidated
Operating Revenues	\$ 6,525,514	\$ 11,440,033	\$ 10,233,463	\$ 4,660	\$ -	\$ 28,203,670
Cost of Revenues	3,548,719	3,702,731	2,315,896	-	-	9,567,346
Gross Margin	2,976,795	7,737,302	7,917,567	4,660	-	18,636,324
Other Operating Expenses						
Employee costs	2,277,747	2,136,331	3,746,738	-	493,064	8,653,880
Professional fees	117,600	62,636	152,067	142,223	239,178	713,704
General and administrative	795,365	1,058,984	1,802,021	1,919	342,730	4,001,019
Depreciation	54,121	1,323,798	2,749,628	-	27,652	4,155,199
Amortization	40,061	971,309	901,931	-	41,576	1,954,877
Accretion	-	50,801	3,435	-	-	54,236
(Gain) loss on disposition of assets	-	(92,492)	16,391	-	-	(76,101)
Total expenses	3,284,894	5,511,367	9,372,211	144,142	1,144,200	19,456,814
Segment (Loss) Income from Operations	(308,099)	2,225,935	(1,454,644)	(139,482)	(1,144,200)	(820,490)
Interest expense	-	(421,754)	(151,324)	-	-	(573,078)
Interest and dividend income	-	44,104	28,545	7,586	161,854	242,089
Equity in income of unconsol. affiliates	1,089,544	-	-	-	5,058,037	6,147,581
Other investment income (loss)	38,052	-	-	(2,640,200)	(7,706,964)	(10,309,112)
Noncontrolling interest in subsidiary loss	-	-	-	2,249,221	-	2,249,221
Income tax benefit	-	-	-	-	743,706	743,706
Net Income (Loss) Attributable to Common Stockholders	\$ 819,497	\$ 1,848,285	\$ (1,577,423)	\$ (522,875)	\$ (2,887,567)	\$ (2,320,083)
Segment adjusted EBITDA	\$ (213,917)	\$ 4,479,351	\$ 2,216,741	\$ (139,482)	\$ (1,074,972)	\$ 5,267,721
Capital expenditures	\$ -	\$ 652,281	\$ 6,647,495	\$ -	\$ -	\$ 7,299,776

Three Months Ended June 30, 2024	GIG	LMH	BOB	BOAM	Unallocated	Total Consolidated
Operating Revenues	\$ 5,822,598	\$ 11,437,468	\$ 9,787,983	\$ 39,734	\$ -	\$ 27,087,783
Cost of Revenues	2,255,664	3,880,807	2,475,451	-	-	8,611,922
Gross Margin	3,566,934	7,556,661	7,312,532	39,734	-	18,475,861
Other Operating Expenses						
Employee costs	1,958,337	1,918,753	3,794,486	269,262	3,880,099	11,820,937
Professional fees	179,817	62,758	341,835	109,455	1,026,057	1,719,922
General and administrative	638,653	959,686	1,810,810	169,465	424,467	4,003,081
Depreciation	44,764	1,281,057	2,218,667	-	27,578	3,572,066
Amortization	40,061	970,746	848,419	-	24,848	1,884,074
Accretion	-	50,968	5,166	-	-	56,134
Gain on disposition of assets	-	(106,011)	(77,727)	-	-	(183,738)
Total expenses	2,861,632	5,137,957	8,941,656	548,182	5,383,049	22,872,476
Segment Income (Loss) from Operations	705,302	2,418,704	(1,629,124)	(508,448)	(5,383,049)	(4,396,615)
Interest expense	-	(364,907)	(3,662)	-	199	(368,370)
Interest and dividend income	-	24,999	2,259	76,720	209,797	313,775
Equity in income of unconsol. affiliates	-	-	-	-	2,957,387	2,957,387
Other investment (loss) income	(44,970)	-	-	628,355	(1,128,770)	(545,385)
Noncontrolling interest in subsidiary income	-	-	-	(218,057)	-	(218,057)
Income tax benefit	-	-	-	-	22,046	22,046
Net Income (Loss) Attributable to Common Stockholders	\$ 660,332	\$ 2,078,796	\$ (1,630,527)	\$ (21,430)	\$ (3,322,390)	\$ (2,235,219)
Segment adjusted EBITDA	\$ 790,127	\$ 4,615,464	\$ 1,365,401	\$ (508,448)	\$ (5,330,623)	\$ 931,921

Capital expenditures	\$	18,259	\$	349,196	\$	7,893,890	\$	-	\$	250,000	\$	8,511,345
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Notes to Condensed Unaudited Consolidated Financial Statements

For the Six Months Ended June 30, 2025 and 2024

NOTE 14. INDUSTRY SEGMENTS (Continued)

Six Months Ended June 30, 2025	GIG	LMH	BOB	BOAM	Unallocated	Total Consolidated
Operating Revenues	\$ 13,158,398	\$ 22,204,508	\$ 20,553,593	\$ 17,665	\$ -	\$ 55,934,164
Cost of Revenues	6,412,394	7,546,865	4,689,027	-	-	18,648,286
Gross Margin	6,746,004	14,657,643	15,864,566	17,665	-	37,285,878
Other Operating Expenses						-
Employee costs	4,784,403	4,362,446	7,336,163	-	980,978	17,463,990
Professional fees	216,015	124,864	277,949	398,309	437,845	1,454,982
General and administrative	1,652,532	2,048,315	3,322,222	34,897	722,915	7,780,881
Depreciation	96,817	2,613,564	5,416,695	-	55,000	8,182,076
Amortization	80,123	1,933,579	1,769,611	-	82,694	3,866,007
Accretion	-	101,381	6,831	-	-	108,212
(Gain) loss on disposition of assets	-	(18,557)	66,180	-	-	47,623
Total expenses	6,829,890	11,165,592	18,195,651	433,206	2,279,432	38,903,771
Segment (Loss) Income from Operations	(83,886)	3,492,051	(2,331,085)	(415,541)	(2,279,432)	(1,617,893)
Interest expense	-	(844,033)	(270,765)	-	-	(1,114,798)
Interest and dividend income	-	91,128	45,807	15,641	392,431	545,007
Equity in income of unconsol. affiliates	1,253,002	-	-	-	2,580,174	3,833,176
Other investment income (loss)	320,736	-	-	(4,659,948)	(5,233,890)	(9,573,102)
Noncontrolling interest in subsidiary loss	-	-	-	4,007,601	-	4,007,601
Income tax benefit	-	-	-	-	930,641	930,641
Net Income (Loss) Attributable to Common Stockholders	\$ 1,489,852	\$ 2,739,146	\$ (2,556,043)	\$ (1,052,247)	\$ (3,610,076)	\$ (2,989,368)
Segment adjusted EBITDA	\$ 93,054	\$ 8,122,018	\$ 4,928,232	\$ (415,541)	\$ (2,141,738)	\$ 10,586,025
Capital expenditures	\$ -	\$ 1,352,051	\$ 12,806,315	\$ -	\$ -	\$ 14,158,366

Six Months Ended June 30, 2024	GIG	LMH	BOB	BOAM	Unallocated	Total Consolidated
Operating Revenues	\$ 10,864,375	\$ 22,134,128	\$ 19,471,412	\$ 170,599	\$ -	\$ 52,640,514
Cost of Revenues	4,162,585	7,671,441	4,973,563	-	-	16,807,589
Gross Margin	6,701,790	14,462,687	14,497,849	170,599	-	35,832,925
Other Operating Expenses						-
Employee costs	3,812,721	3,787,399	7,603,356	765,602	4,483,770	20,452,848
Professional fees	350,177	142,675	513,418	337,232	1,513,568	2,857,070
General and administrative	1,234,278	1,969,263	3,634,488	343,180	880,277	8,061,486
Depreciation	88,614	2,551,766	4,327,904	-	55,155	7,023,439
Amortization	80,123	1,940,571	1,725,286	-	24,848	3,770,828
Accretion	-	101,936	6,869	-	-	108,805
Loss (Gain) on disposition of assets	-	47,441	(34,096)	-	-	13,345
Total expenses	5,565,913	10,541,051	17,777,225	1,446,014	6,957,618	42,287,821
Segment Income (Loss) from Operations	1,135,877	3,921,636	(3,279,376)	(1,275,415)	(6,957,618)	(6,454,896)
Interest expense	-	(639,989)	(10,613)	-	199	(650,403)
Interest and dividend income	-	54,258	7,294	479,455	312,008	853,015
Equity in loss of unconsol. affiliates	-	-	-	-	(7,214,228)	(7,214,228)
Other investment income	207,710	-	-	28,853	7,006,497	7,243,060
Noncontrolling interest in subsidiary (income) loss	-	-	(64,765)	285,678	-	220,913
Income tax benefit	-	-	-	-	959,239	959,239
Net Income (Loss) Attributable to Common Stockholders	\$ 1,343,587	\$ 3,335,905	\$ (3,347,460)	\$ (481,429)	\$ (5,893,903)	\$ (5,043,300)

Segment adjusted EBITDA	\$	1,304,614	\$	8,563,350	\$	2,746,587	\$	(1,275,415)	\$	(6,877,615)	\$	4,461,521
Capital expenditures	\$	28,951	\$	952,454	\$	15,726,028	\$	-	\$	250,000	\$	16,957,433

**BOSTON OMAHA CORPORATION
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Notes to Condensed Unaudited Consolidated Financial Statements

For the Six Months Ended June 30, 2025 and 2024

NOTE 14. INDUSTRY SEGMENTS (Continued)

<u>As of June 30, 2025</u>	<u>GIG</u>	<u>LMH</u>	<u>BOB</u>	<u>BOAM</u>	<u>Unallocated</u>	<u>Total Consolidated</u>
Accounts receivable, net	\$ 8,001,320	\$ 4,085,545	\$ 976,594	\$ 287,076	\$ -	\$ 13,350,535
Goodwill	11,325,138	130,903,950	39,614,422	536,626	-	182,380,136
Total assets	102,433,266	255,171,517	207,291,439	44,325,522	121,407,603	730,629,347

<u>As of December 31, 2024</u>	<u>GIG</u>	<u>LMH</u>	<u>BOB</u>	<u>BOAM</u>	<u>Unallocated</u>	<u>Total Consolidated</u>
Accounts receivable, net	\$ 7,224,005	\$ 4,132,055	\$ 893,476	\$ 184,051	\$ -	\$ 12,433,587
Goodwill	11,325,138	130,903,950	39,614,422	536,626	-	182,380,136
Total assets	86,670,669	260,220,162	198,226,268	52,593,429	130,635,201	728,345,729

NOTE 15. RESERVES FOR LOSSES AND LOSS ADJUSTMENT EXPENSES

The following table provides a reconciliation of the beginning and ending reserve balances at UCS for losses and loss adjustment expenses (“LAE”) for the six months ended June 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Gross reserve for unpaid losses and loss adjustment expenses, beginning of period	\$ 5,873,192	\$ 5,733,444
Less: reinsurance recoverable on unpaid losses	1,803,865	3,283,071
Net reserve for unpaid losses and loss adjustment expenses, beginning of period	4,069,327	2,450,373
Incurring losses and loss adjustment expenses:		
Current year	3,299,396	1,420,332
Prior year	(343,003)	(67,229)
Total net losses and loss adjustment expense incurred	2,956,393	1,353,103
Payments:		
Current year	1,643,734	454,252
Prior year	904,092	268,956
Total payments:	2,547,826	723,208
Net reserves for unpaid losses and loss adjustment expenses, end of period	4,477,894	3,080,268
Reinsurance recoverable on unpaid losses, net of allowance	2,094,945	2,186,121
Gross reserves for unpaid losses and loss adjustment expenses, end of period	\$ 6,572,839	\$ 5,266,389

For the six months ended June 30, 2025 and June 30, 2024, there was a favorable prior year loss development, which was the result of a re-estimation of amounts ultimately to be paid on prior year losses and loss adjustment expense. Original estimates are increased or decreased as additional information becomes known regarding individual claims.

NOTE 16. CUSTODIAL RISK

As of June 30, 2025, we had approximately \$42,600,000 in excess of federally insured limits on deposit with financial institutions.

**BOSTON OMAHA CORPORATION
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Notes to Condensed Unaudited Consolidated Financial Statements

For the Six Months Ended June 30, 2025 and 2024

NOTE 17. REDEEMABLE NONCONTROLLING INTEREST

On April 2, 2024, we entered into agreements with the minority members of each of FIF Utah, LLC and FIF St. George, LLC, entities controlled by us as majority member. Under these agreements, the minority members of each of the entities exchanged their membership interests in the LLCs for unregistered shares of Boston Omaha Class A common stock. Under the securities exchange agreements, Alpine Networks, Inc., a company owned by Steven McGhie, the then Chief Executive Officer of Boston Omaha Broadband, and the sole owner of the minority interest in FIF Utah, LLC, exchanged its approximate 17% interest in FIF Utah, LLC for 275,611 shares of Boston Omaha Class A common stock, which for purposes of the transaction was valued at approximately \$4,400,000. The two owners of the minority interests in FIF St. George, LLC exchanged their combined 20% interest in FIF St. George, LLC for 563,750 shares of Boston Omaha Class A common stock, which for purposes of the transaction was valued at approximately \$9,000,000. As a result, Boston Omaha Broadband, LLC, our wholly-owned subsidiary, now owns 100% of the membership interests in each of FIF Utah, LLC and FIF St. George, LLC.

In each transaction, the value for the unregistered Boston Omaha Class A common stock was calculated based on the volume weighted average trading price of a share of Boston Omaha Class A common stock for the 30 trading days ended March 28, 2024 as reported on the New York Stock Exchange. The difference between the fair value of the Class A shares issued and the carrying balance of the noncontrolling interests at the date of the transaction is recorded within additional paid in capital within our Condensed Consolidated Balance Sheets.

