

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

FORM 10-K

(MARK ONE)

☒ ANNUAL REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2024

☐ TRANSITION REPORT UNDER 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

(Address of principal executive offices)

68102

(Zip Code)

Registrant's telephone number: (857) 256-0079

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

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

Securities registered under Section 12(g) of the Exchange Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes ☐ No ☒

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 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 Act): Yes ☐ No ☒

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold, or the average bid and ask price of such common equity, as of the last business day of the registrant's most recently completed second fiscal quarter: \$325,359,669.

Indicate the number of shares outstanding of each of the registrant'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 March 27, 2025.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's Definitive Proxy Statement for its 2025 Annual Meeting of Stockholders are incorporated by reference in Part III of this Annual Report on Form 10-K where indicated. Such proxy statement will be filed with the Securities and Exchange Commission within 120 days of the registrant's fiscal year ended December 31, 2024 or will be provided on a Form 10-K/A to be filed within 120 days of the registrant's fiscal year ended December 31, 2024.

BOSTON OMAHA CORPORATION

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CAUTIONARY NOTE CONCERNING FORWARD-LOOKING STATEMENTS

This Report contains certain statements that are, or may be deemed to be, “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or by Public Law 104-67. All statements included in this Report, other than statements that relate solely to historical fact, are “forward-looking statements.” Such statements include, but are not limited to, any statement that may predict, forecast, indicate or imply future results, performance, achievements or events, including the impact of the COVID-19 pandemic, or any statement that may relate to strategies, plans or objectives for, or potential results of, future operations, financial results, financial condition, business prospects, growth strategy or liquidity, and are based upon management’s current plans and beliefs or current estimates of future results or trends. Forward-looking statements can generally be identified by phrases such as “believes,” “expects,” “potential,” “continues,” “may,” “should,” “seeks,” “predicts,” “anticipates,” “intends,” “projects,” “estimates,” “plans,” “could,” “designed,” “should be” and other similar expressions that denote expectations of future or conditional events rather than statements of fact.

Forward-looking statements include certain statements made under the caption, “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” under Item 7 of this Report, but also forward-looking statements that appear in other parts of this Report. Forward-looking statements reflect our current views with respect to future events and are based on certain assumptions and are subject to risks and uncertainties that could cause our actual results to differ materially from trends, plans, or expectations set forth in the forward-looking statements. These risks and uncertainties may include the risks and uncertainties described elsewhere in this Report, including under the caption “Risk Factors,” under Item 1A of this Report. Additionally, there may be other factors not presently known to us or which we currently consider to be immaterial that may cause our actual results to differ materially from the forward-looking statements.

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 common stock.

Summary of Risk Factors

Some of the factors that could materially and adversely affect our financial condition, results of operations, cash flow, the market price of shares of our Class A common stock or our prospects include, but are not limited to, the following. You should read this summary together with the more detailed description of each risk factor contained in this Item 1A “Risk Factors” in this Annual Report on Form 10-K and the other reports and documents filed or furnished by us with the SEC for a more detailed discussion of the principal risks (as well as certain other risks) that you should carefully consider before deciding to invest in our securities.

Risks Related To Acquisitions and Operations of Our Business

- We have incurred losses from operations since inception and we anticipate that we will continue to incur losses for the foreseeable future;
 - We may be unable to identify and successfully complete acquisitions and, even if acquisitions are identified and completed, we may fail to successfully operate acquired properties;
 - Our business strategy relies on the successful acquisition and integration of diverse companies and operations, and expansion of current business lines or entering into new industries could negatively impact our operating income;
 - A significant portion of our assets are securities we hold in other companies. Our investments in Sky Harbour Group Corporation (“Sky Harbour”) Class A common stock and securities of other companies involve a substantial degree of risk and our investments in Sky Harbour Class A common stock and these other securities may be subject to material impairment charges depending on the value of these securities. Our ability to sell all or a portion of the Class A common stock, which are registered, may be limited due to our significant ownership position relative to the total public market float for Sky Harbour’s Class A common stock;
 - As we enter new business segments, members of our senior management may have limited or no experience in the industries we operate, and we will be reliant on key personnel. The departure of any of our key personnel could materially and adversely affect us; and
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Risks Related to Our Indebtedness

- Our ability to borrow may be limited in case of adverse changes within the credit market; and
- Any failure in the future to comply with the covenants set forth in our billboard business and broadband business credit agreements could result in the loan balance becoming immediately due and payable.

Risks Related to Access to Capital and Raising Additional Capital

- We may not be able to generate sufficient cash to service all of our operations and may be forced to take actions to fund our operations such as debt financing, refinancing current indebtedness, or future equity issuances of our capital stock, any or all of which may not be successful; and
- We may raise additional equity capital through additional public or private placements, any of which could substantially dilute your investment.

Risks Related to Ownership of Our Securities

- The market price and trading volume of our Class A common stock as well as investments we hold in Sky Harbour and other publicly traded securities we own, may be volatile and negatively impacted by broad market fluctuations;
- Provisions of our certificate of incorporation and bylaws and Delaware law might discourage, delay or prevent a change of control of our company or changes in our management and, as a result, depress the trading price of our common stock;
- Our chief executive officer and certain directors are now, and all of them may in the future become, affiliated with entities engaged in business activities similar to those intended to be conducted by us and, accordingly, may have conflicts of interest in determining to which entity a particular business opportunity should be presented;
- We do not intend to pay dividends on our common stock and, consequently, the ability of investors to achieve a return on their investment will depend on appreciation in the price of our common stock;
- Certain of our stockholders still hold 8,555,957 registered shares of our Class A common stock.

Regulatory Risks

- Dependent on the price of certain publicly-traded securities we currently hold, including our ownership of Sky Harbour Class A common stock, we could become subject to registration and regulation under the Investment Company Act;
 - Our business segments are subject to complex federal, state and local laws and regulations that could adversely affect the cost, manner or feasibility of conducting our operations or expose us to significant liabilities; and
 - Changes in laws or regulations governing our operations or our failure to comply with those laws or regulations and changes in tax laws may adversely impact us.
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PART I

Item 1. Business.

Our Company

Boston Omaha Corporation, which we refer to as “the Company,” “our Company,” “we,” “us” or “our,” commenced its current business operations in June 2015 and currently operates four separate lines of business: outdoor billboard advertising, broadband services, surety insurance and related brokerage activities, 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, a company serving the broadband industry, and a publicly-traded 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 our wholly owned subsidiary, Link Media Holdings, LLC, which we refer to as “Link,” of smaller billboard companies located in the Southeast 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 December 31, 2024, we operate approximately 4,000 billboards with approximately 7,600 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.

We are attracted to the outdoor advertising market due to a number of factors, including high regulatory barriers to building new billboards in some states, growing demand, low maintenance capital expenditures for static billboards, low cost per impression for customers, and the potential opportunity to employ more capital in existing assets at reasonable returns in the form of perpetual easements and digital conversions. In addition, unlike other advertising industries, the internet has not had a material adverse impact on outdoor advertising revenues. The billboard industry’s three largest companies are estimated to account for more than 50% of the industry’s total revenues, and several industry sources and our experience suggest that there are a large number of other companies serving the remainder of the market, providing a potentially significant source of billboards which may be acquired in the future.

Surety Insurance

In September 2015, we established an insurance subsidiary, General Indemnity Group, LLC, which we refer to as “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 United Casualty and Surety Insurance Company, which we refer to as “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 April 2019, we established a broadband subsidiary, Fiber is Fast, LLC, which has changed its name to Boston Omaha Broadband, LLC, which we refer to as “BOB.” In March 2020, our subsidiary, FIF AireBeam LLC, which we refer to as “AireBeam,” acquired substantially all of the business assets of FibAire Communications, LLC, which we refer to as “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 Utah Broadband, LLC, which we refer to as “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, Inc. and Go Fiber LLC, which we refer to on a combined basis now as “InfoWest,” 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 December 31, 2024, we have approximately 46,900 broadband customers (15,600 fiber customers) and 39,800 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. Prior to the acquisition, BOAM indirectly owned 48% of the membership interests 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. We have determined that the high costs and significant risks associated with "fund financing" based on current market conditions leads 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 manage real estate funds. For 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.

Minority Investments

Since 2015, we have made minority investments in several different industries.