NOTE 18. SUBSEQUENT EVENTS

None

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

CAUTIONARY STATEMENT FOR FORWARD-LOOKING STATEMENTS

THIS QUARTERLY REPORT ON FORM 10-Q INCLUDES FORWARD-LOOKING STATEMENTS WITHIN THE MEANING OF SECTION 27A OF THE SECURITIES ACT OF 1933, AS AMENDED, SECTION 21E OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, AND OTHER FEDERAL SECURITIES LAWS, PARTICULARLY THOSE ANTICIPATING FUTURE FINANCIAL PERFORMANCE, BUSINESS PROSPECTS, GROWTH, OPERATING STRATEGIES AND SIMILAR MATTERS, INCLUDING WITHOUT LIMITATION, STATEMENTS CONCERNING OPERATIONS, RESULTS OF OPERATIONS, LIQUIDITY, INVESTMENTS, OUR NEED FOR, AND ABILITY TO OBTAIN, ADDITIONAL FUNDING FOR ACQUISITIONS AND POTENTIAL BUSINESS EXPANSION, GENERAL ECONOMIC TRENDS, INFLATIONARY PRESSURES, FINANCIAL CONDITION AND THE IMPACT OF ANY FUTURE PANDEMIC ON OUR BUSINESS. WE HAVE BASED THESE FORWARD-LOOKING STATEMENTS ON OUR CURRENT INTENT, EXPECTATIONS AND PROJECTIONS ABOUT FUTURE EVENTS, AND THESE FORWARD-LOOKING STATEMENTS ARE NOT GUARANTEED TO OCCUR AND MAY NOT OCCUR. THESE FORWARD-LOOKING STATEMENTS ARE SUBJECT TO KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND ASSUMPTIONS ABOUT US THAT MAY CAUSE OUR ACTUAL RESULTS, LEVELS OF ACTIVITY, PERFORMANCE OR ACHIEVEMENTS TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, LEVELS OF ACTIVITY, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. IN SOME CASES, YOU CAN IDENTIFY FORWARD-LOOKING STATEMENTS BY TERMINOLOGY SUCH AS “MAY,” “WILL,” “SHOULD,” “COULD,” “WOULD,” “INTEND,” “PROJECT,” “CONTEMPLATE,” “POTENTIAL,” “EXPECT,” “PLAN,” “ANTICIPATE,” “BELIEVE,” “ESTIMATE,” “CONTINUE,” OR THE NEGATIVE OF SUCH TERMS OR OTHER SIMILAR EXPRESSIONS. THESE STATEMENTS ARE ONLY PREDICTIONS. FACTORS THAT MIGHT CAUSE OR CONTRIBUTE TO SUCH A DISCREPANCY INCLUDE, BUT ARE NOT LIMITED TO, THOSE DESCRIBED IN OUR OTHER SECURITIES AND EXCHANGE COMMISSION FILINGS.

THE OUTCOME OF THE EVENTS DESCRIBED IN THIS REPORT ALSO CONTAINS STATISTICAL AND OTHER INDUSTRY AND MARKET DATA RELATED TO OUR BUSINESS AND INDUSTRY THAT WE OBTAINED FROM INDUSTRY PUBLICATIONS AND RESEARCH, SURVEYS AND STUDIES CONDUCTED BY US AND THIRD PARTIES, AS WELL AS OUR ESTIMATES OF POTENTIAL MARKET OPPORTUNITIES. INDUSTRY PUBLICATIONS, THIRD-PARTY AND OUR OWN RESEARCH, SURVEYS AND STUDIES GENERALLY INDICATE THAT THEIR INFORMATION HAS BEEN OBTAINED FROM SOURCES BELIEVED TO BE RELIABLE ALTHOUGH THEY DO NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION. THIS MARKET DATA INCLUDES PROJECTIONS THAT ARE BASED ON A NUMBER OF ASSUMPTIONS. IF THESE ASSUMPTIONS TURN OUT TO BE INCORRECT, ACTUAL RESULTS MAY DIFFER FROM THE PROJECTIONS BASED ON THESE ASSUMPTIONS. AS A RESULT, OUR MARKETS MAY NOT GROW AT THE RATES PROJECTED BY THIS DATA, OR AT ALL. THE FAILURE OF THESE MARKETS TO GROW AT THESE PROJECTED RATES MAY HAVE A MATERIAL ADVERSE EFFECT ON OUR BUSINESS, RESULTS OF OPERATIONS, FINANCIAL CONDITION AND THE MARKET PRICE OF OUR CLASS A COMMON STOCK.

THE FOLLOWING DISCUSSION SHOULD BE READ IN CONJUNCTION WITH OUR FINANCIAL STATEMENTS AND RELATED NOTES THERETO INCLUDED ELSEWHERE IN THIS REPORT. ANY OF THE FORWARD-LOOKING STATEMENTS THAT WE MAKE IN THIS QUARTERLY REPORT ON FORM 10-Q AND IN OTHER PUBLIC REPORTS AND STATEMENTS WE MAKE MAY TURN OUT TO BE INACCURATE AS A RESULT OF OUR BELIEFS AND ASSUMPTIONS WE MAKE IN CONNECTION WITH THE FACTORS SET FORTH ABOVE OR BECAUSE OF OTHER UNIDENTIFIED AND UNPREDICTABLE FACTORS. IN ADDITION, OUR BUSINESS AND FUTURE RESULTS ARE SUBJECT TO A NUMBER OF OTHER FACTORS, INCLUDING THOSE FACTORS SET FORTH IN THE “RISK FACTORS” SECTION OF OUR ANNUAL REPORT ON FORM 10-K FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024 AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION (THE “SEC”) ON MARCH 28, 2025. BECAUSE OF THESE AND OTHER UNCERTAINTIES, OUR ACTUAL FUTURE RESULTS MAY BE MATERIALLY DIFFERENT FROM THE RESULTS INDICATED BY THESE FORWARD-LOOKING STATEMENTS AND YOU SHOULD NOT RELY ON SUCH STATEMENTS. WE UNDERTAKE NO OBLIGATION TO PUBLISH REVISED FORWARD-LOOKING STATEMENTS TO REFLECT THE OCCURRENCE OF UNANTICIPATED EVENTS OR CIRCUMSTANCES AFTER THE DATE HEREOF. THESE RISKS COULD CAUSE OUR ACTUAL RESULTS FOR 2025 AND BEYOND TO DIFFER MATERIALLY FROM THOSE EXPRESSED IN ANY FORWARD-LOOKING STATEMENTS BY OR ON BEHALF OF US, AND COULD NEGATIVELY AFFECT OUR FINANCIAL CONDITION, LIQUIDITY AND OPERATING AND STOCK PRICE PERFORMANCE.

Overview

We are currently engaged in outdoor billboard advertising, broadband services, surety insurance and related brokerage businesses, and an asset management business. In addition, we hold minority investments in commercial real estate management and brokerage services, a bank focused on servicing the automotive loan market, and a developer of private aviation infrastructure focused on building, leasing, and managing business aviation hangars.

Outdoor Billboard Advertising. In June 2015, we commenced our billboard business operations through acquisitions by Link, our wholly-owned subsidiary, of smaller billboard companies located in the Southeastern United States and Wisconsin. During July and August 2018, we acquired the membership interest or assets of three larger billboard companies which increased our overall billboard count to approximately 2,900 billboards. In addition, we have made several billboard acquisitions on a smaller scale since that date. We believe that we are a leading outdoor billboard advertising company in the markets we serve in the Midwest. As of June 30, 2025, we operate approximately 3,950 billboards with approximately 7,570 advertising faces. One of our principal business objectives is to continue to acquire additional billboard assets through acquisitions of existing billboard businesses in the United States when they can be made at what we believe to be attractive prices relative to other opportunities generally available to us.

Surety Insurance. In September 2015, we established an insurance subsidiary, GIG, designed to own and operate insurance businesses generally handling high volume, lower policy limit commercial lines of property and casualty insurance. In April 2016, our surety insurance business commenced with the acquisition of a surety insurance brokerage business with a national internet-based presence. In December 2016, we completed the acquisition of UCS, a surety insurance company, which at that time was licensed to issue surety bonds in only nine states. UCS now has licenses to operate in all 50 states and the District of Columbia. In addition, over the last several years, we have also acquired additional surety insurance brokerage businesses located in various regions of the United States. We currently operate our insurance brokerage businesses under our BOSS Bonds™ tradename. We offer independent insurance agents the opportunity to purchase surety insurance through our computerized portal which offers speed and ease in application processing for the independent agent. We may in the future expand the reach of our insurance activities to other forms of insurance which may have similar characteristics to surety, such as high volume and low average policy premium insurance businesses which historically have similar economics.

Broadband Services. In March 2020, we commenced our broadband services business with the acquisition of substantially all of the business assets of FibAire, a rural broadband internet provider that served over 8,000 customers in communities in southern Arizona with a high-speed fixed wireless internet service and is building an all fiber-to-the-home network in select Arizona markets. In December 2020, we acquired substantially all of the business assets of UBB, a broadband internet provider that provided high-speed internet to over 10,000 customers throughout Utah. In September 2021, we announced the launch of Fiber Fast Homes, LLC, which we refer to as "FFH," which partners with builders, developers, and build for rent communities to build fiber-to-the-home infrastructure and provide fiber internet service to residents. In April 2022, we acquired substantially all of the business assets of InfoWest, which are fiber and fixed wireless internet service providers with over 20,000 customers throughout Southern and Central Utah, Northern Arizona, and Moapa Valley, Nevada. In addition, over the last few years, we have also acquired additional smaller broadband businesses located in Utah. As of June 30, 2025, we have approximately 48,400 broadband customers (17,800 fiber subscribers) and 43,400 fiber passings completed. We hope to continue to expand in Arizona, Florida, Nevada, Utah, and other locales.

Asset Management. In September 2017, we established an asset management subsidiary, Boston Omaha Asset Management, LLC, which we refer to as "BOAM," designed to raise third-party capital and invest alongside Boston Omaha Corporation in specific assets and businesses that may offer attractive long-term returns on invested capital. During 2021, we established a subsidiary, Fund One: Boston Omaha Build for Rent, LP ("BFR Fund"), within BOAM to operate a proposed build-for-rent business, focusing on developing, building, and managing single family detached and/or townhomes for long term rentals. In 2022, we started having initial conversations to raise third-party capital to "fund finance" the growth of our fiber business. In May 2023, we acquired 100% of the membership interests in 24th Street Asset Management LLC ("24th Street"), from the other members of 24th Street. 24th Street is the manager of two funds, 24th Street Fund I, LLC and 24th Street Fund II, LLC, which we refer to as "the 24th Street Funds," focusing on secured lending and direct investments in commercial real estate. In recent years, BOAM has been staffed and equipped to support the growth of the fiber and real estate businesses. The high costs and significant risks associated with "fund financing" based on current market conditions led us to conclude that it would be more appropriate to pursue self-funding, bank debt, and other funding options for our fiber business at this time. As a result, we are winding down BOAM's operations and over the past several months have implemented significant cost cutting measures as BOAM now only manages real estate funds. With respect to our funds under management (the 24th Street Funds and the BFR Fund), we plan to sell the assets at the highest price the market will bear while maintaining the business plans for these assets. Additionally, we will be returning capital to our fund partners during the wind-down process on the remaining portion of these assets.

Investments:

- Since September 2015, we have made a series of investments in commercial real estate, a commercial real estate management business, brokerage and related services business, as well as an asset management business. We currently own 30% of Logic Real Estate Companies, LLC. On May 1, 2023, our BOAM subsidiary acquired 100% of the membership interests in 24th Street from the members of 24th Street other than BOAM for cash and BOC Class A common stock valued at \$5,016,494 in the aggregate. Prior to the transaction, BOAM indirectly owned 48% of the membership interests of 24th Street. The consideration consisted of \$2,759,072 in cash at closing, an additional \$1,254,102 in cash subject to holdback, and 45,644 shares of BOC Class A common stock (based on the average closing price of BOC Class A common stock for the 30 business day period ending two days before the closing date). The shares issued in the transaction are unregistered and have no registration rights. The purchase agreement also provides for certain payments based on performance to receive the holdback amount and certain other potential earnout payments. In addition, we have invested, through one of our subsidiaries, an aggregate of \$6 million in the 24th Street Funds. These funds are managed by 24th Street and focus on opportunities within secured lending and direct investments in commercial real estate.
- In December 2017, we invested \$10 million in common units of Dream Finders Holdings LLC, which we refer to as "DFH," the parent company of Dream Finders Homes, LLC, a national home builder. In addition to its homebuilding operations, DFH's subsidiaries provide mortgage loan origination and title insurance services to homebuyers. On January 25, 2021, Dream Finders Homes, Inc., a wholly owned subsidiary of DFH, completed its initial public offering and Dream Finders Homes, Inc. became a holding company and sole manager of DFH. Upon completion of the initial public offering, our outstanding common units in DFH were converted into 4,681,099 shares of Class A common stock of Dream Finders

Homes, Inc., and one of our subsidiaries purchased an additional 120,000 shares of Class A common stock in the initial public offering. Since DFH's initial public offering through December 31, 2022, we have sold all our 4,801,099 shares of DFH Class A common stock for gross proceeds of approximately \$81 million.

- In May 2018, through one of our subsidiaries, we invested approximately \$19 million through the purchase of common stock of CB&T Holding Corporation, which we refer to as "CB&T," the privately-held parent company of Crescent Bank & Trust, Inc. Our investment now represents 15.6% of CB&T's outstanding common stock. Crescent Bank is located in New Orleans and generates the majority of its revenues from indirect subprime automobile lending across the United States.

- In October 2020, our subsidiary BOC Yellowstone LLC, which we refer to as "BOC Yellowstone," served as sponsor for the underwritten initial public offering of a special purpose acquisition company named Yellowstone Acquisition Company, which we refer to as "Yellowstone." Yellowstone sold in its public offering 13,598,898 units at a price of \$10.00 per unit, each unit consisting of one share of Class A common stock and a redeemable warrant to purchase one-half of a share of Class A common stock at an exercise price of \$11.50 per share. Between August and November 2020, we invested, through BOC Yellowstone, approximately \$7.8 million through the purchase of 3,399,724 shares of Class B common stock and 7,719,779 non-redeemable private placement warrants, each warrant entitling us to purchase one share of Class A common stock at \$11.50 per share. In August 2021, Yellowstone entered into a business combination agreement with Sky Harbour LLC, which we refer to as "SHG," a developer of private aviation infrastructure focused on building, leasing and managing business aviation hangars. The business combination was completed on January 25, 2022 and Yellowstone changed its name to Sky Harbour Group Corporation, which we refer to as "Sky Harbour." Sky Harbour's Class A common stock trades on the NYSE under the symbol "SKYH" and its warrants to purchase Class A common stock trade under the symbol "SKYH.WS."
- In September 2021, through one of our subsidiaries, we invested \$55 million directly into SHG and received Series B preferred units. Upon the successful consummation of the Sky Harbour business combination, this investment converted into 5,500,000 shares of Sky Harbour's Class A common stock based upon an assumed value of \$10.00 per share. In December 2021, we agreed to provide Sky Harbour an additional \$45 million through the purchase of 4,500,000 shares of Class A common stock upon the closing of the Sky Harbour business combination, which was consummated in January 2022. Through June 30, 2025, we have sold 1,015,537 shares of Sky Harbour Class A common stock for gross proceeds of approximately \$11.2 million. As of June 30, 2025, we held 11,671,494 shares of Sky Harbour Class A common stock and 7,719,779 Sky Harbour warrants.
- In 2021, we established the BFR Fund subsidiary within BOAM to operate a proposed build-for-rent business, focusing on developing, building, and managing single family detached and/or townhomes for long term rentals. We invested approximately \$15 million of capital to finance the initial acquisitions for these projects and subsequently raised third-party capital to be invested alongside our capital. The BFR Fund acquired land parcels in Nevada with the initial plan to develop, construct, and operate build-for-rent communities. However, challenges in the market, including the increase in interest rates and the inability to achieve what we believe are appropriate risk-adjusted returns, have led us to pursue selling the BFR Fund's entitled land assets to public homebuilders. Consequently, we are winding down the BFR Fund earlier than originally targeted by returning the uninvested cash on hand to BFR Fund partners and, as we sell the BFR Fund's entitled land assets, returning that capital to BFR Fund partners as well.
- In July 2023, we invested approximately \$3 million in voting preferred stock of MyBundle.TV Inc., a company serving the broadband industry.