- Since September 2015, we have made a series of investments in commercial real estate, a commercial real estate management, brokerage and related services business as well as an asset management business. We currently own 30% of Logic Real Estate Companies, LLC, which we refer to as "Logic." 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, 2023, 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., which we refer to as "Crescent." Our investment now represents 15.6% of CB&T's outstanding common stock. Crescent 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." 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, which we refer to "Sky 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. During fiscal 2024, we sold 285,442 shares of Sky Harbour Class A common stock for gross proceeds of approximately \$2.9 million. As of December 31, 2024, we held 12,401,589 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., which we refer to as "MyBundle," a company serving the broadband industry.

Additional Opportunities for Growth

In addition to our activities in outdoor billboards, broadband services, surety insurance, asset management and the various industries in which we have made minority investments, we will also consider other industries which offer the potential for predictable and attractive returns on invested capital. We expect to continue to be opportunistic in exploring other opportunities which meet our investment criteria.

Our objective is to grow intrinsic value per share at an attractive rate by retaining capital to reinvest in the productive capabilities of our current subsidiaries, make opportunistic investments, and/or invest in new, anticipated durable earnings streams. Each of these options for capital will be compared to one another on a regular basis, and capital will be deployed according to our management's judgment as to where it believes allocated capital has the potential to achieve the best long-term return.

Our History

Boston Omaha Corporation was originally incorporated as REO Plus, Inc., which we refer to as "REO," on August 10, 2009. On March 16, 2015, we reincorporated as a Delaware corporation, adopted new bylaws and changed our name to Boston Omaha Corporation. Our principal business address is 1601 Dodge Street, Suite 3300, Omaha, Nebraska 68102, and our telephone number is 402-210-2633. We registered as a reporting company under the Securities Exchange Act of 1934, as amended, which we refer to as the "Exchange Act," on November 9, 2016. In 2016, we were listed for trading on the OTCQX under the trading symbol "BOMN," and in June 2017, in connection with our 2017 public offering, we transferred and uplisted to the NASDAQ Capital Market under the trading symbol "BOMN." On January 14, 2022, we transferred our listing to the New York Stock Exchange and now trade under the trading symbol "BOC."

On February 13, 2015, Magnolia Capital Fund, L.P., which we refer to as "MCF," and Boulderado Partners, LLC, which we refer to as "BP," acquired shares of the Company's common stock representing approximately 95% of the Company's issued and outstanding shares at the time. MCF is managed by The Magnolia Group, LLC, which we refer to as "Magnolia," and BP is managed by Boulderado Capital, LLC and Boulderado Group, LLC, which we collectively refer to as "Boulderado." Magnolia is managed by Adam K. Peterson, our Chairmen and Chief Executive Officer.

On June 18, 2015, we amended and restated our certificate of incorporation and effected a 7:1 reverse stock split of our Class A common stock. We also created an additional series of our stock now named Class B common stock, par value \$0.001 per share. Each share of Class B common stock is identical to the 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 is 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. There are currently 580,558 shares of our Class B common stock outstanding, which are owned by MCF.

Since 2015, we have raised capital through private investments, public offerings, a bank term loan and revolving loan entered into by Link with a commercial lender, and a bank term loan entered into by BOB with a commercial lender.

Our Relationship with Magnolia and Repurchase of Interests of Boulderado

In its role as general partner of MCF and Magnolia BOC I, LP, which we refer to as "MBOC I", Magnolia, through its ownership of Class A common stock and all of our Class B common stock, controls approximately 31% of the aggregate voting power and, as a result, will for the foreseeable future likely be able to continue to effectively control the election of our directors, determine our corporate and management policies and determine without the consent of our other stockholders the outcome of any corporate transaction or other matters submitted to our stockholders for approval, including potential mergers or acquisitions, asset sales and other significant corporate transactions. Adam K. Peterson, our Chief Executive Officer and one of our directors, is a principal in Magnolia. In addition, Magnolia as the only holder of our Class B common stock, has the ability to limit our ability to take certain actions, notwithstanding the approval of a majority of our board of directors to take such action.

The interests of these funds managed by Magnolia may not coincide with the interests of other holders of our Class A common stock. Mr. Peterson also receives compensation from Magnolia for his role as manager of Magnolia. Additionally, these funds are in the business of making investments in companies and may, from time to time, acquire and hold interests in businesses that compete directly or indirectly with us.

MCF is a private investment partnership in Omaha, Nebraska, which commenced operations in August 2014. MBOC I is a private investment partnership in Omaha, Nebraska, which commenced operations in February 2018. Adam K. Peterson is the sole manager of Magnolia, an investment adviser registered with the SEC. Magnolia is the general partner and the manager of MCF and MBOC I.

On May 9, 2024, the Company, Alex B. 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 its direct and indirect subsidiaries, other than as a member of the board of directors of Sky Harbour. 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. 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 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.

Our Acquisitions and Equity Investments

Since June 2015, we have expended over \$530 million in the acquisition of businesses in outdoor billboard advertising, broadband services, surety insurance and brokerage operations, investment in our asset management business, and in the purchase of minority equity interests in various businesses. We anticipate seeking further acquisitions in these business areas and possibly expanding into other businesses that we believe have the potential for durable profitability in a very competitive world.

Outdoor Billboard Advertising. Since June 2015, through over twenty acquisitions, several asset purchases and one exchange, we have acquired numerous billboard structures, many with multiple faces, related easements, and rights in some instances to construct additional billboards. These billboards are located in Alabama, Arkansas, Florida, Georgia, Illinois, Iowa, Kansas, Missouri, Nebraska, Nevada, Oklahoma, South Dakota, Tennessee, Virginia, West Virginia, and Wisconsin. We paid a combined purchase price of over \$240 million for these billboards and related assets. As of March 1, 2025, we operated approximately 4,000 billboard structures containing approximately 7,600 advertising faces, of which over 100 are digital displays.

Surety Insurance. Since September 2015, through six acquisitions, we have acquired one insurance company (UCS) and five insurance brokerage firms. We paid a combined purchase price of approximately \$21.7 million for these acquisitions. Additionally, we have contributed approximately \$33.7 million in statutory capital to UCS. UCS is authorized to issue surety insurance in all 50 states and the District of Columbia, is approved by the United States Department of Treasury, and rated "A-" (Excellent) by A.M. Best Company.

Broadband Services. In March 2020, AireBeam acquired substantially all the business assets of FibAire, a rural broadband internet provider. AireBeam provided high-speed internet to over 8,000 subscribers 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. We acquired AireBeam for approximately \$12.3 million in cash and issued to FibAire's co-founder and chief executive 10% of the equity in the newly formed entity. In December 2020, we acquired substantially all of the business assets of UBB, a rural broadband internet provider. UBB provided high-speed internet to over 10,000 subscribers in Salt Lake City, Park City, Ogden, Provo and surrounding communities. We acquired UBB for approximately \$21.3 million in cash and issued to Alpine Networks, Inc., UBB's member, 20% of the equity in the newly formed entity. In June 2021, we purchased the 10% equity stake in AireBeam from FibAire's co-founder and chief executive for approximately \$664,000. 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. We acquired InfoWest for approximately \$38.8 million in cash and issued to the co-founders of InfoWest 20% of the equity in the newly formed entity. In June 2022, UBB completed the acquisition of Strawberry Communications, LLC's internet services business for approximately \$1.1 million. In June 2023, InfoWest acquired from Pro Communication and Construction Services, LLC, which we refer to as "ProComm," broadband construction equipment and related assets for a purchase price of approximately \$2.9

million paid in cash. In October 2023, InfoWest acquired substantially all of the business assets of SunRiver Fiber Network from Cable Systems of Nevada, which we refer to as "Cable Systems," for a purchase price of approximately \$4.4 million. In April 2024, we entered into agreements with the minority members of UBB and InfoWest, where the original owners exchanged their membership interests in the companies for unregistered shares of Boston Omaha Class A common stock valued at approximately \$13.4 million. As a result, BOB now owns 100% of UBB and InfoWest.

Minority Investments. Since 2015, we have made minority investments in several different industries.

- Since September 2015, we have made a series of investments in commercial real estate, a commercial real estate management, brokerage and related services business as well as an asset management business. We currently own 30% of Logic. 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 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, the privately-held parent company of Crescent. Our investment now represents 15.6% of CB&T's outstanding common stock. Crescent 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 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" 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, 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. 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. During fiscal 2024, we sold 285,442 shares of Sky Harbour Class A common stock for gross proceeds of approximately \$2.9 million. As of December 31, 2024, we held 12,401,589 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, a company serving the broadband industry.

Industry Background

We currently operate outdoor billboard advertising services, provide broadband services, and sell surety insurance products and have minority investments in commercial real estate management and brokerage companies, 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. We currently own and operate approximately 4,000 billboard structures in the Southeast and Midwest United States containing approximately 7,600 advertising faces, of which over 100 are digital displays. In addition, we hold options to build additional billboards in a few of these states. Over 95% of our billboards reside on leased parcels of property. The site lease terms generally range from one to 20 years and often come with renewal options. Many of our leases contain options to extend the lease so as to allow continuous operation for many years or exist in areas where we believe that regulations make it probable a new lease will be signed prior to expiration on similar economic terms to existing leases. Bulletins are large advertising structures consisting of panels, called faces, on which advertising copy is displayed. On traditional billboards, the customer's advertising copy is printed with computer-generated graphics on a single sheet of vinyl and wrapped around the billboard face. Bulletins are usually located on major highways and target vehicular traffic. Advertising contracts are typically short-term to medium-term (one week to three years). We generally lease individually selected bulletin space to advertisers for the duration of the contract. In addition to the traditional displays described above, we also have digital displays which generally come with shorter term advertising contracts (one week to twelve months). Outdoor billboards were estimated as a \$6.3 billion market in the U.S. in 2023 based on industry trade journals. Other outdoor advertising solutions, including street furniture (for example, bus shelters and benches), transit and other new alternative advertising signs at sports stadiums, malls, airports and other locations account for approximately an additional estimated \$2.4 billion in revenues in 2023 according to industry sources. There is no concentration of industries to which we lease billboard space.

Surety Insurance. Suretyship insurance occurs when one party guarantees payment or performance by another party for an obligation or undertaking. Many obligations are guaranteed through surety bonds. Common types of surety bonds include commercial surety bonds and contract surety bonds. Suretyship is an integral part of the functioning of government and commerce. In many complex endeavors involving risk, a need exists to have a third party assure the performance or obligations of one party to another party. Surety companies are the "third parties" that provide such financial assurances in return for premium payments. Surety bonds are provided in government bidding and contracting processes as well as for individuals obtaining various government licenses and for individuals and businesses entering into apartment and office lease rentals. Various types of bonds are designed to ensure that when a contractor bids on a project, and is awarded the project, that the project is completed for the amount of the bid, and that the contractors pay their subcontractors and suppliers.

Surety bonds are regulated by state insurance departments. Surety insurance companies operate on a different business model than traditional casualty insurance. Surety is designed to prevent a loss. Though some losses do occur, surety premiums do not contain large provisions for loss payment. The surety takes only those risks which its underwriting experience indicates are reasonable to assume based on its underlying experience. This service is for qualified individuals or businesses whose affairs require a guarantor. The surety views its underwriting as a form of credit, much like a lending arrangement, and places its emphasis on the qualifications of the prime contractor or subcontractor to fulfill its obligations successfully, examining the contractor's credit history, financial strength, experience, work in progress and management capability. After the surety assesses such factors, it makes a determination as to the appropriateness and the amount, if any, of surety credit. Unlike property and casualty insurance, surety insurance allows the surety insurance company to pursue the contractor or subcontractor which purchased the surety bond for any losses incurred if a claim is made.

Surety insurers are highly regulated and scrutinized, through legal requirements for regular financial, market conduct and operational audits, and other means, in order to conduct business in the estimated \$9.6 billion surety market, based on 2023 industry reports. Most surety companies, in turn, distribute surety bonds through licensed surety bond producers, licensed business professionals who have specialized knowledge of surety products, the surety market, and the business strategies and underwriting differences among sureties. A bond producer can serve as an objective, external resource for evaluating a construction firm's capabilities and, where necessary, can suggest improvements to help the construction firm meet a surety company's underwriting requirements. Bond producers compete based on their experience, reputation, and ability to issue bonds on behalf of sureties.

Broadband Services. Our AireBeam, UBB, InfoWest, and FFH businesses provide fiber connectivity to homes, business and community organizations in certain markets in Arizona, Florida, Nevada, Utah, and other locales. Driven by the rising demand for higher bandwidth and faster speed connections for a variety of industrial and residential purposes, fiber optic transmission is becoming more and more common in modern society. Fiber optic cables have a much greater bandwidth than metal cables. The significantly higher amount of information that can be transmitted per unit time of fiber over other transmission media is its most significant advantage. Also, an optical fiber offers low power loss, which allows for longer transmission distances. Fiber optic is generally less susceptible to electromagnetic interference, has greater capacity and weighs less than traditional metal wire connections. Also, fiber optic is made of glass, which can provide certain cost advantages over traditional copper wire. Optical fiber is more difficult and expensive to install than copper wire and special equipment is required to test optical fiber. Fiber optic is also highly susceptible to becoming cut or damaged during installation or construction activities. We believe that the demand for broadband services has increased significantly since the COVID pandemic and that this demand will continue to grow as more businesses and consumers rely on remote connectivity for work, learning, telehealth and other connectivity needs and as new technologies expand the ability to digitally share information and services.

Business Overview and Strategy

Since present management took over in February 2015, we have engaged in (i) acquisitions and minority investments in outdoor billboard advertising, broadband service providers, asset management, surety insurance, commercial real estate services, homebuilding and a bank holding company, (ii) purchases of publicly traded equity securities and (iii) in October 2020 served as the sponsor for an initial public offering for Yellowstone and its subsequent business combination with Sky Harbour in January 2022. Our strategy focuses on investing in companies and lines of business that have demonstrated or which we believe have the potential to consistently demonstrate earnings power over time, with attractive pre-tax historical returns on tangible equity capital, and that we believe are available at a reasonable price.

We source acquisitions both internally via phone calls, research or mailings, business relationships developed over time and also by receipt of target acquisition opportunities from a number of brokers and other professionals. We seek acquisitions consistent with our growth strategy, but there can be no assurance that we will consummate acquisitions pursuant to outstanding letters of intent or acquire any additional billboard assets, surety brokerage firms, broadband service providers, or minority investments in any other businesses. 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. We are also seeking opportunities to acquire other businesses or a significant interest in existing businesses. We look to acquire businesses in their entirety that have consistently demonstrated earnings power over time, with attractive pre-tax historical returns on tangible equity capital, and that are available at a reasonable price. However, we may consider minority positions and stock issuances when the economics are favorable. In certain circumstances, we may enter lines of business directly when the opportunities and economics of doing so are favorable in comparison to acquisitions.

Outdoor Billboard Advertising. We seek to capitalize on our growing network and diversified geographical and product mix to grow revenues. We believe the outdoor advertising business offers attractive industry fundamentals which we hope to utilize and leverage as we plan to continue to grow our presence in the United States. We hope that our growing presence will be an attractive tool in identifying and attracting both local and national advertisers. We work with our customers to enable them to better understand how our billboards can successfully reach their target audiences and promote their advertising campaigns. Our long-term strategy for our outdoor advertising business includes pursuing digital display opportunities where appropriate, while simultaneously utilizing traditional methods of displaying outdoor advertisements, and with a goal of consolidating fragmented markets where applicable.

Digital displays offer the opportunity to link electronic displays through centralized computer systems to change advertising copy instantaneously and simultaneously on a large number of displays. The ability to change copy by time of day and quickly change messaging based on advertisers' needs creates additional flexibility for our customers. However, digital displays require more capital to construct and maintain compared to traditional bulletins and increase the supply of advertising faces in a market.

Our local production staffs provide many of our customers a range of services required to create and install advertising copy. Production work includes creating the advertising copy design and layout, coordinating its printing with outside printing firms and installing the copy on the billboard face. We provide creative services to smaller advertisers and to advertisers not represented by advertising agencies. National advertisers often use preprinted designs that require only installation. Our creative and production personnel typically develop new designs or adapt copy from other media for use on our inventory. Our creative staff also can assist in the development of marketing presentations, demonstrations, and strategies to attract new clients.

We typically own the physical structures on which our clients' advertising copy is displayed. We acquire new structures from third parties on sites we either lease or own or for which we have acquired permanent easements. We generally have limited or no responsibilities to maintain the land on which the billboard is sited. The site lease terms generally range from one to 20 years and often come with renewal options or exist in areas where we believe that regulations make it probable a new lease will be signed prior to expiration on similar economic terms to existing leases. In addition to the site lease, we usually need to obtain a permit to build and operate the sign. Permits are typically issued in perpetuity by the state or local government and typically are transferable or renewable for a minimal or no fee. Traditional bulletin and poster advertising copy is printed with computer generated graphics to form a single sheet of vinyl. These advertisements are then transported to the site and wrapped around the face of the structure.