In each of our businesses, we hope to expand our geographic reach and market share and seek to develop a competitive advantage and/or brand name for our services, which we hope will be a differentiating factor for customers. Our insurance market primarily services small contractors, small and medium-sized businesses and individuals required to provide surety bonds (i) in connection with their work for government agencies and others, (ii) in connection with contractual obligations, or (iii) to meet regulatory requirements and other needs. We have expanded the licensing of the UCS business to all 50 states and the District of Columbia and developed and brought to market an electronic portal allowing independent insurance agents to more easily and efficiently purchase surety insurance. In outdoor advertising, our plan is to continue to grow this business through acquisitions of billboard assets. We expect to expand our broadband services in Arizona, Florida, Nevada, Utah and in other locations. In the future, we expect to expand the range of services we provide in the insurance sector, seek to continue to expand our billboard operations and broadband services and to possibly consider acquisitions of other businesses, as well as investments, in other sectors, although we expect to place a primary emphasis on growing our existing business lines over the next several years. Our decision to expand outside of these current business sectors we serve or in which we have made investments will be based on the opportunity to acquire businesses which we believe provide the potential for sustainable earnings at an attractive level relative to capital employed and, with regard to investment, we believe have the potential to provide attractive returns.

We seek to enter markets where we believe demand for our services will grow in the coming years due to certain barriers to entry and/or to anticipated long-term demand for these services. In the outdoor billboard business, government restrictions often limit the number of additional billboards that may be constructed. At the same time, advances in billboard technology provide the opportunity to improve revenues through the use of digital display technologies and other new technologies. In the surety insurance business, new insurance companies must be licensed by state agencies that impose capital, management and other strict requirements on these insurers. These hurdles are at the individual state level, with statutes often providing wide latitude to regulators to impose judgmental requirements upon new entrants. In addition, new distribution channels in certain areas of surety may provide a new opportunity. In the real estate management services market, we believe the continued growth of commercial real estate in many sections of the United States will provide opportunities for management services for the foreseeable future. We also believe our investment in both CB&T and Sky Harbour has provided each company the opportunity to significantly grow its business. We invest our available capital and the surplus capital from UCS in a wide range of securities, including equity securities of public companies, various corporate and government bonds, and U.S. treasuries. In broadband services, we believe that our fiber-to-the-home services can compete with traditional cable operators as broadband provides higher rates of transmission and improved speed to consumers and that, once built, other competitors may be less willing to compete in communities which we serve.

How We Generate Our Revenues and Evaluate Our Business

We currently generate revenues primarily through billboard advertising and related services, from the sale of surety insurance and related brokerage activities, by providing high-speed broadband services, and asset management services. Revenue for outdoor advertising space rental is recognized on a straight-line basis over the term of the contract and advertising revenue is reported net of agency commissions. Payments received in advance of being earned are recorded as deferred revenue. In our surety insurance business, premiums written are recognized as revenues based on a pro rata daily calculation over the respective terms of the policies in-force. Unearned premiums represent the portion of premiums written applicable to the unexpired term of the policies in-force. In connection with our surety agency business, insurance commissions are recognized at a point in time, on a bond-by-bond basis as of the policy effective date and are generally nonrefundable. In our broadband business, revenue is derived principally from internet services and is recognized on a straight-line basis over the term of the contract in the period the services are rendered. Revenue received or receivable in advance of the delivery of services is included in deferred revenue.

Segment gross profit is a key metric that we use to evaluate segment operating performance and to determine resource allocation between segments. We define segment gross profit as segment revenues less segment direct cost of services. In our billboard business, direct cost of services includes land leases, utilities, repairs and maintenance of equipment, sales commissions, contract services, and other billboard level expenses. In our broadband business, direct costs of services includes network operations and data costs, software costs, cell site rent and utilities, and other broadband level expenses. In our surety business, direct cost of services includes commissions, premium taxes, fees and assessments, and losses and loss adjustment expenses.

Results of Operations

Three Months Ended June 30, 2025 Compared to Three Months Ended June 30, 2024

The following is a comparison of our results of operations for the three months ended June 30, 2025, which we refer to as the “second quarter of fiscal 2025,” compared to the three months ended June 30, 2024, which we refer to as the “second quarter of fiscal 2024.”

Revenues. For the second quarter of fiscal 2025 and the second quarter of fiscal 2024, our revenues in dollars and as a percentage of total revenues were as follows:

	For the Three Months Ended June 30, (unaudited)				
	2025		2024		2025 vs 2024
	Amount	As a % of Total Revenues	Amount	As a % of Total Revenues	\$ Variance
Revenues:					
Billboard rentals, net	\$ 11,440,033	40.6%	\$ 11,437,468	42.2%	\$ 2,565
Broadband services	10,233,463	36.3%	9,787,983	36.1%	445,480
Premiums earned	5,565,360	19.7%	4,737,056	17.5%	828,304
Insurance commissions	448,192	1.6%	527,055	2.0%	(78,863)
Investment and other income	516,622	1.8%	598,221	2.2%	(81,599)
Total Revenues	\$ 28,203,670	100.0%	\$ 27,087,783	100.0%	\$ 1,115,887

We realized total revenues of \$28,203,670 during the second quarter of fiscal 2025, an increase of 4.1% over revenues of \$27,087,783 during the second quarter of fiscal 2024. The key factors impacting revenue across each of our businesses during the second quarter of fiscal 2025 were as follows:

- Net billboard rentals in the second quarter of fiscal 2025 were flat when compared to the second quarter of fiscal 2024, reflecting steady rental and occupancy rates across a number of our markets.
- Revenue from broadband services in the second quarter of fiscal 2025 increased 4.6% from the second quarter of fiscal 2024, mainly reflecting subscriber growth across a number of our markets.
- Premiums earned from our UCS insurance subsidiary increased 17.5% in the second quarter of fiscal 2025 when compared to the second quarter of fiscal 2024. The increase in premiums earned was primarily due to increases in production throughout fiscal 2024 and the first six months of fiscal 2025. We recognize revenues for written premium over the life of the surety bond and, as a result, increased sales activities are not fully reflected in the quarter in which the surety bond is issued.
- Revenue from insurance commissions generated by our surety brokerage operations declined by 15.0% in the second quarter of fiscal 2025 when compared to the second quarter of fiscal 2024, mainly due to decreased production through outside insurance carriers.
- Investment and other income at UCS and BOAM decreased from \$598,221 in the second quarter of fiscal 2024 to \$516,622 in the second quarter of fiscal 2025.

Expenses. For the second quarter of fiscal 2025 and the second quarter of fiscal 2024, our expenses, in dollars, and as a percentage of total revenues, were as follows:

	For the Three Months Ended June 30, (unaudited)				
	2025		2024		2025 vs 2024
	Amount	As a % of Total Revenues	Amount	As a % of Total Revenues	\$ Variance
Costs and Expenses:					
Cost of billboard revenues	\$ 3,702,731	13.1%	\$ 3,880,807	14.3%	\$ (178,076)
Cost of broadband revenues	2,315,896	8.2%	2,475,451	9.1%	(159,555)
Cost of insurance revenues	3,548,719	12.6%	2,255,664	8.3%	1,293,055
Employee costs	8,653,880	30.7%	11,820,937	43.6%	(3,167,057)
Professional fees	713,704	2.5%	1,719,922	6.4%	(1,006,218)
Depreciation	4,155,199	14.8%	3,572,066	13.2%	583,133
Amortization	1,954,877	6.9%	1,884,074	7.0%	70,803
General and administrative	4,001,019	14.2%	4,003,081	14.8%	(2,062)
Gain on disposition of assets	(76,101)	(0.3%)	(183,738)	(0.7%)	107,637
Accretion	54,236	0.2%	56,134	0.2%	(1,898)
Total Costs and Expenses	\$ 29,024,160	102.9%	\$ 31,484,398	116.2%	\$ (2,460,238)

During the second quarter of fiscal 2025, we had total costs and expenses of \$29,024,160, as compared to total costs and expenses of \$31,484,398 in the second quarter of fiscal 2024. Total costs and expenses as a percentage of total revenues decreased from 116.2% in the second quarter of fiscal 2024 to 102.9% in the second quarter of fiscal 2025. The key factors impacting costs and expenses across each of our businesses during the second quarter of fiscal 2025 were as follows:

- Cost of billboard revenues decreased as a percentage of billboard revenues from 33.9% in the second quarter of fiscal 2024 to 32.4% in the second quarter of fiscal 2025. The decrease was mainly driven by lower commissions paid and other billboard cost of revenues as a percentage of billboard revenues.
- Cost of broadband revenues decreased as a percentage of broadband revenues from 25.3% in the second quarter of fiscal 2024 to 22.6% in the second quarter of fiscal 2025. The decrease was mainly driven by reduced equipment costs, fuel costs, as well as software costs as a percentage of broadband revenues.
- Cost of insurance revenues increased as a percentage of insurance revenues from 38.7% in the second quarter of fiscal 2024 to 54.4% in the second quarter of fiscal 2025. The increase was mainly driven by higher loss and loss adjustment expense mainly due to an increase in claim payments. Losses and loss adjustment expenses are primarily reserved monthly based on a percentage of earned premium.
- Employee costs in the second quarter of fiscal 2025 were \$8,653,880, or 30.7% of total revenues, as compared to \$11,820,937, or 43.6% of total revenues, in the second quarter of fiscal 2024. The decrease was mainly driven by the one-time severance and bonus payments to our former Co-CEO as a part of his separation and stock repurchase agreement during the second quarter of fiscal 2024. Excluding the one-time severance and bonus payments, employee costs would have been 31.2% of total revenues in the second quarter of fiscal 2024.

- Professional fees in the second quarter of fiscal 2025 were \$713,704, or 2.5% of total revenues, as compared to \$1,719,922 or 6.4% of total revenues, in the second quarter of fiscal 2024. The decrease was mainly driven by the one-time legal fees associated with our former Co-CEO's separation and stock repurchase agreement during the second quarter of fiscal 2024.
- General and administrative expenses in the second quarter of fiscal 2025 were \$4,001,019, or 14.2% of total revenues, as compared to \$4,003,081, or 14.8% of total revenues, in the second quarter of fiscal 2024. The decrease was mainly driven by expense reductions within our asset management business and Boston Omaha's parent company. The decrease was partially offset by an increase in expenses within our insurance and billboard businesses.
- Non-cash expenses in the second quarter of fiscal 2025 included \$4,155,199 in depreciation expense, \$1,954,877 in amortization expense, and \$54,236 in accretion expense mainly related to asset retirement obligations for certain billboard assets. The increase in depreciation expense is mainly driven by continued capital investments within our broadband businesses.

Net Loss from Operations. Net loss from operations for the second quarter of fiscal 2025 was \$820,490, or 2.9% of total revenues, as compared to a net loss from operations of \$4,396,615, or 16.2% of total revenues, in the second quarter of fiscal 2024. The decrease in net loss from operations was primarily due to improved operations within our broadband business as well as lower expenses within our asset management business and Boston Omaha's parent company, which were partially offset by higher loss and loss adjustment expense within our insurance business and increased employee costs within our billboard business. Our net loss from operations included \$6,164,312 from non-cash depreciation, amortization and accretion expenses in the second quarter of fiscal 2025, as compared to \$5,512,274 in the second quarter of fiscal 2024.

Other Income (Expense). During the second quarter of fiscal 2025, we had net other expense of \$4,492,520. Net other expense included losses of \$10,309,112 in other investment losses mainly driven by a \$10,653,295 unrealized loss on the Sky Harbour warrants held by Boston Omaha and losses of \$2,640,200 within BOAM primarily related to changes in the fair value of the remaining assets within the 24th Street Funds, which was partially offset by \$2,859,171 in realized gains on the sale of 509,206 shares of Sky Harbour Class A common stock, and interest expense of \$573,078 mainly incurred under Link's term loan and revolver and BOB's credit facility. These items were partially offset by income of \$6,147,581 from unconsolidated affiliates mainly related to our equity method position in Sky Harbour and interest and dividend income of \$242,089. During the second quarter of fiscal 2024, we had net other income of \$2,357,407, which included non-cash gains of \$2,957,387 from unconsolidated affiliates mainly related to our equity method position in Sky Harbour and interest and dividend income of \$313,775. These items were partially offset by \$545,385 in other investment losses mainly driven by a \$4,014,285 unrealized loss on the Sky Harbour warrants held by Boston Omaha, which was partially offset by (i) \$1,957,056 in non-cash gains associated with the transfer of Sky Harbour Class A common stock to our former Co-CEO as a part of his separation and stock repurchase agreement, (ii) \$894,324 in realized gains on the sale of 246,389 shares of Sky Harbour Class A common stock, and (iii) other investment income of \$628,355 primarily related to changes in the fair value of the BFR Fund mainly driven by the underlying real estate properties, and interest expense of \$368,370 mainly incurred under Link's term loan and revolver.

Generally accepted accounting principles ("GAAP") requires us to include the unrealized changes in market prices of investments in public equity securities in our reported earnings. Due to the size of our percentage ownership interest in Sky Harbour's Class A common stock and our right to elect one of the seven members of Sky Harbour's Board of Directors, our investment is recorded under the equity method and we do not include any unrealized gains or losses related to the change in Sky Harbour's stock price in our reported earnings. In the future, if we are deemed to no longer have significant influence, we may no longer be able to record our investment under the equity method and will be required to include any unrealized gains or losses related to the change in Sky Harbour's stock price in our reported earnings. While we intend to hold our current securities for the longer term, we may in the future choose to sell them for a variety of reasons resulting in realized losses or gains.

Additionally, we have evaluated our investment in Sky Harbour as of June 30, 2025, and determined that there was not an other-than-temporary impairment. Our conclusion was based on several contributing factors, including: (i) our assessment that the underlying business and financial condition of Sky Harbour is favorable, (ii) Sky Harbour's stock price trading above our carrying value for an extended period of time, and (iii) our ability and intent to hold the investment. We will continue to review our investment in Sky Harbour for an other-than-temporary impairment on a quarterly basis or upon the occurrence of certain events. If Sky Harbour's stock price drops below our carrying value of \$6.14 per share for a sustained period of time, it will likely result in an impairment of our investment. There may also be a future impairment of our investment if our expectations about Sky Harbour's prospective results of operations and cash flows decline, which could be influenced by a variety of factors including adverse market conditions.

Net Loss Attributable to Common Stockholders. We had a net loss attributable to common stockholders in the amount of \$2,320,083 in the second quarter of fiscal 2025, or a loss per share of \$0.07, based on 31,453,434 diluted weighted average shares outstanding. This is compared to a net loss attributable to common stockholders of \$2,235,219 in the second quarter of fiscal 2024, or a loss per share of \$0.07, based on 31,853,692 diluted weighted average shares outstanding.

Six Months Ended June 30, 2025 Compared to Six Months Ended June 30, 2024

The following is a comparison of our results of operations for the six months ended June 30, 2025, which we refer to as the “first six months of fiscal 2025,” compared to the six months ended June 30, 2024, which we refer to as the “first six months of fiscal 2024.”

Revenues. For the first six months of fiscal 2025 and the first six months of fiscal 2024, our revenues in dollars and as a percentage of total revenues were as follows:

	For the Six Months Ended June 30, (unaudited)				
	2025		2024		2025 vs 2024
	Amount	As a % of Total Revenues	Amount	As a % of Total Revenues	\$ Variance
Revenues:					
Billboard rentals, net	\$ 22,204,508	39.7%	\$ 22,134,128	42.0%	\$ 70,380
Broadband services	20,553,593	36.8%	19,471,412	37.0%	1,082,181
Premiums earned	11,129,133	19.9%	8,740,115	16.6%	2,389,018
Insurance commissions	1,027,485	1.8%	1,029,743	2.0%	(2,258)
Investment and other income	1,019,445	1.8%	1,265,116	2.4%	(245,671)
Total Revenues	\$ 55,934,164	100.0%	\$ 52,640,514	100.0%	\$ 3,293,650

We realized total revenues of \$55,934,164 during the first six months of fiscal 2025, an increase of 6.3% over revenues of \$52,640,514 during the first six months of fiscal 2024. The key factors impacting revenue across each of our businesses during the first six months of fiscal 2025 were as follows:

- Net billboard rentals in the first six months of fiscal 2025 increased 0.3% from the first six months of fiscal 2024, reflecting steady rental and occupancy rates across a number of our markets.
- Revenue from broadband services in the first six months of fiscal 2025 increased 5.6% from the first six months of fiscal 2024, mainly reflecting subscriber growth across a number of our markets.
- Premiums earned from our UCS insurance subsidiary increased 27.3% in the first six months of fiscal 2025 when compared to the first six months of fiscal 2024. The increase in premiums earned was primarily due to increases in production throughout fiscal 2024 and the first six months of fiscal 2025. We recognize revenues for written premium over the life of the surety bond and, as a result, increased sales activities are not fully reflected in the quarter in which the surety bond is issued.
- Revenue from insurance commissions generated by our surety brokerage operations declined by 0.2% in the first six months of fiscal 2025 when compared to the first six months of fiscal 2024, mainly due to decreased production through outside insurance carriers.
- Investment and other income at UCS and BOAM decreased from \$1,265,116 in the first six months of fiscal 2024 to \$1,019,445 in the first six months of fiscal 2025.

Expenses. For the first six months of fiscal 2025 and the first six months of fiscal 2024, our expenses, in dollars, and as a percentage of total revenues, were as follows:

For the Six Months Ended June 30, (unaudited)					
2025			2024		2025 vs 2024
	As a % of Total Revenues		As a % of Total Revenues		
	Amount		Amount		\$ Variance
Costs and Expenses:					
Cost of billboard revenues	\$ 7,546,865	13.5%	\$ 7,671,441	14.6%	\$ (124,576)
Cost of broadband revenues	4,689,027	8.4%	4,973,563	9.5%	(284,536)
Cost of insurance revenues	6,412,394	11.5%	4,162,585	7.9%	2,249,809
Employee costs	17,463,990	31.2%	20,452,848	38.9%	(2,988,858)
Professional fees	1,454,982	2.6%	2,857,070	5.4%	(1,402,088)
Depreciation	8,182,076	14.6%	7,023,439	13.3%	1,158,637
Amortization	3,866,007	6.9%	3,770,828	7.2%	95,179
General and administrative	7,780,881	13.9%	8,061,486	15.3%	(280,605)
Loss on disposition of assets	47,623	0.1%	13,345	0.0%	34,278
Accretion	108,212	0.2%	108,805	0.2%	(593)
Total Costs and Expenses	\$ 57,552,057	102.9%	\$ 59,095,410	112.3%	\$ (1,543,353)

During the first six months of fiscal 2025, we had total costs and expenses of \$57,552,057, as compared to total costs and expenses of \$59,095,410 in the first six months of fiscal 2024. Total costs and expenses as a percentage of total revenues decreased from 112.3% in the first six months of fiscal 2024 to 102.9% in the first six months of fiscal 2025. The key factors impacting costs and expenses across each of our businesses during the first six months of fiscal 2025 were as follows:

- Cost of billboard revenues decreased as a percentage of billboard revenues from 34.7% in the first six months of fiscal 2024 to 34.0% in the first six months of fiscal 2025. The decrease was mainly driven by lower commissions paid and other billboard cost of revenues, which was partially offset by higher ground rent expense as a percentage of billboard revenues.
- Cost of broadband revenues decreased as a percentage of broadband revenues from 25.5% in the first six months of fiscal 2024 to 22.8% in the first six months of fiscal 2025. The decrease was mainly driven by reduced maintenance costs related to our fixed wireless networks, equipment costs, fuel costs, as well as software costs as a percentage of broadband revenues.
- Cost of insurance revenues increased as a percentage of insurance revenues from 38.3% in the first six months of fiscal 2024 to 48.7% in the first six months of fiscal 2025. The increase was mainly driven by higher loss and loss adjustment expense mainly due to an increase in claim payments. Losses and loss adjustment expenses are primarily reserved monthly based on a percentage of earned premium.
- Employee costs in the first six months of fiscal 2025 were \$17,463,990, or 31.2% of total revenues, as compared to \$20,452,848, or 38.9% of total revenues, in the first six months of fiscal 2024. The decrease was mainly driven by the one-time severance and bonus payments to our former Co-CEO as a part of his separation and stock repurchase agreement during the second quarter of fiscal 2024. Excluding the one-time severance and bonus payments, employee costs would have been 32.4% of total revenues in the first six months of fiscal 2024.

- Professional fees in the first six months of fiscal 2025 were \$1,454,982, or 2.6% of total revenues, as compared to \$2,857,070 or 5.4% of total revenues, in the first six months of fiscal 2024. The decrease was mainly driven by the one-time legal fees associated with our former Co-CEO's separation and stock repurchase agreement during the second quarter of fiscal 2024.
- General and administrative expenses in the first six months of fiscal 2025 were \$7,780,881, or 13.9% of total revenues, as compared to \$8,061,486, or 15.3% of total revenues, in the first six months of fiscal 2024. The decrease was mainly driven by expense reductions within our asset management business, broadband business and at Boston Omaha's parent company. The decrease was partially offset by an increase in expenses within our insurance and billboard businesses
- Non-cash expenses in the first six months of fiscal 2025 included \$8,182,076 in depreciation expense, \$3,866,007 in amortization expense, and \$108,212 in accretion expense mainly related to asset retirement obligations for certain billboard assets. The increase in depreciation expense is mainly driven by continued capital investments within our broadband businesses.

Net Loss from Operations. Net loss from operations for the first six months of fiscal 2025 was \$1,617,893, or 2.9% of total revenues, as compared to a net loss from operations of \$6,454,896, or 12.3% of total revenues, in the first six months of fiscal 2024. The decrease in net loss from operations was primarily due to improved operations within our broadband business as well as lower expenses within our asset management business and at Boston Omaha's parent company, which were partially offset by higher loss and loss adjustment expense within our insurance business and increased employee costs within our billboard business. Our net loss from operations included \$12,156,295 from non-cash depreciation, amortization and accretion expenses in the first six months of fiscal 2025, as compared to \$10,903,072 in the first six months of fiscal 2024.

Other Income (Expense). During the first six months of fiscal 2025, we had net other expense of \$6,309,717. Net other expense included losses of \$9,573,102 in other investment losses mainly driven by a \$9,418,130 unrealized loss on the Sky Harbour warrants held by Boston Omaha and losses of \$4,659,948 within BOAM primarily related to changes in the fair value of the remaining assets within the 24th Street and BFR Funds, which was partially offset by \$4,134,847 in realized gains on the sale of 730,095 shares of Sky Harbour Class A common stock, and interest expense of \$1,114,798 mainly incurred under Link's term loan and revolver and BOB's credit facility. These items were partially offset by income of \$3,833,176 from unconsolidated affiliates mainly related to our equity method position in Sky Harbour and interest and dividend income of \$545,007. During the first six months of fiscal 2024, we had net other income of \$231,444, which included \$7,243,060 in other investment income mainly driven by a \$4,014,285 unrealized gain on the Sky Harbour warrants held by Boston Omaha, \$1,957,056 in non-cash gains associated with the transfer of Sky Harbour Class A common stock to our former Co-CEO as a part of his separation and stock repurchase agreement, \$894,324 in realized gains on the sale of 246,389 shares of Sky Harbour Class A common stock, and interest and dividend income of \$853,015. These items were partially offset by a non-cash loss of \$7,214,228 from unconsolidated affiliates mainly related to our equity method position in Sky Harbour and interest expense of \$650,403 mainly incurred under Link's term loan and revolver.

Generally accepted accounting principles ("GAAP") requires us to include the unrealized changes in market prices of investments in public equity securities in our reported earnings. Due to the size of our percentage ownership interest in Sky Harbour's Class A common stock and our right to elect one of the seven members of Sky Harbour's Board of Directors, our investment is recorded under the equity method and we do not include any unrealized gains or losses related to the change in Sky Harbour's stock price in our reported earnings. In the future, if we are deemed to no longer have significant influence, we may no longer be able to record our investment under the equity method and will be required to include any unrealized gains or losses related to the change in Sky Harbour's stock price in our reported earnings. While we intend to hold our current securities for the longer term, we may in the future choose to sell them for a variety of reasons resulting in realized losses or gains.

Additionally, we have evaluated our investment in Sky Harbour as of June 30, 2025, and determined that there was not an other-than-temporary impairment. Our conclusion was based on several contributing factors, including: (i) our assessment that the underlying business and financial condition of Sky Harbour is favorable, (ii) Sky Harbour's stock price trading above our carrying value for an extended period of time, and (iii) our ability and intent to hold the investment. We will continue to review our investment in Sky Harbour for an other-than-temporary impairment on a quarterly basis or upon the occurrence of certain events. If Sky Harbour's stock price drops below our carrying value of \$6.14 per share for a sustained period of time, it will likely result in an impairment of our investment. There may also be a future impairment of our investment if our expectations about Sky Harbour's prospective results of operations and cash flows decline, which could be influenced by a variety of factors including adverse market conditions.

Net Loss Attributable to Common Stockholders. We had a net loss attributable to common stockholders in the amount of \$2,989,368 in the first six months of fiscal 2025, or a loss per share of \$0.10, based on 31,440,934 diluted weighted average shares outstanding. This is compared to a net loss attributable to common stockholders of \$5,043,300 in the first six months of fiscal 2024, or a loss per share of \$0.16, based on 31,594,198 diluted weighted average shares outstanding.

Results of Operations by Segment

The following tables report results for the following four segments in which we operate: billboards, broadband, insurance and asset management for the second quarter of fiscal 2025 and the second quarter of fiscal 2024:

Results of Billboard Operations

	For the Three Months Ended June 30, (unaudited)			
	2025		2024	
	Amount	As a % of Segment Operating Revenues	Amount	As a % of Segment Operating Revenues
Operating Revenues				
Billboard rentals, net	\$ 11,440,033	100.0%	\$ 11,437,468	100.0%
Cost of Revenues				
Ground rents	2,086,848	18.2%	2,059,827	18.0%
Utilities	463,315	4.1%	451,797	3.9%
Commissions paid	741,320	6.5%	910,785	8.0%
Other costs of revenues	411,248	3.6%	458,398	4.0%
Total cost of revenues	3,702,731	32.4%	3,880,807	33.9%
Gross margin	7,737,302	67.6%	7,556,661	66.1%
Other Operating Expenses				
Employee costs	2,136,331	18.6%	1,918,753	16.8%
Professional fees	62,636	0.5%	62,758	0.5%
Depreciation	1,323,798	11.6%	1,281,057	11.2%
Amortization	971,309	8.5%	970,746	8.5%
General and administrative	1,058,984	9.3%	959,686	8.4%
Accretion	50,801	0.4%	50,968	0.4%
Gain on disposition of assets	(92,492)	(0.8%)	(106,011)	(0.9%)
Total expenses	5,511,367	48.1%	5,137,957	44.9%
Segment Income from Operations	2,225,935	19.5%	2,418,704	21.2%
Interest expense, net	(377,650)	(3.3%)	(339,908)	(3.0%)
Net Income Attributable to Common Stockholders	\$ 1,848,285	16.2%	\$ 2,078,796	18.2%

Comparison of the Second Quarter of Fiscal 2025 to the Second Quarter of Fiscal 2024. In the second quarter of fiscal 2025, net billboard revenues remained constant from the second quarter of fiscal 2024, reflecting steady rental and occupancy rates across a number of our markets. The key factors affecting our billboard operations results during the second quarter of fiscal 2025 were as follows:

- Ground rent expense as a percentage of total segment operating revenues increased slightly from 18.0% in the second quarter of fiscal 2024 to 18.2% in the second quarter of fiscal 2025.
- Commissions paid as a percentage of total segment operating revenues decreased from 8.0% in the second quarter of fiscal 2024 to 6.5% in the second quarter of fiscal 2025. The decrease is mainly due to the change in Link's management compensation structure to align with strategic goals whereby certain commissions were replaced by other compensation reported under employee costs.
- Employee costs as a percentage of total segment operating revenues increased from 16.8% in the second quarter of fiscal 2024 to 18.6% in the second quarter of fiscal 2025. The increase is mainly due to the change in Link's management compensation structure whereby certain commissions were replaced by other compensation reported under employee costs.
- General and administrative expenses increased as a percentage of total segment operating revenues from 8.4% in the second quarter of fiscal 2024 to 9.3% in the second quarter of fiscal 2025. The increase is mainly due to higher insurance, software, dues and subscriptions, and employee training costs.
- Depreciation and amortization expenses as a percentage of total segment operating revenues was 11.6% and 8.5% in the second quarter of fiscal 2025 compared to 11.2% and 8.5% in the second quarter of fiscal 2024, respectively.
- Net interest expense was \$377,650 in the second quarter of fiscal 2025 compared to net interest expense of \$339,908 in the second quarter of fiscal 2024. The increase is mainly driven by the additional borrowings on the revolving line of credit.