Surety Insurance. UCS has specialized in providing surety bonds since 1989. UCS is an authorized insurance carrier rated A- ("Excellent") by A.M. Best and is approved by the United States Department of the Treasury (570 Circular). UCS is currently licensed to conduct business in all 50 states and the District of Columbia. In addition to issuing traditional construction bonds for contractors and subcontractors, UCS offers a wide array of miscellaneous, license and permit bonds that protect consumers from the business activities of our customers or provide assurance to counterparties that our insureds will fulfill licensure requirements or faithfully remit monies owed. Our brokerage services currently operate under the name BOSS Bonds Insurance Agency, LLC.

We seek to reduce our risk by limiting policy amounts, following extensive underwriting processes, reviewing dashboards of critical metrics, and purchasing reinsurance coverage. Our underwriting process considers a number of factors, including the financial health of the customer, the customer's operating history, the type of obligation, the geographic territory where the contract is being issued, the language of the bond and the subject contract, and, if appropriate, a customer's pledge of collateral to reduce the risk in the event of a default. Historically, claims on surety bonds are limited by the extensive underwriting analysis undertaken before a risk is agreed to, forms of security provided upon the bond's issuance, and by the legal ability to pursue the customer obtaining the surety bond for recovery of amounts paid due to a claim. A surety's right of indemnification contrasts with property and casualty, or life insurance coverages, where no such recovery right exists. Unlike other insurance, surety insurance losses are commonly limited by the indemnity obligations of the insured, collateral provided by the insured at the time of issuance, or the insurance company's contractual right to uncollected funds from construction projects on which it has issued a bond and steps in for the insured.

Broadband Services. We seek to capitalize on the growing demand for rural internet access and increased bandwidth capacity as the economy shifts towards increased consumer demand and telecommuting work arrangements. AireBeam, UBB and InfoWest operate in several underserved communities in Arizona, Nevada, and Utah that need higher speed and greater internet capacity. Our strategy is to grow our presence in the rural broadband business as we expect many more communities to demand increasingly more bandwidth to their homes and businesses than their current service offering can reliably provide. Within certain markets, we believe that fiber-to-the-home has the potential to be a long-lived asset that fits into our objective to invest in what we believe are durable businesses that have the potential to achieve favorable pre-tax returns on invested capital. Recent studies suggest that a significant proportion of homes in the United States, particularly outside of major metropolitan areas, have not connected to high-speed broadband services as their communities lack all-fiber connectivity. We believe that the combination of the rural broadband business models at AireBeam, UBB and InfoWest we acquired together with our stronger balance sheet provides a competitive platform to bring fiber-to-the-home to additional communities in Arizona, Nevada, and Utah and other similarly situated communities in other states. In addition, through our FFH business, we have entered into contracts with home builders to bring fiber-to-the-home in large residential developments currently under construction and expect to continue to expand this to additional developments in the future. We believe that the fiber-to-the-home market shares similar qualities with our billboard and surety insurance markets in providing a diversified customer base in markets which impose some obstacles to competitors. We also believe that many broadband systems are owned by a significant number of small operators which may be interested in being acquired, providing us the potential for continued future growth in the broadband internet provider market.

Competition

Outdoor Billboard Advertising. The outdoor advertising industry in the United States consists of several large companies, and three companies, Clear Channel Outdoor, Outfront Media and Lamar Advertising Company, own a majority of all outdoor billboards. These companies are estimated to generate more than 50% of the industry's total revenues and several industry sources estimate that there are many other smaller companies serving the remainder of the market, providing a potentially significant source of billboards which may be acquired in the future. Part of our strategy is to acquire certain of the smaller and medium sized competitors in markets we deem desirable to advertisers. We also compete with other advertising media in our respective markets, including broadcast and cable television, radio, print media, direct mail, online and other forms of advertisement. Outdoor advertising companies compete primarily based on their ability to reach consumers, which is driven by location of the display.

Surety Insurance. Our insurance business operates in an environment that is highly competitive and very fragmented. We compete with other global insurance and reinsurance providers, including but not limited to Travelers, Liberty Mutual, Zurich Insurance Group, CNA Insurance Group, and Chubb Ltd, as well as numerous specialist, regional and local firms in almost every area of our business. These companies may market and service their insurance products through intermediaries, or directly without the assistance of brokers or agents. We also compete with other businesses that do not fall into the categories above that provide risk-related services and products.

Broadband Services. Our broadband services businesses provide high-speed internet connectivity and are aimed at rural and other underserved communities that need higher speed and greater internet capacity. In the future, leading cable operators, such as Comcast, Charter Communications and Altice USA, and other competitors, as well as other corporations providing competitive services, such as AT&T, T-Mobile and Verizon, may seek to enter the markets we serve. In addition, we may face competition from 5G in the home and other services incorporating new technologies. Technological changes are further intensifying and may challenge existing business models. Our internet services are expected to compete with wireless phone companies, satellite and other broadband providers, as well as wireline phone companies and other providers of wireline internet service and others seeking to build fiber-based network infrastructure.

Human Capital

We believe we can continue to enhance stockholder value through our business practices that consider the long-term interests of all our stakeholders, including our employees. We aim to create a workplace where employees feel engaged, rewarded and empowered. Culture plays an important role in the way we conduct business and attract talent and, as such, we actively promote a culture of collaboration, creativity, inclusivity and ownership throughout the employee experience.

As of March 1, 2025, we had 452 employees, of which 287 were in broadband operations, 93 were in billboard operations, 67 were in insurance services and 5 were in administrative or corporate related activities. Currently, more than 90% of our employees are full time. None of our employees are subject to collective bargaining agreements. We believe that our relationship with our employees is good.

Hiring and developing our employees and building a work environment which they find fulfilling is an important goal for our business. We seek to promote a working environment which promotes the diversity of our workforce, respects the background of each employee and allows each employee to grow to his or her full potential. We seek to provide an attractive compensation and benefits package for our employees, including fair wages, incentives, a 401(k) program to which we provide matching contributions, health care benefits and time off for parental leave, among other benefits. We also are committed to employee safety and spend significant time training employees on safety protocols. We maintain an employee hotline to report issues of concern, which connects to our Chief Financial Officer, Chair of our Audit Committee and our outside counsel.

Information Systems

We rely on our information systems to manage our daily business activities, interact with customers and vendors, manage our digital billboard displays, and market our services. We have outsourced certain technology and business process functions to third parties and may increasingly do so in the future. We have also hired individuals responsible for maintaining and improving our information systems and for developing systems to protect both our information and that of our customers. In order to reduce the risk of unintended disclosure of customer information, our separate business groups operate different information systems for their customer interactions. Our outsourcing of certain technology and business process functions to third parties and our reliance on the use of our information systems may expose us to increased risk related to data security, service disruptions or the effectiveness of our control system. We also maintain certain levels of insurance designed to provide some coverage in the event of any damages arising from a breach of our computer security systems.

Regulation of Our Outdoor Advertising Business

The outdoor advertising industry in the United States is subject to governmental regulation at the federal, state and local levels. These regulations may include, among others, restrictions on the construction, repair, maintenance, lighting, upgrading, height, size, spacing and location and permitting of and, in some instances, content of advertising copy being displayed on outdoor advertising structures. We generally do not incur material costs related to compliance with environmental laws in our advertising business.

From time to time, legislation has been introduced attempting to impose taxes on revenue from outdoor advertising or for the right to use outdoor advertising assets. Several jurisdictions have imposed such taxes as a percentage of our outdoor advertising revenue generated in that jurisdiction. In addition, some jurisdictions have taxed our personal property and leasehold interests in advertising locations using various valuation methodologies. In certain circumstances, such as our current Tampa operations, when we lease space from a governmental authority, we may enter into revenue sharing agreements with the authority, and in other circumstances we will manage third party billboards in connection with revenue sharing agreements. We expect jurisdictions to continue to try to impose such taxes and other fees as a way of increasing revenue. In recent years, outdoor advertising also has become the subject of targeted taxes and fees. These laws may affect prevailing competitive conditions in our markets in a variety of ways. Such laws may reduce our expansion opportunities or may increase or reduce competitive pressure from other members of the outdoor advertising industry. No assurance can be given that existing or future laws or regulations, and the enforcement thereof, will not materially and adversely affect the outdoor advertising industry.

In the United States, federal law, principally the Highway Beautification Act, which we refer to as the “HBA,” regulates outdoor advertising on Federal-Aid Primary, Interstate and National Highway Systems roads within the United States, which we refer to as “controlled roads.” The HBA regulates the size and placement of billboards, requires the development of state standards, mandates a state’s compliance program, promotes the expeditious removal of illegal signs and requires just compensation for takings.