Results of Broadband Operations

	For the Three Months Ended June 30, (unaudited)			
	2025		2024	
	Amount	As a % of Segment Operating Revenues	Amount	As a % of Segment Operating Revenues
Operating Revenues				
Broadband revenues	\$ 10,233,463	100.0%	\$ 9,787,983	100.0%
Cost of Revenues				
Network operations and data costs	1,283,934	12.5%	1,286,218	13.1%
Software costs	189,163	1.9%	220,575	2.3%
Cell site rent and utilities	357,439	3.5%	335,209	3.4%
Other costs of revenues	485,360	4.7%	633,449	6.5%
Total cost of revenues	2,315,896	22.6%	2,475,451	25.3%
Gross margin	7,917,567	77.4%	7,312,532	74.7%
Other Operating Expenses				
Employee costs	3,746,738	36.6%	3,794,486	38.8%
Professional fees	152,067	1.5%	341,835	3.5%
Depreciation	2,749,628	26.9%	2,218,667	22.7%
Amortization	901,931	8.8%	848,419	8.7%
General and administrative	1,802,021	17.6%	1,810,810	18.5%
Accretion	3,435	0.0%	5,166	0.0%
Loss (gain) on disposition of assets	16,391	0.2%	(77,727)	(0.8%)
Total expenses	9,372,211	91.6%	8,941,656	91.4%
Segment Loss from Operations	(1,454,644)	(14.2%)	(1,629,124)	(16.7%)
Interest expense, net	(122,779)	(1.2%)	(1,403)	(0.0%)
Noncontrolling interest in subsidiary income	-	-	-	-
Net Loss Attributable to Common Stockholders	<u>\$ (1,577,423)</u>	<u>(15.4%)</u>	<u>\$ (1,630,527)</u>	<u>(16.7%)</u>

Comparison of the Second Quarter of Fiscal 2025 to the Second Quarter of Fiscal 2024. In the second quarter of fiscal 2025, total operating revenues increased by 4.6% when compared to the second quarter of fiscal 2024 mainly reflecting subscriber growth across a number of our markets. The key factors affecting our broadband operations results during the second quarter of fiscal 2025 were as follows:

- Network operations and data costs as a percentage of total segment operating revenues decreased from 13.1% in the second quarter of fiscal 2024 to 12.5% in the second quarter of fiscal 2025. The decrease is mainly driven by organic revenue growth within our broadband businesses.
- Employee costs as a percentage of total segment operating revenues decreased from 38.8% in the second quarter of fiscal 2024 to 36.6% in the second quarter of fiscal 2025. The decrease is mainly driven by headcount reductions as well as organic revenue growth within our broadband businesses.
- Professional fees as a percentage of total segment operating revenues decreased from 3.5% in the second quarter of fiscal 2024 to 1.5% in the second quarter of fiscal 2025.
- General and administrative expenses as a percentage of total segment operating revenues decreased from 18.5% in the second quarter of fiscal 2024 to 17.6% in the second quarter of fiscal 2025. The decrease is mainly driven by a focused effort to reduce general and administrative spending as well as organic revenue growth within our broadband businesses.
- Depreciation expense increased by \$530,961 from the second quarter of fiscal 2024. The increase in depreciation expense is mainly driven by continued capital investments across all of our broadband businesses.
- Net interest expense was \$122,779 in the second quarter of fiscal 2025 compared to net interest expense of \$1,403 in the second quarter of fiscal 2024. The increase is mainly driven by the borrowings on the BOB credit facility.

Results of Insurance Operations

	For the Three Months Ended June 30, (unaudited)			
	2025		2024	
	Amount	As a % of Segment Operating Revenues	Amount	As a % of Segment Operating Revenues
Operating Revenues				
Premiums earned	\$ 5,565,360	85.3%	\$ 4,737,056	81.4%
Insurance commissions	448,192	6.9%	527,055	9.0%
Investment and other income	511,962	7.8%	558,487	9.6%
Total operating revenues	6,525,514	100.0%	5,822,598	100.0%
Cost of Revenues				
Commissions paid	1,591,415	24.4%	1,450,667	24.9%
Premium taxes, fees, and assessments	167,670	2.6%	132,568	2.3%
Losses and loss adjustment expense	1,789,634	27.4%	672,429	11.5%
Total cost of revenues	3,548,719	54.4%	2,255,664	38.7%
Gross margin	2,976,795	45.6%	3,566,934	61.3%
Other Operating Expenses				
Employee costs	2,277,747	34.9%	1,958,337	33.6%
Professional fees	117,600	1.8%	179,817	3.1%
Depreciation	54,121	0.8%	44,764	0.8%
Amortization	40,061	0.6%	40,061	0.7%
General and administrative	795,365	12.2%	638,653	11.0%
Total expenses	3,284,894	50.3%	2,861,632	49.2%
Segment (Loss) Income from Operations	(308,099)	(4.7%)	705,302	12.1%
Other investment income (loss)	38,052	0.6%	(44,970)	(0.8%)
Equity in income of unconsolidated affiliates	1,089,544	16.7%	-	-
Net Income Attributable to Common Stockholders	\$ 819,497	12.6%	\$ 660,332	11.3%

Comparison of the Second Quarter of Fiscal 2025 to the Second Quarter of Fiscal 2024. In the second quarter of fiscal 2025, total operating revenues increased by 12.1% when compared to the second quarter of fiscal 2024, mainly due to increased earned premium at our UCS insurance subsidiary. The key factors affecting our insurance operations results during the second quarter of fiscal 2025 were as follows:

- Premiums earned from our UCS insurance subsidiary increased 17.5% in the second quarter of fiscal 2025 when compared to the second quarter of fiscal 2024. The increase in premiums earned was primarily due to increases in production throughout fiscal 2024 and the first six months of fiscal 2025. We recognize revenues for written premium over the life of the surety bond and, as a result, increased sales activities are not fully reflected in the quarter in which the surety bond is issued.
- Insurance commissions generated by our surety brokerage operations declined by 15.0% in the second quarter of fiscal 2025 when compared to the second quarter of fiscal 2024, mainly due to decreased production through outside insurance carriers.
- Investment and other income at UCS decreased from \$558,487 in the second quarter of fiscal 2024 to \$511,962 in the second quarter of fiscal 2025, mainly due to a decrease in yields on invested assets.
- Commissions paid as a percentage of total segment operating revenues declined from 24.9% in the second quarter of fiscal 2024 to 24.4% in the second quarter of fiscal 2025.
- Losses and loss adjustment expenses as a percentage of total segment operating revenues increased from 11.5% in the second quarter of fiscal 2024 to 27.4% in the second quarter of fiscal 2025, mainly due to an increase in claim payments. Losses and loss adjustment expenses are primarily reserved monthly based on a percentage of earned premium.
- Employee costs as a percentage of total segment operating revenues increased from 33.6% in the second quarter of fiscal 2024 to 34.9% in the second quarter of fiscal 2025, mainly due to an increase in headcount and higher salary costs.
- General and administrative expenses as a percentage of total segment operating revenues increased from 11.0% in the second quarter of fiscal 2024 to 12.2% in the second quarter of fiscal 2025, mainly due to an increase in travel costs, rent costs, and software development costs related to IT projects.
- During the second quarter of fiscal 2025, our segment loss from insurance operations of \$308,099 was offset by equity in income of unconsolidated affiliates of \$1,089,544, related to UCS' investment in Sky Harbour Class A common stock. As of June 30, 2025, UCS had \$886,831 in publicly held securities (marked to market) and \$16,933,410 in Sky Harbour Class A common stock (equity method). We expect to continue to invest a portion of our excess capital in accordance with insurance regulatory limitations in both publicly traded equity securities and bonds. These investments are subject to the risk of loss in value depending upon market conditions and factors outside of our control.

Results of Asset Management Operations

	For the Three Months Ended June 30, (unaudited)			
	2025		2024	
	Amount	As a % of Segment Operating Revenues	Amount	As a % of Segment Operating Revenues
Operating Revenues				
Investment and other income	\$ 4,660	100.0%	\$ 39,734	100.0%
Cost of Revenues				
Total cost of revenues	-	-	-	-
Gross margin	4,660	100.0%	39,734	100.0%
Other Operating Expenses				
Employee costs	-	-	269,262	677.6%
Professional fees	142,223	3052.0%	109,455	275.5%
Depreciation	-	-	-	-
Amortization	-	-	-	-
General and administrative	1,919	41.2%	169,465	426.5%
Total expenses	144,142	3093.2%	548,182	1379.6%
Segment Loss from Operations	(139,482)	(2993.2%)	(508,448)	(1279.6%)
Interest and dividend income	7,586	162.8%	76,720	193.1%
Other investment (loss) income	(2,640,200)	(56656.6%)	628,355	1581.4%
Noncontrolling interest in subsidiary loss (income)	2,249,221	48266.5%	(218,057)	(548.8%)
Net Loss Attributable to Common Stockholders	\$ (522,875)	(11220.5%)	\$ (21,430)	(53.9%)

Comparison of the Second Quarter of Fiscal 2025 to the Second Quarter of Fiscal 2024. In September 2017, we formed our asset management business. Throughout fiscal 2022 and fiscal 2023 we had been hiring within our asset management business to ensure adequate staffing for the anticipated demands and needs of the business. In May 2023, we acquired 100% of the membership interests in 24th Street from the members of 24th Street other than BOAM. As previously mentioned, we are winding down BOAM's operations and have implemented significant cost-cutting measures, which occurred principally in the second half of fiscal 2024. Therefore, comparisons of our asset management results for the second quarter of fiscal 2025 to the second quarter of fiscal 2024 may not be meaningful. The key factors affecting our asset management operations results during the second quarter of fiscal 2025 were as follows:

- Employee costs in the second quarter of fiscal 2025 were completely removed as we wind down BOAM's operations and implement cost-cutting measures.
- Professional fees in the second quarter of fiscal 2025 increased by \$32,768 from the second quarter of fiscal 2024. The increase is mainly driven by the services agreement with Local Asset Management LLC to provide management services associated with the wind down of the 24th Street and BFR Funds. The Services Agreement provides for consulting fees which reduce over time as assets managed within the funds are sold.
- General and administrative expenses in the second quarter of fiscal 2025 decreased by \$167,546 from the second quarter of fiscal 2024 as we wind down BOAM's operations and implement cost-cutting measures.
- Interest and dividend income decreased by \$69,134 in the second quarter of fiscal 2025 when compared to the second quarter of fiscal 2024. The decrease is mainly related to the distribution of excess cash in the 24th Street Funds and BFR Fund to limited partners during the second quarter of fiscal 2024.
- Other investment loss in the second quarter of fiscal 2025 primarily included the changes in the fair value of the 24th Street Funds mainly driven by the underlying real estate properties.
- Noncontrolling interest in subsidiary loss in the second quarter of fiscal 2025 primarily included the external limited partners' share of GAAP income within the 24th Street Funds, mainly driven by the change in fair value referenced above.

Results of Operations by Segment

The following tables report results for the following four segments in which we operate: billboards, broadband, insurance and asset management for the first six months of fiscal 2025 and the first six months of fiscal 2024:

Results of Billboard Operations

	For the Six Months Ended June 30, (unaudited)			
	2025		2024	
	Amount	As a % of Segment Operating Revenues	Amount	As a % of Segment Operating Revenues
Operating Revenues				
Billboard rentals, net	\$ 22,204,508	100.0%	\$ 22,134,128	100.0%
Cost of Revenues				
Ground rents	4,327,642	19.5%	4,101,726	18.5%
Utilities	949,146	4.3%	921,328	4.2%
Commissions paid	1,454,906	6.5%	1,753,016	7.9%
Other costs of revenues	815,171	3.7%	895,371	4.1%
Total cost of revenues	7,546,865	34.0%	7,671,441	34.7%
Gross margin	14,657,643	66.0%	14,462,687	65.3%
Other Operating Expenses				
Employee costs	4,362,446	19.6%	3,787,399	17.1%
Professional fees	124,864	0.6%	142,675	0.6%
Depreciation	2,613,564	11.8%	2,551,766	11.5%
Amortization	1,933,579	8.7%	1,940,571	8.8%
General and administrative	2,048,315	9.2%	1,969,263	8.9%
Accretion	101,381	0.5%	101,936	0.5%
Loss on disposition of assets	(18,557)	-0.1%	47,441	0.2%
Total expenses	11,165,592	50.3%	10,541,051	47.6%
Segment Income from Operations	3,492,051	15.7%	3,921,636	17.7%
Interest expense, net	(752,905)	(3.4%)	(585,731)	(2.6%)
Other investment income	-	-	-	-
Net Income Attributable to Common Stockholders	\$ 2,739,146	12.3%	\$ 3,335,905	15.1%

Comparison of the First Six Months of Fiscal 2025 to the First Six Months of Fiscal 2024. In the first six months of fiscal 2025, there was a 0.3% increase in net billboard revenues from the first six months of fiscal 2024, reflecting steady rental and occupancy rates across a number of our markets. The key factors affecting our billboard operations results during the first six months of fiscal 2025 were as follows:

- Ground rent expense as a percentage of total segment operating revenues increased from 18.5% in the first six months of fiscal 2024 to 19.5% in the first six months of fiscal 2025. The increase is mainly due to ASC 842 lease accounting entries stemming from changes in our lease portfolio during the first quarter of fiscal 2025.
- Commissions paid as a percentage of total segment operating revenues decreased from 7.9% in the first six months of fiscal 2024 to 6.5% in the first six months of fiscal 2025. The decrease is mainly due to the change in Link's management compensation structure to align with strategic goals whereby certain commissions were replaced by other compensation reported under employee costs.
- Employee costs as a percentage of total segment operating revenues increased from 17.1% in the first six months of fiscal 2024 to 19.6% in the first six months of fiscal 2025. The increase is mainly due to filling open positions to align processes and lower operating costs in other expense categories as well as the change in Link's management compensation structure whereby certain commissions were replaced by other compensation reported under employee costs.
- General and administrative expenses increased as a percentage of total segment operating revenues from 8.9% in the first six months of fiscal 2024 to 9.2% in the first six months of fiscal 2025. The increase is mainly due to higher insurance, software, dues and subscriptions, and employee training costs.
- Depreciation and amortization expenses as a percentage of total segment operating revenues was 11.8% and 8.7% in the first six months of fiscal 2025 compared to 11.5% and 8.8% in the first six months of fiscal 2024, respectively.
- Net interest expense was \$752,905 in the first six months of fiscal 2025 compared to net interest expense of \$585,731 in the first six months of fiscal 2024. The increase is mainly driven by the additional borrowings on the revolving line of credit.