To satisfy the HBA’s requirements, all states have passed billboard control statutes and regulations that regulate, among other things, construction, repair, maintenance, lighting, height, size, spacing and the placement and permitting of outdoor advertising structures. We are not aware of any state that has passed control statutes and regulations less restrictive than the prevailing federal requirements on the federal highway system, including the requirement that an owner remove any non-grandfathered, non-compliant signs along the controlled roads, at the owner’s expense and without compensation. Local governments generally also include billboard control as part of their zoning laws. Building codes regulating those items described above include similar provisions regarding the removal of non-grandfathered structures that do not comply with certain of the local requirements.

As part of their billboard control laws, state and local governments regulate the construction of new signs. Some jurisdictions prohibit new construction, some jurisdictions allow new construction only to replace or relocate existing structures and some jurisdictions allow new construction subject to the various restrictions discussed above. In certain jurisdictions, restrictive regulations also limit our ability to relocate, rebuild, repair, maintain, upgrade, modify or replace existing legal non-conforming billboards.

U.S. federal law neither requires nor prohibits the removal of existing lawful billboards, but it does mandate the payment of compensation if a state or political subdivision compels the removal of a lawful billboard along the controlled roads. In the past, state governments have purchased and removed existing lawful billboards for beautification purposes using federal funding for transportation enhancement programs, and these jurisdictions may continue to do so in the future. From time to time, state and local government authorities use the power of eminent domain and amortization to remove billboards. Amortization is the required removal of legal non-conforming billboards (billboards which conformed with applicable laws and regulations when built, but which do not conform to current laws and regulations) or the commercial advertising placed on such billboards after a period of years. Pursuant to this concept, the governmental body asserts that just compensation is earned by continued operation of the billboard over that period of time. Although amortization is prohibited along all controlled roads, amortization has been upheld along non-controlled roads in limited instances where permitted by state and local law.

We may expand the deployment of digital billboards in markets and in specific locations we deem appropriate and where the placement of these digital displays is permitted by government agencies regulating their locations. We are aware of some existing regulations in the U.S. that restrict or prohibit these types of digital displays. However, since digital technology for changing static copy has only recently been developed and introduced into the market on a large scale, and is in the process of being introduced more broadly, existing regulations that currently do not apply to digital technology by their terms could be revised to impose greater restrictions. These regulations, or actions by third parties, may impose greater restrictions on digital billboards due to alleged concerns over aesthetics or driver safety.

Regulation of Our Surety Insurance Business

GIG and its subsidiaries transact their insurance business in all 50 U.S. states and the District of Columbia and are subject to regulation in the various states and jurisdictions in which they operate. The extent of regulation varies, but generally derives from statutes that delegate regulatory, supervisory and administrative authority to a department of insurance in each state and jurisdiction. The regulation, supervision and administration relate, among other things, to standards of solvency that must be met and maintained, the licensing of insurers and their agents, the nature of and limitations on investments, premium rates, restrictions on the size of risks that may be insured under a single policy, reserves and provisions for unearned premiums, losses and other obligations, deposits of securities for the benefit of policyholders, approval of policy forms and the regulation of market conduct, including the use of credit information in underwriting as well as other underwriting and claims practices. State insurance departments also conduct periodic examinations of the financial condition and market conduct of insurance companies and require the filing of financial and other reports on a quarterly and annual basis. Nebraska, the state of domicile for UCS, may also limit the payment of dividends from UCS to GIG and us and, as a result, to our stockholders if and when we declare a dividend from the operations of UCS and/or GIG and its other operating subsidiaries.

GIG and its subsidiaries and/or certain of our designated employees must be licensed to act as agents, brokers and intermediaries by state regulatory authorities in the locations in which we conduct business. Regulations and licensing laws vary by individual state location and are often complex. The applicable licensing laws and regulations in all states are subject to amendment or reinterpretation by regulatory authorities, and such authorities are vested in most cases with relatively broad discretion as to the granting, revocation, suspension and renewal of licenses. We endeavor to monitor the licensing of GIG, its subsidiaries and our employees, but the possibility exists that GIG and its subsidiaries and/or certain of our designated employees could be excluded or temporarily suspended from carrying on some or all of our activities or could otherwise be subjected to penalties by a particular jurisdiction.

Rate and Rule Approvals. GIG's domestic insurance subsidiaries are subject to each state's laws and regulations regarding rate, form, and rule approvals. The applicable laws and regulations generally establish standards to ensure that rates are not excessive, inadequate, unfairly discriminatory or used to engage in unfair price competition. An insurer's ability to adjust rates and the relative timing of the process is dependent upon each state's requirements. Many states have enacted variations of competitive ratemaking laws, which allow insurers to set certain premium rates for certain classes of insurance without having to obtain the prior approval of the state insurance department. In addition, the Bureau of Fiscal Services of the United States Treasury administers the corporate Federal surety bond program, which issues certificates of authority to authorized surety companies, analyzes the financial statements of applicants and authorized companies to ensure compliance, and publishes lists of companies holding a certificate authority.

Requirements for Exiting Geographic Markets and/or Canceling or Nonrenewing Policies. Several states have laws and regulations which may impact the timing and/or the ability of an insurer to either discontinue or substantially reduce its writings in that state. These laws and regulations typically require prior notice, and in some instances insurance department approval, prior to discontinuing a line of business or withdrawing from that state, and they allow insurers to cancel or non-renew certain policies only for certain specified reasons.

Insurance Regulatory Information System. The National Association of Insurance Commissioners, which we refer to as "NAIC," developed the Insurance Regulatory Information System, which we refer to as "IRIS," to help state regulators identify companies that may require regulatory attention. Financial examiners review annual financial statements and the results of key financial ratios based on year-end data with the goal of identifying insurers that appear to require immediate regulatory attention. Each ratio has an established "usual range" of results. A ratio result falling outside the usual range, however, is not necessarily considered adverse; rather, unusual values are used as part of the regulatory early monitoring system. Furthermore, in some years, it may not be unusual for financially sound companies to have several ratios with results outside the usual ranges. Generally, an insurance company may become subject to regulatory scrutiny or, depending on the company's financial condition, regulatory action if certain of its key IRIS ratios fall outside the usual ranges and the insurer's financial condition is trending downward.

Risk-Based Capital Requirements. The NAIC has a risk-based capital, which we refer to as "RBC," requirement for most property and casualty insurance companies, which determines minimum capital requirements and is intended to raise the level of protection for policyholder obligations. UCS is subject to these NAIC RBC requirements based on laws that have been adopted by individual states. These requirements subject insurers having policyholders' surplus less than that required by the RBC calculation to varying degrees of regulatory action, depending on the level of capital inadequacy.

Investment Regulation. Insurance company investments must comply with applicable laws and regulations which prescribe the kind, quality and concentration of investments. In general, these laws and regulations permit investments in federal, state and municipal obligations, corporate bonds, certain preferred and common equity securities, mortgage loans, real estate and certain other investments, subject to specified limits and certain other qualifications. If certain investments fail to meet these criteria, these investments may be excluded or limited in calculating our compliance in meeting these and other testing criteria.

Regulation of Our Broadband Business

Many but not all of our services and networks are regulated by the Federal Communications Commission, which we refer to as the "FCC," and by state and local governments. Whether our networks or our services are regulated or unregulated depends on numerous factors, including but not limited to whether we offer telecommunications service, as defined in state and federal laws, or cable service. The construction and maintenance of our fiber optic networks may face local regulation that can adversely impact the timing or our deployment. Certain of our services that are provided via wireless transmission require FCC licenses and our local video and other services often require local government franchises. The local government franchises often impose certain obligations to build out the network and require payment of fees to the local government, which fees are often based on a percentage of gross revenues. In private communities and mobile home parks, we may be required to obtain the consent of the homeowners association or other property owners to provide services, and we often have to pay a fee to obtain access to the property and provide our services. Finally, to deploy our networks, we frequently must obtain agreements from local power utilities to use their poles and in some cases easements from landowners.

Acquisition and Financing Strategy

Acquisition Selection. Our management will have broad discretion in identifying and selecting prospective target acquisitions. In evaluating a prospective target acquisition, our management will consider, among other factors, the following:

- Management's understanding of the business and its competitive environment;
- Management's view of the business durability, capital intensity, and prospective returns on the capital employed over time;
- Management's assessment of the financial attractiveness of a particular target relative to other available targets; and
- Capital requirements and management's assessment of the ability to finance a particular target.