Results of Broadband Operations

For the Six Months Ended June 30, (unaudited)				
	2025		2024	
	Amount	As a % of Segment Operating Revenues	Amount	As a % of Segment Operating Revenues
Operating Revenues				
Broadband revenues	\$ 20,553,593	100.0%	\$ 19,471,412	100.0%
Cost of Revenues				
Network operations and data costs	2,590,560	12.6%	2,642,835	13.6%
Software costs	341,969	1.7%	410,870	2.1%
Cell site rent and utilities	708,260	3.4%	702,629	3.6%
Other costs of revenues	1,048,238	5.1%	1,217,229	6.2%
Total cost of revenues	4,689,027	22.8%	4,973,563	25.5%
Gross margin	15,864,566	77.2%	14,497,849	74.5%
Other Operating Expenses				
Employee costs	7,336,163	35.7%	7,603,356	39.1%
Professional fees	277,949	1.4%	513,418	2.6%
Depreciation	5,416,695	26.3%	4,327,904	22.2%
Amortization	1,769,611	8.6%	1,725,286	8.9%
General and administrative	3,322,222	16.2%	3,634,488	18.7%
Accretion	6,831	0.0%	6,869	0.0%
Gain (loss) on disposition of assets	66,180	0.3%	(34,096)	(0.2%)
Total expenses	18,195,651	88.5%	17,777,225	91.3%
Segment Loss from Operations	(2,331,085)	(11.3%)	(3,279,376)	(16.8%)
Interest expense, net	(224,958)	(1.1%)	(3,319)	(0.0%)
Noncontrolling interest in subsidiary income	-	-	(64,765)	(0.3%)
Net Loss Attributable to Common Stockholders	\$ (2,556,043)	(12.4%)	\$ (3,347,460)	(17.1%)

Comparison of the First Six Months of Fiscal 2025 to the First Six Months of Fiscal 2024. In the first six months of fiscal 2025, total operating revenues increased by 5.6% when compared to the first six months of fiscal 2024 mainly reflecting subscriber growth across a number of our markets. The key factors affecting our broadband operations results during the first six months of fiscal 2025 were as follows:

- Network operations and data costs as a percentage of total segment operating revenues decreased from 13.6% in the first six months of fiscal 2024 to 12.6% in the first six months of fiscal 2025. The decrease is mainly driven by reduced maintenance costs related to our fixed wireless networks.
- Employee costs as a percentage of total segment operating revenues decreased from 39.1% in the first six months of fiscal 2024 to 35.7% in the first six months of fiscal 2025. The decrease is mainly driven by headcount reductions as well as organic revenue growth within our broadband businesses.
- Professional fees as a percentage of total segment operating revenues decreased from 2.6% in the first six months of fiscal 2024 to 1.4% in the first six months of fiscal 2025.
- General and administrative expenses as a percentage of total segment operating revenues decreased from 18.7% in the first six months of fiscal 2024 to 16.2% in the first six months of fiscal 2025. The decrease is mainly driven by a focused effort to reduce general and administrative spending as well as organic revenue growth within our broadband businesses.
- Depreciation expense increased by \$1,088,791 from the first six months of fiscal 2024. The increase in depreciation expense is mainly driven by continued capital investments across all of our broadband businesses.
- Net interest expense was \$224,958 in the first six months of fiscal 2025 compared to net interest expense of \$3,319 in the first six months of fiscal 2024. The increase is mainly driven by the borrowings on the BOB credit facility.

Results of Insurance Operations

	For the Six Months Ended June 30, (unaudited)			
	2025		2024	
	Amount	As a % of Segment Operating Revenues	Amount	As a % of Segment Operating Revenues
Operating Revenues				
Premiums earned	\$ 11,129,133	84.6%	\$ 8,740,115	80.4%
Insurance commissions	1,027,485	7.8%	1,029,743	9.5%
Investment and other income	1,001,780	7.6%	1,094,517	10.1%
Total operating revenues	13,158,398	100.0%	10,864,375	100.0%
Cost of Revenues				
Commissions paid	3,143,368	23.9%	2,585,068	23.8%
Premium taxes, fees, and assessments	312,866	2.4%	224,415	2.1%
Losses and loss adjustment expense	2,956,160	22.4%	1,353,102	12.4%
Total cost of revenues	6,412,394	48.7%	4,162,585	38.3%
Gross margin	6,746,004	51.3%	6,701,790	61.7%
Other Operating Expenses				
Employee costs	4,784,403	36.4%	3,812,721	35.1%
Professional fees	216,015	1.6%	350,177	3.2%
Depreciation	96,817	0.7%	88,614	0.8%
Amortization	80,123	0.6%	80,123	0.7%
General and administrative	1,652,532	12.6%	1,234,278	11.4%
Total expenses	6,829,890	51.9%	5,565,913	51.2%
Segment (Loss) Income from Operations	(83,886)	(0.6%)	1,135,877	10.5%
Other investment income	320,736	2.4%	207,710	1.9%
Equity in income of unconsolidated affiliates	1,253,002	9.5%	-	-
Net Income Attributable to Common Stockholders	\$ 1,489,852	11.3%	\$ 1,343,587	12.4%

Comparison of the First Six Months of Fiscal 2025 to the First Six Months of Fiscal 2024. In the first six months of fiscal 2025, total operating revenues increased by 21.1% when compared to the first six months of fiscal 2024, mainly due to increased earned premium at our UCS insurance subsidiary. The key factors affecting our insurance operations results during the first six months of fiscal 2025 were as follows:

- Premiums earned from our UCS insurance subsidiary increased 27.3% in the first six months of fiscal 2025 when compared to the first six months of fiscal 2024. The increase in premiums earned was primarily due to increases in production throughout fiscal 2024 and the first six months of fiscal 2025. We recognize revenues for written premium over the life of the surety bond and, as a result, increased sales activities are not fully reflected in the quarter in which the surety bond is issued.
- Insurance commissions generated by our surety brokerage operations declined by 0.2% in the first six months of fiscal 2025 when compared to the first six months of fiscal 2024.
- Investment and other income at UCS decreased from \$1,094,517 in the first six months of fiscal 2024 to \$1,001,780 in the first six months of fiscal 2025, mainly due to a decrease in yields on invested assets.
- Commissions paid as a percentage of total segment operating revenues increased from 23.8% in the first six months of fiscal 2024 to 23.9% in the first six months of fiscal 2025.
- Losses and loss adjustment expenses as a percentage of total segment operating revenues increased from 12.4% in the first six months of fiscal 2024 to 22.4% in the first six months of fiscal 2025, mainly due to an increase in claim payments. Losses and loss adjustment expenses are primarily reserved monthly based on a percentage of earned premium.
- Employee costs as a percentage of total segment operating revenues increased from 35.1% in the first six months of fiscal 2024 to 36.4% in the first six months of fiscal 2025, mainly due to an increase in headcount and higher salary costs.
- General and administrative expenses as a percentage of total segment operating revenues increased from 11.4% in the first six months of fiscal 2024 to 12.6% in the first six months of fiscal 2025, mainly due to an increase in travel costs, rent costs, and software development costs related to IT projects.
- During the first six months of fiscal 2025, our segment loss from insurance operations of \$83,886 was offset by equity in income of unconsolidated affiliates of \$1,253,002, related to UCS' investment in Sky Harbour Class A common stock as well as \$320,736 in other investment income from realized and unrealized gains on our investments in publicly held securities. As of June 30, 2025, UCS had \$886,831 in publicly held securities (marked to market) and \$16,933,410 in Sky Harbour Class A common stock (equity method). We expect to continue to invest a portion of our excess capital in accordance with insurance regulatory limitations in both publicly traded equity securities and bonds. These investments are subject to the risk of loss in value depending upon market conditions and factors outside of our control.

Results of Asset Management Operations

	For the Six Months Ended June 30, (unaudited)			
	2025		2024	
	Amount	As a % of Segment Operating Revenues	Amount	As a % of Segment Operating Revenues
Operating Revenues				
Investment and other income	\$ 17,665	100.0%	\$ 170,599	100.0%
Cost of Revenues				
Total cost of revenues	-	-	-	-
Gross margin	17,665	100.0%	170,599	100.0%
Other Operating Expenses				
Employee costs	-	-	765,602	448.7%
Professional fees	398,309	2254.8%	337,232	197.7%
Depreciation	-	-	-	-
Amortization	-	-	-	-
General and administrative	34,897	197.5%	343,180	201.2%
Total expenses	433,206	2452.3%	1,446,014	847.6%
Segment Loss from Operations	(415,541)	(2352.3%)	(1,275,415)	(747.6%)
Interest and dividend income	15,641	88.5%	479,455	281.0%
Other investment (loss) income	(4,659,948)	(26379.6%)	28,853	16.9%
Noncontrolling interest in subsidiary loss	4,007,601	22686.7%	285,678	167.5%
Net Loss Attributable to Common Stockholders	<u>\$ (1,052,247)</u>	<u>(5956.7%)</u>	<u>\$ (481,429)</u>	<u>(282.2%)</u>

Comparison of the First Six Months of Fiscal 2025 to the First Six Months of Fiscal 2024. In September 2017, we formed our asset management business. Throughout fiscal 2022 and fiscal 2023 we had been hiring within our asset management business to ensure adequate staffing for the anticipated demands and needs of the business. In May 2023, we acquired 100% of the membership interests in 24th Street from the members of 24th Street other than BOAM. As previously mentioned, we are winding down BOAM's operations and have implemented significant cost-cutting measures, which occurred principally in the second half of fiscal 2024. Therefore, comparisons of our asset management results for the first six months of fiscal 2025 to the first six months of fiscal 2024 may not be meaningful. The key factors affecting our asset management operations results during the first six months of fiscal 2025 were as follows:

- Employee costs in the first six months of fiscal 2025 were completely removed as we wind down BOAM's operations and implement cost-cutting measures.
- Professional fees in the first six months of fiscal 2025 increased by \$61,077 from the first six months of fiscal 2024. The increase is mainly driven by the services agreement with Local Asset Management LLC to provide management services associated with the wind down of the 24th Street and BFR Funds. The Services Agreement provides for consulting fees which reduce over time as assets managed within the funds are sold.
- General and administrative expenses in the first six months of fiscal 2025 decreased by \$308,283 from the first six months of fiscal 2024 as we wind down BOAM's operations and implement cost-cutting measures.
- Interest and dividend income decreased by \$463,814 in the first six months of fiscal 2025 when compared to the first six months of fiscal 2024. The decrease is mainly related to the distribution of excess cash in the 24th Street Funds and BFR Fund to limited partners during the first six months of fiscal 2024.
- Other investment loss in the first six months of fiscal 2025 primarily included the changes in the fair value of the 24th Street and BFR Funds mainly driven by the underlying real estate properties.
- Noncontrolling interest in subsidiary loss in the first six months of fiscal 2025 primarily included the external limited partners' share of GAAP income within the 24th Street and BFR Funds, mainly driven by the change in fair value referenced above.

Cash Flows

Cash Flows for the First Six Months of Fiscal 2025 compared to the First Six Months of Fiscal 2024

The table below summarizes our cash flows, in dollars, for the first six months of fiscal 2025 and the first six months of fiscal 2024:

	Six Months Ended June 30, 2025 (unaudited)	Six Months Ended June 30, 2024 (unaudited)
Net cash provided by operating activities	\$ 7,114,835	\$ 6,920,547
Net cash (used in) provided by investing activities	(11,381,922)	30,155,714
Net cash provided by (used in) financing activities	9,909,797	(39,086,411)
Net increase (decrease) in cash, cash equivalents, and restricted cash	\$ 5,642,710	\$ (2,010,150)

Net Cash Provided by Operating Activities. Net cash provided by operating activities was \$7,114,835 for the first six months of fiscal 2025 compared to net cash provided by operating activities of \$6,920,547 for the first six months of fiscal 2024. The increase in net cash provided by operating activities was mainly driven by improved cash flow generation within our broadband business as well as lower expenses within our asset management business and Boston Omaha's parent company. These items were partially offset by an increase in expenses within our billboard and insurance businesses as well as a decrease in accounts payable and accrued expenses.

Net Cash (Used in) Provided by Investing Activities. Net cash used in investing activities was \$11,381,922 for the first six months of fiscal 2025 as compared with net cash provided by investing activities of \$30,155,714 for the first six months of fiscal 2024. During the first six months of fiscal 2025, net cash used in investing activities is primarily attributable to \$14,158,366 in capital expenditures mainly within our broadband businesses which was partially offset by \$2,790,957 in net cash proceeds mainly from the sale of marketable equity securities and U.S. Treasury securities.

Net Cash Provided by (Used in) Financing Activities. Net cash provided by financing activities was \$9,909,797 during the first six months of fiscal 2025 as compared to net cash used in financing activities of \$39,086,411 during the first six months of fiscal 2024. During the first six months of fiscal 2025, net cash provided by financing activities mainly consisted of \$7,500,000 in borrowings on BOB's credit facility, \$4,855,349 in collateral received at UCS, and \$525,256 in proceeds from the issuance of stock related to Magnolia Capital Fund, LP's exercise of its Class B warrants. These items were partially offset by \$1,669,886 in distributions to noncontrolling interests from the 24th St and BFR Funds and \$1,297,984 in principal payments on long-term debt.

Liquidity and Capital Resources

Currently, we own billboards in Alabama, Arkansas, Florida, Georgia, Illinois, Iowa, Kansas, Missouri, Nebraska, Nevada, Oklahoma, South Dakota, Tennessee, Virginia, West Virginia and Wisconsin, a surety insurance company we acquired in December 2016, surety insurance brokerage firms we acquired in 2016, 2017 and 2021, broadband services providers whose assets we acquired in 2020, 2022 and 2023, an asset management business, minority investments in commercial real estate management and brokerage services, a bank focused on servicing the automotive loan market, and a developer of private aviation infrastructure focused on building, leasing and managing business aviation hangars. At June 30, 2025, we had approximately \$29.7 million in unrestricted cash and approximately \$18.4 million in short-term U.S. Treasury securities. Our strategy is to continue to acquire other billboard locations, insurance businesses, and broadband service providers as well as acquire other businesses and open new businesses which we believe have the potential to generate positive cash flows when made at what we believe to be attractive prices relative to other opportunities generally available to us. We currently expect to finance any future acquisitions and investments with cash, debt, and seller or third-party financing. In the future, we may satisfy all or a portion of the purchase price for an acquisition with our equity securities. In addition, we have made investments in several companies and expect to continue to make investments in the securities of both publicly traded and privately held companies.

On July 23, 2024, the Board approved and authorized a share repurchase program (the "Share Repurchase Program"), pursuant to which the Company intends to repurchase up to \$20 million of its Class A common stock, from time to time, in the open market, privately negotiated transactions, or otherwise in compliance with Rule 10b-18 under the Securities Exchange Act of 1934. The Board also authorized the Company, in its discretion, to establish "Rule 10b5-1 trading plans" for these share repurchases. The Share Repurchase Program went into effect on or about August 15, 2024 and will terminate on September 30, 2025, unless earlier terminated in the discretion of the Board. The actual timing, number, and value of shares repurchased under the Share Repurchase Program will depend on a number of factors, including constraints specified in applicable SEC regulations, price, general business and market conditions, and alternative investment opportunities. Pursuant to the Share Repurchase Program, the Company is not obligated to repurchase any specific number of shares of its Class A common stock and shall not repurchase more than 25% of the average daily volume of its stock over the previous 20 trading days. To date, we have repurchased 111,323 shares of our Class A common stock for a total cost of approximately \$1.6 million. We did not repurchase any shares of our Class A common stock during the first six months of fiscal 2025 due to stock repurchase blackout periods which covered much of the first six months of the year.

There can be no assurance that we will consummate any subsequent acquisitions. Furthermore, our acquisitions are subject to a number of risks and uncertainties, including as to when, whether and to what extent the anticipated benefits and cost savings of a particular acquisition will be realized. Our failure to successfully identify and complete future acquisitions of assets or businesses could reduce future potential earnings, available cash, and slow our anticipated growth. Although we have entered and continue to enter into non-binding letters of intent to acquire businesses on a regular basis, we do not have current agreements, commitments, or understandings for any specific material acquisitions which are probable to be consummated at this time.

To date, we have raised funds through the sale of our common stock in public offerings, sales of our common stock in "at the market" programs, term loan financing through our Link and Boston Omaha Broadband subsidiaries, proceeds from the sale of publicly traded securities held by us, cash flow from operations, and, prior to 2019, through private placements of our common stock.

On April 25, 2022, we filed a shelf registration statement on Form S-3 (File No. 333-264470) that was declared effective on May 11, 2022, relating to the offering of Class A common stock, preferred stock, par value \$0.001 per share, which we refer to as “preferred stock,” debt securities and warrants of the Company for up to \$500,000,000 (the “2022 Shelf Registration Statement”). Additionally, in the 2022 Shelf Registration Statement, we registered for resale up to 8,297,093 shares of Class A common stock acquired in 2018 or earlier in private placements in accordance with the terms of a 2018 registration rights agreement. We will not receive any proceeds from the sale of Class A common stock by the selling shareholders. The selling stockholders are the Massachusetts Institute of Technology, or “MIT,” as well as 238 Plan Associates LLC, an MIT pension and benefit fund and a limited partnership holding our Class A common stock for the economic benefit of MIT. In May 2022, we also registered 1,018,660 shares of Class A common stock held by Magnolia and Boulderado and their affiliates. All the shares held by Boulderado were repurchased by the Company in May 2024 and, as a result, 522,231 shares of our Class A common stock are available for resale under that registration statement. As of March 31, 2025, certain of our stockholders still hold 8,555,957 registered shares of our Class A common stock. The 2022 shelf registration statement expired in May 2025.

We may in the future file a new shelf registration statement which would allow us, from time to time, in one or more offerings, to offer and sell Class A common stock or preferred stock, various series of debt securities and/or warrants. We or any selling security holders may offer these securities from time to time in amounts, at prices and on terms determined at the time of offering. We may sell these securities to or through one or more underwriters, dealers or agents, or directly to purchasers on a delayed or continuous basis. Unless otherwise set forth in an applicable prospectus supplement, we intend to use the net proceeds from the sale of the securities that we may offer for general corporate purposes, including, but not limited to, financing our existing businesses and operations, and expanding our businesses and operations through additional hires, strategic alliances, and acquisitions. Unless otherwise set forth in a prospectus supplement, we will not receive any proceeds from the sale of securities by any selling stockholders.

Link Credit Agreement

On August 12, 2019, Link entered into a Credit Agreement (the “Credit Agreement”) with First National Bank of Omaha (the “Lender”) under which Link could borrow up to \$40 million (the “Credit Facility”). The Credit Agreement provided for an initial term loan (“Term Loan 1”), an incremental term loan (“Term Loan 2”) and a revolving line of credit. Link initially borrowed approximately \$18 million under Term Loan 1 and \$5.5 million under Term Loan 2. On December 6, 2021, Link entered into a Fourth Amendment to Credit Agreement, which modified the Credit Agreement by increasing the borrowing limit to \$30 million and combining the outstanding balances under Term Loan 1 and Term Loan 2 as well as any incremental borrowings into a term loan (“Term Loan”). The Term Loan is secured by all assets of Link and its operating subsidiaries, including a pledge of equity interests of each of Link’s subsidiaries. In addition, each of Link’s subsidiaries has joined as a guarantor to the obligations under the Credit Agreement. The loan is not guaranteed by Boston Omaha or any of our non-billboard businesses.

Principal amounts under the Term Loan were payable in monthly installments according to a 15-year amortization schedule with principal payments commencing on January 1, 2022. Starting July 1, 2023, principal amounts under the Term Loan are payable in monthly installments according to a 25-year amortization schedule. The Term Loan is payable in full on December 6, 2028. The Term Loan has a fixed interest rate of 4.00% per annum.

On May 30, 2024, Link entered into a Ninth Amendment to Credit Agreement, which modified the Credit Agreement by increasing the maximum availability under the revolving line of credit from \$10,000,000 to \$15,000,000. Interest payments are based on the U.S. Prime Rate minus an applicable margin ranging between 0.65% and 1.15% dependent on Link’s consolidated leverage ratio. The new revolving line of credit is due and payable on August 12, 2026.

Long-term debt included within our Condensed Consolidated Balance Sheets as of June 30, 2025 consists of Link’s Term Loan borrowings of approximately \$26,100,000, of which approximately \$870,000 is classified as current, and \$9,100,000 related to the revolving line of credit.

Under the Term Loan, Link is required to comply with the following financial covenants: A consolidated leverage ratio for any test period ending on the last day of any fiscal quarter of Link (a) beginning with the fiscal quarter ended June 30, 2024 of not greater than 3.50 to 1.00, (b) beginning with the fiscal quarter ending December 31, 2026 of not greater than 3.25 to 1.00 and (c) beginning with the fiscal quarter ending December 31, 2027 and thereafter of not greater than 3.00 to 1.00, and a minimum consolidated fixed charge coverage ratio of not less than 1.15 to 1.00 measured quarterly, based on rolling four quarters. The Company was in compliance with these covenants as of June 30, 2025.

The Credit Agreement includes representations and warranties, reporting covenants, affirmative covenants, negative covenants, financial covenants and events of default customary for financings of this type. Upon the occurrence of an event of default the Lender may accelerate the loan. Upon the occurrence of certain insolvency and bankruptcy events of default the loan will automatically accelerate. The foregoing summary of the Credit Agreement and the transactions contemplated thereby does not purport to be a complete description and is qualified in its entirety by reference to the terms and conditions of the Credit Agreement and Security Agreement, copies of which are attached as Exhibit 10.1 and Exhibit 10.2, respectively to our Form 8-K as filed with the SEC on August 13, 2019, a First Amendment to Credit Agreement with the Lender as filed as Exhibit 10.1 on Form 8-K as filed with the SEC on October 29, 2019, a Second Amendment to Credit Agreement with the Lender as filed as Exhibit 10.1 on Form 8-K as filed with the SEC on June 30, 2020, a Third Amendment to Credit Agreement with the Lender as filed as Exhibit 10.1 on Form 8-K as filed with the SEC on August 24, 2021, a Fourth Amendment to Credit Agreement with the Lender as filed as Exhibit 10.1 on Form 8-K as filed with the SEC on December 9, 2021, a Fifth Amendment to Credit Agreement with the Lender as filed as Exhibit 10.1 on Form 8-K as filed with the SEC on June 3, 2022, a Sixth Amendment to Credit Agreement with the Lender as filed as Exhibit 10.1 on Form 8-K as filed with the SEC on April 11, 2023, a Seventh Amendment to Credit Agreement with the Lender as filed as Exhibit 10.1 on Form 8-K as filed with the SEC on September 26, 2023, an Eighth Amendment to Credit Agreement with the Lender as filed as Exhibit 10.1 on Form 8-K as filed with the SEC on February 16, 2024, and a Ninth Amendment to Credit Agreement with the Lender as filed as Exhibit 10.1 on Form 8-K as filed with the SEC on June 5, 2024.

Boston Omaha Broadband Credit Agreement

On September 17, 2024, three operating subsidiaries of Boston Omaha Broadband, LLC ("BOB") entered into a Credit Agreement (the "BOB Credit Agreement") with First National Bank of Omaha (the "Lender") under which certain subsidiaries of BOB can borrow up to \$20,000,000 in the aggregate in term loans (the "BOB Credit Facility"). The three operating subsidiaries which are the borrowers under the BOB Credit Agreement are FIF AireBeam LLC, FIF St. George, LLC, and FIF Utah LLC (collectively, the "Borrowers"). The loan is guaranteed by BOB but is not guaranteed by BOC or any other businesses owned by BOC and its other subsidiaries. The loans under the BOB Credit Facility are secured by all assets of each of the Borrowers. Funds available under the BOB Credit Facility are to be used for capital expenditures associated with capital acquisition and leasing of capital equipment for expansion of the Borrowers' businesses and must be drawn by September 16, 2025.

The BOB Credit Agreement provides for incremental drawdowns of the term loan in minimum increments of \$1,000,000. Each term loan is due five years following the borrowing date of such term loan. Principal under each term loan is amortized in equal monthly payments over a 10-year period from the date of each term loan. Interest under each term loan accrues at the "Applicable Margin," which is set at (a) 2.75% per annum with respect to any SOFR Loan, and (b) 1.75% per annum with respect to any Base Rate Loan. There is a fee during the first year of the BOB Credit Facility equal to 0.25% of any unused portion of the \$20 million loan commitment.

Pursuant to the Credit Agreement, BOB is required to comply with the following financial covenants: A consolidated leverage ratio for any test period ending on the last day of any fiscal quarter of BOB of not greater than 3.50 to 1.00, a minimum consolidated fixed charge coverage ratio of not less than 1.15 to 1.00 measured quarterly, based on rolling four quarters, and maximum capital expenditures not exceeding Consolidated Adjusted EBITDA less dividends and distributions paid to BOB, the cash portion of taxes, unfinanced maintenance capital expenditures, principal amortization payments or redemptions on indebtedness to be paid in cash, cash payments made with respect to capital lease obligations during the period, and cash interest expense for the period.

The BOB Credit Agreement includes representations and warranties, reporting covenants, affirmative covenants, negative covenants, financial covenants and events of default customary for financings of this type. Upon the occurrence of an event of default the Lender may accelerate the loan. Upon the occurrence of certain insolvency and bankruptcy events of default the loan will automatically accelerate. All assets of the Borrowers, their Subsidiaries and BOB are secured by the grant of a security interest in substantially all of their assets to the Lender.

Long-term debt included within our Condensed Consolidated Balance Sheets as of June 30, 2025 consists of approximately \$10,600,000 under BOB's credit facility, of which approximately \$1,050,000 is classified as current.

Investments in Yellowstone Acquisition Company and Sky Harbour

In 2020, we acted as the sponsor for the initial public offering of Yellowstone and purchased 3,399,724 shares of Yellowstone Class B common stock and 7,719,799 private placement warrants at a combined cost of approximately \$7.8 million. On August 1, 2021, we entered into an equity purchase agreement with Sky Harbour LLC by which Sky Harbour LLC unitholders would acquire a majority interest in the combined businesses following the completion of a business combination. As part of the equity purchase agreement, and immediately prior to the completion by Sky Harbour LLC of a private activity bond financing raising \$160 million in proceeds in September 2021, we purchased Class B Preferred Units in Sky Harbour LLC for a purchase price of \$55 million, which Class B Preferred Units converted to 5,500,000 shares of Sky Harbour Class A common stock upon the closing of the Sky Harbour business combination on January 25, 2022. Also, upon the closing of the business combination, we purchased an additional 4,500,000 shares of Sky Harbour Class A common stock for a purchase price of \$45 million.

- Upon the closing of the Sky Harbour business combination, our Class B common stock converted to Class A common stock of Sky Harbour and our private placement warrants are now exercisable to purchase 7,719,779 shares of Class A common stock of Sky Harbour.
- Each Sky Harbour warrant is exercisable for one share of Class A common stock at a price of \$11.50 per share, subject to adjustment, with each Sky Harbour Warrant being exercisable through January 25, 2027. Unlike Sky Harbour's publicly traded warrants, these warrants are not redeemable by Sky Harbour as long as we or permitted transferees hold these warrants. The Sky Harbour warrants are also exercisable on a cashless basis.
- Our Sky Harbour Class A common stock, the Sky Harbour warrants, and the shares underlying the warrants were subject to a lockup which expired on January 24, 2023.
- Subsequent to the closing of the Sky Harbour business combination, we distributed 75,000 shares of Sky Harbour Class A common stock to the outside directors of Yellowstone and 206,250 shares of Sky Harbour Class A common stock to an investor in the Yellowstone IPO. As of June 30, 2025, we hold 11,671,494 shares of Sky Harbour Class A common stock and 7,719,779 Sky Harbour warrants.
- All the shares of Sky Harbour Class A common stock and Sky Harbour warrants to purchase Class A common stock that we hold have been registered under the Securities Act. However, our ability to resell any significant portion of these shares is limited by the large number of Sky Harbour shares and warrants we hold relative to the average trading volume of these securities

We believe that our existing cash and short-term investments, funds available through the Credit Agreement Link entered into on August 12, 2019, as amended, funds available through the Credit Agreement Boston Omaha Broadband entered into on September 17, 2024, any funds that we may receive from cash flows from operations, future potential sales of our Sky Harbour stock, and any funds that we may receive through the sale of real estate assets in the 24th Street and BFR Funds will be sufficient to meet working capital requirements and anticipated capital expenditures for the next 12 months. At June 30, 2025, we had approximately \$29.7 million in unrestricted cash and approximately \$18.4 million in short-term U.S. Treasury securities.

If future additional significant acquisition opportunities and expansion opportunities within our billboard and broadband services businesses become available in excess of our currently available cash, U.S. Treasury securities, and marketable equity securities, we may need to seek additional capital through long term debt borrowings, the sale of our securities, and/or other financing options and we may not be able to obtain such debt or equity financing on terms favorable to us or at all. In the future, we may use a number of different sources to finance our acquisitions and operations, including current cash on hand, potential future cash flows from operations, seller financing, debt financings including but not limited to long-term debt and line of credit facilities, including additional credit facilities which may or may not be secured by our assets or those of our operating subsidiaries, additional common or preferred equity issuances or any combination of these sources, to the extent available to us, or other sources that may become available from time to time, which could include asset sales and issuance of debt securities. In addition to current credit facilities at Link and Boston Omaha Broadband, any future debt that we incur may be recourse or non-recourse and may be secured or unsecured. Existing credit facilities at Link and Boston Omaha Broadband imposes restrictions that could increase our vulnerability to general adverse economic and industry conditions by limiting our flexibility in planning for and reacting to changes in our billboard, insurance, asset management, and broadband businesses. Specifically, these restrictions place limits on Link, Boston Omaha Broadband, and their subsidiaries' ability to, among other things, incur additional indebtedness, make additional acquisitions and investments, pay dividends, repurchase stock, create liens, enter into transactions with affiliates, merge, consolidate, transfer or sell assets. Both credit facilities require Link and Boston Omaha Broadband to meet a fixed charge coverage ratio and other financial covenants. Link's ability as well as Boston Omaha Broadband's ability to comply with these loan covenants may be affected by factors beyond their control and a breach of any loan covenants would likely result in an event of default under either Credit Agreement, which would permit the Lender to declare all amounts incurred thereunder to be immediately due and payable and to terminate their commitment to make future extensions of credit. We also may take advantage of joint venture or other partnering opportunities as such opportunities arise in order to acquire properties that would otherwise be unavailable to us. Any future credit facilities which we or any of our subsidiaries may enter into would likely impose similar restrictions and risks.

We may use the proceeds of any future borrowings to acquire assets or for general corporate purposes. In determining when to use leverage, we will assess the appropriateness of new equity or debt capital based on market conditions, including assumptions regarding future cash flow, the creditworthiness of customers, and future rental and subscriber rates.