Issuance of senior and additional securities. To the extent that our Board of Directors determines to obtain additional capital, it may issue debt or equity securities. Existing stockholders have no preemptive rights to common or preferred stock issued in any securities offering by us, and any such offering might cause a dilution of a stockholder's investment in our Company. We have raised over \$445 million in net proceeds through underwritten public offerings conducted in 2017, 2020 and 2021, our 2018 Private Placement, and through "at the market" offerings conducted between 2018 and 2023.

Borrowing of money. 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 (the "Fourth Amendment"), that 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. As we continue to expand our billboard business through acquisitions, we may seek to increase the funds available to us through this Credit Facility or with a different lender. 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 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. 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. Link was in compliance with these covenants as of December 31, 2024. 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.

On September 17, 2024, three operating subsidiaries of BOB entered into a Credit Agreement (the "BOB Credit Agreement") also with First National Bank of Omaha 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 AireBeam, InfoWest and UBB (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 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. BOB was in compliance with these covenants as of December 31, 2024. 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 consolidated balance sheet as of December 31, 2024 consists of approximately \$3,400,000 under BOB's credit facility, of which approximately \$350,000 is classified as current, and \$36,123,138 under Link's credit facility, of which \$851,444 is classified as current and \$9,600,000 is related to its revolving line of credit.

We may in the future use a number of different sources to finance our acquisitions and operations, including cash flows from operations, seller financing, private financings (such as bank credit facilities, which may or may not be secured by our assets), 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. Any debt that we incur may be recourse or non-recourse and may be secured or unsecured. 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.

We may use the proceeds of any future borrowings to acquire assets or for general corporate purposes. We expect to use leverage on terms we find attractive, assessing 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 rates. Our certificate of incorporation, which, as amended from time to time, we refer to as our “certificate of incorporation” and bylaws, which, as amended from time to time, we refer to as our “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, but 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 market for debt and equity securities, fluctuations in the market price of our 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.

Purchase and sale (or turnover) of acquired businesses. We do not currently intend to dispose of any of our properties in the near future as our strategy is to acquire assets which have the potential to generate significant cash flow over an extended period of time. However, we reserve the right to do so if, based upon management’s periodic review of our portfolio, our Board of Directors determines that such action would be in our best interest.

Offering of securities in exchange for property. We may in the future issue shares of our Class A common stock in connection with acquisitions of other businesses. For issuances of shares in connection with acquisitions, our Board of Directors will determine the timing and size of the issuances. Our Board of Directors intends to use its reasonable business judgment to fulfill its fiduciary obligations to our then existing stockholders in connection with any such issuance, including its determination of whether the issuance is accretive to intrinsic value. Nonetheless, future issuances of additional shares could cause immediate and substantial dilution to the net tangible book value of shares of our Class A common stock issued and outstanding immediately before such transaction. In addition, we may have sellers roll over a portion of their equity holdings into an equity holding in the newly acquired business. In those situations, we may provide the seller with an option to put its holding to us and similarly, we may have an option to purchase the rollover equity stake. Any future decrease in the net tangible book value of such issued and outstanding shares could materially and adversely affect the market value of shares of our Class A common stock.

Share repurchase program. On July 23, 2024, the Board approved and authorized a share repurchase program (the “Share Repurchase Program”), pursuant to which we announced our intention to repurchase up to \$20 million of our 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. During fiscal 2024, we repurchased 111,323 shares of our Class A common stock for a total cost of \$1,589,322.

Available Information

You can find more information about us at our website, www.bostonomaha.com. Our Annual Report on Form 10-K, our Quarterly Reports on Form 10-Q, our Current Reports on Form 8-K and any amendments to those reports are available free of charge through our website as soon as reasonably practicable after we electronically file such material with, or furnish such material to, the SEC. The contents of our website are not deemed to be part of this Annual Report on Form 10-K or any of our other filings with the SEC.

We file annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and other information with the SEC. The SEC also maintains a website that contains these reports, proxy and information statements and other information regarding issuers, including us, that file electronically with the SEC. The address of that site is <https://www.sec.gov>.

Item 1A. Risk Factors.

An investment in shares of our common stock is highly speculative and involves a high degree of risk. You should carefully consider all of the risks discussed below, as well as the other information contained in this Annual Report. If any of the following risks or uncertainties actually occur, our business, financial condition, results of operations, cash flow and prospects could be materially adversely affected. Additional risks or uncertainties not currently known to us, or that we deem immaterial, may also have a material adverse effect on our business' financial condition, results of operations or prospects. We cannot assure you that any of the events discussed in the risk factors below will not occur. In that case, the market price of our Class A common stock could decline and you may lose all or a part of your investment.

Risks Related to the Company and Our Business

We have incurred losses from operations since inception and we anticipate that we will continue to incur losses for the foreseeable future.

We have incurred losses from operations in each year since 2015, when Magnolia and Boulderado purchased majority ownership in the company, sold the prior business and commenced new business activities. Our net loss from operations for the fiscal years ended December 31, 2024 and 2023 was approximately \$8.5 million and \$8.9 million, respectively. We have funded our operations to date principally from the sale of securities. In addition, as we acquire other businesses, we incur ongoing depreciation and amortization charges, which are typically spread over a number of years, as well as the costs of completing such acquisitions, which are expensed as incurred. For these reasons, we may continue to incur significant losses. These losses, among other things, have had and will continue to have an adverse effect on our stockholders' equity and working capital and we cannot assure you that we will be able to be successful in implementing our business strategy.

Our failure to successfully identify and complete future acquisitions of assets or businesses could reduce future potential earnings, reduce available cash and slow our anticipated growth.

The acquisition of assets or businesses that we believe to be valuable to our business is an important component to our business strategy. We believe that a wide variety of acquisition opportunities may arise from time to time, and that any such acquisition could be significant. At any given time, discussions with one or more potential sellers may be at different stages, including negotiations following the execution of nonbinding letters of intent. However, any such discussions, including the execution of nonbinding letters of intent, may not result in the consummation of an acquisition transaction, and we may not be able to identify or complete any acquisitions. The costs and benefits of future acquisitions are uncertain. In addition, the market and industry reception to our acquisitions, or lack thereof, may not be positive, and is out of our control. We cannot predict the effect, if any, that any announcement or consummation of an acquisition would have on the trading price of our Class A common stock. If we identify appropriate acquisition targets, we may be unable to acquire businesses on terms that we consider acceptable due to a variety of factors, including competition from other strategic buyers or financial buyers, some of which may have more experience or more access to capital than we do.

Our business is capital intensive and any such transactions could involve the payment by us of a substantial amount of cash. We may need to raise additional capital through public or private debt or equity financings to execute our growth strategy and to fund acquisitions. Adequate sources of capital may not be available when needed on acceptable terms, or at all. If we raise additional capital by issuing additional equity securities, the position of existing stockholders may be diluted. Acquisitions could also result in us incurring additional debt and contingent liabilities and fluctuations in quarterly results and expenses. If our capital resources are insufficient at any time in the future, we may be unable to fund acquisitions, take advantage of business opportunities or respond to competitive pressures, any of which could harm our business.

Any future acquisitions could present a number of risks, including but not limited to the risk of using management time and resources to pursue acquisitions that are not successfully completed, the risk of incorrect assumptions regarding future results of acquired operations, and the risk of diversion of management's attention from existing operations or other priorities. Future acquisitions can also be expected to generate additional depreciation and amortization charges which may contribute to losses. Acquisitions may never meet our expectations.

If we are unsuccessful in identifying and completing acquisitions of other operations or assets, our financial condition could be adversely affected and we may be unable to implement an important component of our business strategy successfully.

We may have difficulty integrating the operations of companies or businesses that we may acquire and may incur substantial costs in connection therewith.

A significant component of our growth strategy is the acquisition of other operations. The process of integrating the operations of an acquired company may create unforeseen operating difficulties and expenditures. The key areas where we may face risks and uncertainties include:

- disruption of ongoing business, diversion of resources and of management time and focus from operating our business to acquisitions and integration challenges;
- our ability to achieve anticipated benefits of acquisitions by successfully marketing the service offerings of acquired businesses to our existing partners and customers, or by successfully marketing our existing service offerings to customers and partners of acquired businesses;
- the negative impact of acquisitions on our results of operations as a result of large one-time charges, substantial debt or liabilities acquired or incurred, litigation, amortization or write down of amounts related to deferred compensation, goodwill and other intangible assets, adverse tax consequences, substantial depreciation or deferred compensation charges;
- the inability to generate sufficient revenue to offset acquisition costs;
- the need to ensure that we comply with all regulatory requirements in connection with and following the completion of acquisitions;
- the possibility of acquiring unknown or unanticipated contingencies or liabilities;
- retaining employees and clients and otherwise preserving the value of the assets of the businesses we acquire;
- the need to integrate each acquired business's accounting, information technology, human resource and other administrative systems to permit effective management; and
- the need to implement or remediate appropriate controls, procedures and policies at companies that, prior to the acquisition, lacked these controls, procedures and policies.

In order to achieve the growth we seek, we may acquire numerous smaller market participants, which could require significant attention from management and increase risks, costs and uncertainties associated with integration. The businesses and other assets we acquire in the future may not achieve sufficient revenue or profitability to justify our investment, and any difficulties we may encounter in the integration process could interfere with our operations and reduce operating margins. We may need to make substantial capital and operating expenditures which may negatively impact our results in the near term, and the acquisitions may never meet our expectations.

Increased operating expenses associated with the expansion of our business may negatively impact our operating income.

Increased operating expenses associated with any expansion of our business may negatively impact our income as we, among other things:

- seek to acquire related businesses or expand the products being offered;
- expand geographically;
- make significant capital expenditures to support our ability to provide services in our existing businesses;
- incur significant depreciation and amortization charges in connection with acquired businesses; and
- incur increased general and administrative expenses as we grow.

As a result of these factors, we may not achieve, sustain, or increase our profitability on an ongoing basis.

We could suffer losses due to asset impairment charges for goodwill and other intangible assets.

In addition to our review for possible impairment charges to securities we hold, we annually test goodwill for impairment and did so as of October 1, 2024. Based on our review at October 1, 2024, no impairment charge was required. We continue to assess whether factors or indicators become apparent that would require an interim impairment test between our annual impairment test dates. For example, if our market capitalization is below our equity book value for a period of time without recovery, we believe there is a strong presumption that would indicate a triggering event has occurred and it is more likely than not that the fair value of one or more of our reporting units are below their carrying amount. This would require us to test the reporting units for impairment of goodwill. If this presumption cannot be overcome a reporting unit could be impaired under ASC 350, *Goodwill and Other Intangible Assets* and a non-cash charge would be required. Any such charge could have a material adverse effect on the Company's financial condition and results of operations.

We may raise additional equity capital through additional public or private placements, and issue equity securities under our 2022 Long-Term Incentive Plan, any of which could substantially dilute your investment.

If we sell shares or other equity securities in one or more other transactions, or issue stock, stock options or other securities pursuant to our current 2022 Long-Term Incentive Plan (the "2022 Incentive Plan"), investors may be materially diluted by such subsequent issuances. We may need significant additional capital in the future to continue our planned acquisitions. No assurance can be given that we will be able to obtain such funds upon favorable terms and conditions, if at all. Failure to do so could have a material adverse effect on our business. To the extent we raise additional capital by issuing equity securities, our stockholders may experience substantial dilution. We may sell Class A common stock, convertible securities or other equity or convertible securities in one or more transactions that may include voting rights (including the right to vote as a series on particular matters), preferences as to dividends and liquidation, antidilution, and conversion and redemption rights, subject to applicable law, and at prices and in a manner we determine from time to time. Such issuances and the exercise of any convertible securities will dilute the percentage ownership of our stockholders and may affect the value of our capital stock and could adversely affect the rights of the holders of such stock, thereby reducing the value of such stock. Moreover, any exercise of convertible securities may adversely affect the terms upon which we will be able to obtain additional equity capital, since the holders of such convertible securities can be expected to exercise them at a time when we would, in all likelihood, not be able to obtain any needed capital on terms more favorable to us than those provided in such convertible securities.

We may also raise additional capital pursuant to our 2022 Shelf Registration Statement which allows us to sell up to \$500,000,000 in equity securities in public or private placements based on our capital needs. In December 2022, we established an "at the market" offering program with Wells Fargo Securities as sales agent which allows us to sell up to \$100,000,000 in our Class A common stock (the "ATM Program"). Since the signing of the 2022 Sales Agreement, we sold 7,887 shares of Class A common stock for gross proceeds of approximately \$205,000 in December 2022 and 1,532,065 shares of our Class A common stock for gross sale proceeds of approximately \$37.5 million during fiscal 2023. We did not sell any shares of our Class A common stock during fiscal 2024. Our 2022 Shelf Registration Statement expires in May 2025 and we intend to replace it with a new shelf registration statement.

Our 2022 Incentive Plan allows us to issue up to a total of 1,575,000 shares of Class A common stock (as defined under the Plan). In addition, the maximum number of shares of Class A common stock that may be delivered in satisfaction of awards will automatically increase, on February 1st of each calendar year, for a period ending on (and including) February 1, 2032 (each, an "Evergreen Date") in an amount such that both the total number of shares of stock available and previously issued under the 2022 Incentive Plan shall equal five percent (5%) or such lesser amount outstanding as may be determined by our Board of Directors on the December 31st immediately preceding the applicable Evergreen Date. The number of shares of stock will also be adjusted for any stock dividend, stock split or combination of shares (including a reverse stock split), recapitalization or other change in our capital structure, plus any shares that are subject to awards that expire or are terminated or cancelled without the delivery of shares. To date, we have issued 142,134 shares of our Class A common stock under the 2022 Incentive Plan.

We may incur potential future impairment charges for holdings in Sky Harbour Group Corporation Class A common stock and other investments and potential volatility in earnings due to our investments in Sky Harbour Group Corporation and other public securities.

The value of the Class A common stock and warrants we hold in Sky Harbour Group Corporation (NYSE:SKYH), which we refer to as Sky Harbour, through our subsidiaries is subject to the volatility of the market price of Sky Harbour's Class A common stock. This volatility subjects our financial statements to volatility. The market price of Sky Harbour's Class A common stock has experienced significant volatility since it commenced trading on January 26, 2022, and that volatility may continue in the future and may also be subject to wide fluctuations in response to many factors, including factors beyond the control of Sky Harbour. These factors include, but are not limited to:

- actual or anticipated fluctuations in Sky Harbour's reported results of operations or financial position, including a significant impairment of goodwill, intangible assets, or other long lived assets;
- recommendations and reports by securities analysts;
- Sky Harbour's ability to timely complete the construction of its various airport hangar developments at originally projected costs and its ability to successfully lease these facilities at profitable rental rates;
- Sky Harbour's ability to continue to access capital and debt on commercially reasonable terms;
- changes in the performance or market valuations of companies in Sky Harbour's industry;
- addition or departure of Sky Harbour's executive officers or other key personnel;
- speculative trading activity by certain investors;
- the impact of inflation and any possible recession on Sky Harbour's operations, revenues, and ability to access financial markets as well as on the private jet hangar industry generally;
- fluctuations in the costs of construction, maintenance, and other materials and services;
- news reports relating to trends, concerns, economic or competitive developments, regulatory changes and other related issues in Sky Harbour's industry or target markets; and
- announcement of developments and material events by Sky Harbour or its competitors.

We currently account for our investment in Sky Harbour Class A common stock under the equity method. We have evaluated our investment in Sky Harbour as of December 31, 2024, 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 \$5.80 per share for a sustained period of time, it will likely result in an impairment of our investment. As of December 31, 2024, the closing price of Sky Harbour Class A common stock was \$11.93 per share and we held 12,401,589 shares of Sky Harbour Class A common stock and warrants to purchase 7,719,779 shares of Class A common Stock at a price of \$11.50 per share. 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. As a result, we could incur a material impairment charge at any time in the future if we deem our investment to be impaired.

Generally accepted accounting principles require 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. Such mark to market accounting could result in significant volatility in our earnings based on changes in Sky Harbour's public stock price. Also, while we intend to hold our Sky Harbour Class A common stock for the long term, we have sold a small percentage of our Sky Harbour Class A common stock in 2024 and 2025 and may elect to sell all or a portion of our holdings for a variety of reasons resulting in realized losses or gains.

Similarly, losses in investments in other securities we currently own or which we may acquire in the future could also materially adversely impact our operating results and our stockholders' equity.

Our significant equity ownership in Sky Harbour Group Corporation's Class A common stock and warrants may make it difficult for us to resell a significant portion of our Sky Harbour Group Corporation securities in a short period of time.