We conduct and plan to continue to conduct our activities in such a manner as not to be deemed an investment company under the Investment Company Act of 1940 (the "Investment Company Act"). Therefore, no more than 40% of our total assets can be invested in investment securities, as such term is defined in the Investment Company Act. In addition, we do not invest or intend to invest in securities as our primary business. Although we do not currently hold investments in an amount which would cause us to register under the Investment Company Act, we run the risk of inadvertently being deemed to be an investment company that is required to register under the Investment Company Act because a significant portion of our assets consists of investments in companies in which we own less than a majority interest. The risk varies depending on events beyond our control, such as significant appreciation or depreciation in the market value of certain of our publicly traded holdings, adverse developments with respect to our ownership of certain of our subsidiaries, and transactions involving the sale of certain assets. If we are deemed to be an inadvertent investment company, we may seek to rely on a safe-harbor under the Investment Company Act that would provide us a one-year grace period to take steps to avoid being deemed to be an investment company. In order to ensure we avoid being deemed an investment company, we have taken, and may need to continue to take, steps to reduce the percentage of our assets that constitute investment assets under the Investment Company Act. These steps have included, among others, selling marketable securities that we might otherwise hold for the long-term and deploying our cash in non-investment assets. We have recently sold marketable securities, including at times at a loss, and we may be forced to sell our investment assets at unattractive prices or to sell assets that we otherwise believe benefit our business in the future to remain below the requisite threshold. We may also seek to acquire additional non-investment assets to maintain compliance with the Investment Company Act, and we may need to incur debt, issue additional equity or enter into other financing arrangements that are not otherwise attractive to our business. Any of these actions could have a material adverse effect on our results of operations and financial condition. Moreover, we can make no assurance that we would successfully be able to take the necessary steps to avoid being deemed to be an investment company in accordance with the safe-harbor. If we were unsuccessful, then we would have to register as an investment company, and we would be unable to operate our business in its current form. We would be subject to extensive, restrictive, and potentially adverse statutory provisions and regulations relating to, among other things, operating methods, management, capital structure, indebtedness, dividends, and transactions with affiliates. If we were deemed to be an investment company and did not register as an investment company when required to do so, there would be a risk, among other material adverse consequences, that we could become subject to monetary penalties or injunctive relief, or both, that we would be unable to enforce contracts with third parties, and/or that third parties could seek to obtain rescission of transactions with us undertaken during the period in which we were deemed to be an unregistered investment company.

Our certificate of incorporation and bylaws do not limit the amount of debt that we may incur. Our Board of Directors has not adopted a policy limiting the total amount of debt that we may incur. Our Board of Directors will consider a number of factors in evaluating the amount of debt that we may incur. If we adopt a debt policy, our Board of Directors may from time to time modify such policy in light of then-current economic conditions, relative costs of debt and equity capital, market values of our properties, general conditions in the markets for debt and equity securities, fluctuations in the market price of our Class A common stock if then trading on any exchange, growth and acquisition opportunities, and other factors. Our decision to use leverage in the future to finance our assets will be at our discretion and will not be subject to the approval of our stockholders, and we are not restricted by our governing documents or otherwise in the amount of leverage that we may use.

Off-Balance Sheet Arrangements

Except for our normal operating leases, we do not have any off-balance sheet financing arrangements, transactions, or special purpose entities.

Quantitative and Qualitative Disclosures About Market Risk

At June 30, 2025, we held no significant derivative instruments that materially increased our exposure to market risks for interest rates, foreign currency rates, commodity prices, or other market price risks. Our operations are currently conducted entirely within the U.S.; therefore, we had no significant exposure to foreign currency exchange rate risk.

Critical Accounting Estimates

The preparation of the condensed consolidated financial statements and related notes to the consolidated financial statements requires us to make estimates that affect the reported amounts of assets, liabilities, revenue and expenses, and related disclosures of contingent assets and liabilities. We base these estimates on historical results and various other assumptions believed to be reasonable, all of which form the basis for making estimates concerning the carrying values of assets and liabilities that are not readily available from other sources. Actual results may differ from these estimates. Information with respect to our critical accounting policies that we believe could have the most significant effect on our reported results or require subjective or complex judgments by management is contained in *Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations*, and in the *Notes to the Consolidated Financial Statements* each in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024, as filed with the SEC on March 28, 2025. There have been no material changes to the critical accounting policies and estimates as previously disclosed in Item 7 of our 2024 Form 10-K.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Not applicable as we are a "smaller reporting company."

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our principal executive officer and principal financial and accounting officers, conducted an evaluation of the effectiveness of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on this evaluation, our principal executive officer and principal financial and accounting officers each concluded that, as of June 30, 2025, our disclosure controls and procedures are effective and designed to ensure that the information required to be disclosed in our reports filed or submitted under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the requisite time periods.

Changes in Internal Control over Financial Reporting

There have not been any changes in our internal control over financial reporting, as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act, during the fiscal quarter ended June 30, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Limitations on Effectiveness of Controls and Procedures

Our management, including our principal executive officer and principal financial and accounting officers, does not expect that our disclosure controls and procedures or our internal controls will prevent all error and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within our company have been detected. These inherent limitations include, but are not limited to, the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the control. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions; over time, control may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings.

Due to the nature of our business, we are, from time to time and in the ordinary course of business, involved in routine litigation or subject to disputes or claims related to our business activities, including, without limitation, workers' compensation claims and employment-related disputes. In the opinion of our management, none of the pending litigation, disputes or claims against us, if decided adversely, will have a material adverse effect individually or in the aggregate on our financial condition, cash flows or results of operations.

Item 1A. Risk Factors.

Not applicable as we are a "smaller reporting company." For a list of risk factors, please refer to our Annual Report on Form 10-K for the year ended December 31, 2024, as filed with the SEC on March 28, 2025.

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

On July 23, 2024, the Board approved and authorized a share repurchase program (the "Share Repurchase Program"), pursuant to which the Company intends to repurchase up to \$20 million of its Class A common stock, from time to time, in the open market, privately negotiated transactions, or otherwise in compliance with Rule 10b-18 under the Securities Exchange Act of 1934. The Board also authorized the Company, in its discretion, to establish "Rule 10b5-1 trading plans" for these share repurchases. The Share Repurchase Program went into effect on or about August 15, 2024 and will terminate on September 30, 2025, unless earlier terminated in the discretion of the Board. The actual timing, number, and value of shares repurchased under the Share Repurchase Program will depend on a number of factors, including constraints specified in applicable SEC regulations, price, general business and market conditions, and alternative investment opportunities. Pursuant to the Share Repurchase Program, the Company is not obligated to repurchase any specific number of shares of its Class A common stock and shall not repurchase more than 25% of the average daily volume of its stock over the previous 20 trading days. To date, we have repurchased 111,323 shares of our Class A common stock for a total cost of approximately \$1.6 million. We did not repurchase any shares of our Class A common stock during the first six months of fiscal 2025 due to stock repurchase blackout periods.

On January 21, 2025, the Company issued to its newest director, David Graff, 1,000 shares of restricted Class A common stock, \$.001 par value per share ("Class A common stock"), pursuant to the Corporation's 2022 Long-Term Incentive Plan. The grant was valued at approximately \$15,000 as of the date of the issuance, all of which shares vest as follows: 500 shares vest immediately upon grant and the remaining 500 shares vested on April 1, 2025.

On February 12, 2025, the Company issued restricted Class A common stock to the following employees: its Chief Financial Officer (3,322 shares), its Chief Accounting Officer (11,960 shares), the President of its Link Media subsidiary (4,000 shares), and to four Boston Omaha Broadband executives (26,360 shares in the aggregate). The shares issued to the Chief Accounting Officer vest through 2027 and the shares issued to the Chief Financial Officer and other employees are fully vested and are issued at the option of the employee in lieu of a portion of the employee's year-end cash bonus. In accordance with the Corporation's Long-Term Incentive Plan, the Company withheld 5,792 shares for withholding obligations. The shares granted had an aggregate value of approximately \$615,000 as of the date of issuance.

The shares were issued for services rendered to the Company under an exemption available pursuant to Section 4(2) of the Securities Act of 1933, as amended. No cash consideration was paid for the shares.

Item 3. Defaults upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

During the six months ended June 30, 2025, none of the Company's officers or directors adopted or terminated any contract, instruction, or written plan for the purchase or sale of Company securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any "non-Rule 10b5-1 trading arrangement" (as those terms are defined in Regulation S-K, Item 408).

Item 6. Exhibits.

The exhibits listed in the following Exhibit Index are incorporated herein by reference.

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Exhibit Description</u>
3.1 (*)	<u>Second Amended and Restated Certificate of Incorporation of the Company, filed as Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the Commission on May 26, 2017.</u>
3.2 (*)	<u>First Amendment to the Second Amended and Restated Certificate of Incorporation of the Company, filed as Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the Commission on May 7, 2018.</u>
3.3 (*)	<u>Certificate of Amendment to the Second Amended and Restated Certificate of Incorporation of the Company, filed as Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the Commission on June 2, 2020.</u>
3.4 (*)	<u>Certificate of Amendment to the Second Amended and Restated Certificate of Incorporation of the Company, filed as Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the Commission on September 23, 2024.</u>
3.5 (*)	<u>Amended and Restated Bylaws of the Company, as amended, filed as Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the Commission on April 1, 2020.</u>
10.1 (*)	<u>Credit Agreement, dated August 12, 2019 by and between Link Media Holdings, LLC, and First National Bank of Omaha, filed as Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the Commission on August 13, 2019.</u>
10.2 (*)	<u>Security Agreement, dated August 12, 2019, by and among Link Media Holdings, LLC and the Subsidiary Guarantors in favor of First National Bank of Omaha, filed as Exhibit 10.2 to the Company's Current Report on Form 8-K filed with the Commission on August 13, 2019.</u>
10.3 (*)	<u>Subsidiaries Guaranty, dated August 12, 2019 by and among the Subsidiary Guarantors in favor of First National Bank of Omaha, filed as Exhibit 10.3 to the Company's Current Report on Form 8-K filed with the Commission on August 13, 2019.</u>
10.4 (*)	<u>Amended and Restated Term Loan Note, filed as Exhibit 10.2 to the Company's Current Report on Form 8-K filed with the Commission on December 9, 2021.</u>
10.5 (*)	<u>Ninth Amendment to Credit Agreement, by and between Link Media Holdings, LLC and First National Bank of Omaha, dated May 30, 2024, filed as Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the Commission on June 5, 2024.</u>
10.6 (*)	<u>Second Amended and Restated Revolving Note, dated May 30, 2024, filed as Exhibit 10.2 to the Company's Current Report on Form 8-K filed with the Commission on June 5, 2024.</u>
10.7 (*)	<u>Credit Agreement, by and between Link Media Holdings, LLC and First National Bank of Omaha attached as Annex A to the Ninth Amendment to Credit Agreement, filed as Exhibit 10.3 to the Company's Current Report on Form 8-K filed with the Commission on June 5, 2024.</u>
10.8 (*)	<u>Credit Agreement, by and between Certain Subsidiaries of Boston Omaha Broadband, LLC and First National Bank of Omaha dated September 17, 2024, filed as Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the Commission on September 23, 2024.</u>
10.9 (*)	<u>Form of Term Loan Note to be issued by Certain Subsidiaries of Boston Omaha Broadband, LLC, filed as Exhibit 10.2 to the Company's Current Report on Form 8-K filed with the Commission on September 23, 2024.</u>
10.10 (*)	<u>Security Agreement, dated September 17, 2024 by and among Certain Subsidiaries of Boston Omaha Broadband, LLC and Boston Omaha Broadband, LLC in favor of First National Bank of Omaha, filed as Exhibit 10.3 to the Company's Current Report on Form 8-K filed with the Commission on May 23, 2024.</u>
10.11 (*)	<u>Guaranty, dated September 17, 2024, by Boston Omaha Broadband, LLC in favor of First National Bank of Omaha, filed as Exhibit 10.4 to the Company's Current Report on Form 8-K filed with the Commission on September 23, 2024.</u>
31.1 (#)	<u>Certification of Chief Executive Officer required by Rule 13a-14(a) or Rule 15d-14(a).</u>

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- 31.2 (#) [Certification of the Chief Financial Officer required by Rule 13a-14\(a\) or Rule 15d-14\(a\).](#)
- 32.1 (#)(##) [Certification of the Chief Executive Officer required by Rule 13a-14\(b\) or Rule 15d-14\(b\) and 18 U.S.C. 1350.](#)
- 32.2 (#)(##) [Certification of the Chief Financial Officer required by Rule 13a-14\(b\) or Rule 15d-14\(b\) and 18 U.S.C. 1350.](#)
- 101.INS (#) Inline XBRL Instance Document.
- 101.SCH (#) Inline XBRL Taxonomy Extension Schema Document.
- 101.CAL (#) Inline XBRL Taxonomy Extension Calculation Linkbase Document.
- 101.DEF (#) Inline XBRL Taxonomy Extension Definition.
- 101.LAB (#) Inline XBRL Taxonomy Extension Label Linkbase Document.
- 101.PRE (#) Inline XBRL Taxonomy Presentation Linkbase Document.
- 104 Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).
- (*) Incorporated by reference to the filing indicated.
- (#) Filed herewith.
- (##) The certifications attached as Exhibits 32.1 and 32.2 that accompany this Report, are not deemed filed with the SEC and are not to be incorporated by reference into any filing of Boston Omaha Corporation under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date of this Report irrespective of any general incorporation language contained in such filing.

SIGNATURES

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

BOSTON OMAHA CORPORATION
(Registrant)

By: /s/ Adam K. Peterson
Adam K. Peterson
President (Principal Executive Officer)

August 13, 2025

By: /s/ Joshua P. Weisenburger
Joshua P. Weisenburger
Chief Financial Officer (Principal Financial and Accounting Officer)

August 13, 2025

CERTIFICATIONS

I, Adam K. Peterson, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Boston Omaha Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 13, 2025

/s/ Adam K. Peterson

Adam K. Peterson, Chief Executive Officer
(Principal Executive Officer)

CERTIFICATIONS

I, Joshua P. Weisenburger, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Boston Omaha Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 13, 2025

/s/ Joshua P. Weisenburger

Joshua P. Weisenburger, Chief Financial Officer
(Principal Financial Officer)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Boston Omaha Corporation (the “Company”) on Form 10-Q for the three months ended June 30, 2025 as filed with the Securities and Exchange Commission on or about the date hereof (the “Report”), the undersigned, in the capacities and on the date indicated below, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to his knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 13, 2025

/s/ Adam K. Peterson

Adam K. Peterson, Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Boston Omaha Corporation (the “Company”) on Form 10-Q for the three months ended June 30, 2025 as filed with the Securities and Exchange Commission on or about the date hereof (the “Report”), the undersigned, in the capacities and on the date indicated below, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to his knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 13, 2025

/s/ Joshua P. Weisenburger

Joshua P. Weisenburger, Chief Financial Officer
(Principal Financial Officer)