In 2020, we acted as the sponsor for the initial public offering of Yellowstone, a special purpose acquisition company ("SPAC"). As sponsor, we purchased approximately 3,300,000 shares of Yellowstone Class B common stock at a cost of \$25,000 and private placement warrants at a cost of approximately \$7.8 million. Between August 1, 2021 and January, 2022, we invested an additional \$100 million in purchasing additional securities of Sky Harbour. The first financing in August 2021, in which we acquired 5,500,000 units of Sky Harbour LLC Class B Preferred Units allowed Sky Harbour LLC to consummate a private activity bond financing raising \$160 million in proceeds in September 2021. Also, upon the closing of the Sky Harbour business combination in January 2022, we purchased an additional 4,500,000 shares of Class A common stock. Upon the closing of the Sky Harbour business combination, our Class B Preferred Units and 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 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 Warrant being exercisable and non-redeemable. Subsequent to the closing of the Sky Harbour business combination, we distributed 75,000 shares of Sky Class A common stock to the outside directors of Yellowstone and 206,250 shares of Sky Class A common stock to an investor in the Yellowstone IPO. To date, we have invested a total of \$107.8 million in Sky Harbour. 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. In 2024 and early 2025, we have sold in the open market or otherwise transferred a total of 907,577 shares of Sky Harbour Class A stock. Due to the current trading volume of Sky Harbour Class A common stock, we anticipate that it would be difficult to sell any significant amount of our Sky Harbour Class A common stock and Warrants at the present time and for the foreseeable future. As of March 27, 2025, we and our UCS subsidiary collectively owned 12,210,897 shares of Sky Harbour Class A common stock and 7,719,799 warrants to purchase Sky Harbour Class A common stock.

Our investments in Sky Harbour Group Corporation's Class A common stock and Sky Warrants and other publicly traded securities involve a substantial degree of risk.

In addition to our investments in privately-held companies and our investment in the Sky Harbour Class A common stock and Sky Warrants, we may purchase publicly traded common stock and other equity securities, including warrants and corporate bonds. Although equity securities have historically generated higher average total returns than fixed-income securities over the long term, equity securities have also generally experienced significantly more volatility in those returns. The publicly traded securities we acquire may fail to appreciate and may decline in value or become worthless. Investments in equity securities involve a number of significant risks, including the risk of further dilution as a result of additional issuances, inability to access additional capital and failure to pay current distributions. Investments in preferred securities and corporate bonds involve special risks, such as the risk of deferred distributions, credit risk, illiquidity, changes in value based upon interest rates changes and other macroeconomic factors, and limited voting rights. Under generally accepted accounting principles, we may be required to reflect the value of our securities in publicly-traded companies at their current market value as of the end of each fiscal quarter. As a result, this mark-to-market accounting can change values for these types of securities on our balance sheet as market conditions change. Mark-to-market accounting can become volatile if market prices fluctuate greatly and changes in the fair value of investments could significantly impact our reported results.

We run the risk of inadvertently being deemed an investment company required to register under the Investment Company Act of 1940.

We run the risk of inadvertently being deemed an investment company required to register under the Investment Company Act of 1940 (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. Although we do not currently hold investments at a value that would cause us to register under the Investment Company act, we could become subject to registration due to events beyond our control, such as significant appreciation or depreciation in the market value of certain of our publicly traded holdings, such as our interest in Sky Harbour, and adverse developments with respect to our ownership of certain of our subsidiaries, transactions involving the sale of certain assets and our participation in any partnership or other fund established to finance future broadband and real estate projects in which we may engage. 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 have held 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 an unregistered investment company.

The existing and future indebtedness incurred by our billboard and broadband businesses may adversely affect our ability to obtain additional funds and may increase our vulnerability to economic or business downturns. Failure to comply with the terms of the indebtedness could result in a default by our billboard or broadband business that could have material adverse consequences for us.

Link entered into a credit agreement in August 2019 with a commercial bank which provides Link and its subsidiaries the opportunity to borrow through a combination of long-term debt and a line of credit. Link's current borrowings under the bank credit facility as of December 31, 2024 totaled \$36,123,138, of which \$9,600,000 is related to its revolving line of credit. The revolving line of credit is due in 2026 and the remaining balance of the term loan becomes due and payable in 2028. In September 2024, three operating subsidiaries of BOB entered into a credit agreement with the same commercial bank under which certain subsidiaries of BOB can borrow up to \$20,000,000 in the aggregate in term loans. BOB's current borrowings under the bank credit facility as of December 31, 2024 totaled \$3,441,666 and we borrowed an additional \$3,500,000 under this credit facility in January 2025. In addition, Link and BOB may incur additional indebtedness in the future. Accordingly, Link and BOB are subject to the risks associated with significant indebtedness, including:

- Link and BOB must dedicate a portion of their cash flows from operations to pay principal and interest and, as a result, it may have less funds available for operations and other purposes;
- Link and BOB may find it more difficult and expensive to obtain additional funds through financings, if available at all;
- if Link or BOB defaults under their credit facilities, including failing to pay the outstanding principal when due, and if the lender demands payment of a portion or all the indebtedness, they may not have sufficient funds to make such payments;
- if Link or BOB are unable to refinance indebtedness due to business and market factors, including disruptions in the capital and credit markets, lenders deem the estimated cash flows and assets to be insufficient, and other adverse financial, competitive, business and other factors, including factors beyond Link's and BOB's control;
- if refinanced, the terms of a refinancing may not be as favorable as the original terms of the related indebtedness; and
- BOB's debt and Link's line of credit are subject to changes in interest rates.

The occurrence of any of these events could materially adversely affect Link or BOB, which would adversely affect our results of operations and financial condition and adversely affect our stock price.

Furthermore, a failure to comply with the obligations contained in the loan agreements governing Link's indebtedness and BOB's indebtedness could result in an event of default under such agreements which could result in an acceleration of debt under other instruments evidencing indebtedness that contains cross-acceleration or cross-default provisions. If Link's indebtedness or BOB's indebtedness were to be accelerated, there can be no assurance that their future cash flow or assets would be sufficient to repay in full such indebtedness.

We may in the future rely in part on Link and BOB to provide us with the funds necessary to make distributions to us to meet our financial obligations. The leverage on Link's assets and BOB's assets may affect the funds available to us if the terms of the debt restrict the ability of Link and BOB to make distributions to us. In addition, Link and BOB will generally have to service their debt obligations before making distributions to us or any of our other subsidiaries and any such distributions may require the consent of the lender. Leverage may also result in a requirement for liquidity, which may force the sale of assets at times of low demand and/or prices for such assets.

We may also incur indebtedness under future credit facilities.

If we are unable to refinance our indebtedness on acceptable terms, or at all, we may need to dispose of one or more of our properties or other assets under disadvantageous terms. In addition, prevailing interest rates or other factors at the time of refinancing could increase our interest expense, and if we grant a security interest in any of our properties, or the properties of our subsidiaries to secure payment of indebtedness and are unable to make loan payments, the lender could foreclose upon such property.

Restrictive covenants in Link's indebtedness and BOB's indebtedness may limit management's discretion with respect to certain business matters.

Instruments governing Link's indebtedness and BOB's indebtedness contain restrictive covenants limiting Link's and BOB's discretion with respect to certain business matters. These covenants could place significant restrictions on, among other things, their ability to create liens or other encumbrances, to make distributions to us or make certain other payments, investments, loans and guarantees, and to sell or otherwise dispose of assets and merge or consolidate with another entity. Covenants also require Link and BOB to meet certain financial ratios and financial condition tests. A failure to comply with any such covenants could result in a default which, if not cured or waived, could permit acceleration of the relevant indebtedness.

If we are unable to manage our interest rate risk effectively, our cash flows and operating results may suffer.

Advances under Link's \$15 million revolving line of credit and BOB's credit facility bear interest at a variable rate. Also, we may be required to refinance our debt at higher rates. Accordingly, increases in interest rates above that which we anticipate based upon historical trends would adversely affect our cash flows and we may not be able to hedge such exposure effectively, if at all.

We may raise additional capital pursuant to debt financing, and such debt financing arrangements may contain covenants, which, if not complied with, could have a material adverse effect on our financial condition.

Other than the bank borrowings to Link and BOB, to date we have not had a significant debt financing. However, as our operations grow and we achieve certain levels of revenue and cash flows, we may consider utilizing debt to finance additional acquisitions and our operations. Subject to market conditions and availability, we, or our subsidiaries, may incur significant debt through credit facilities (including term loans and/or revolving facilities), structured financing arrangements, public and private debt issuances or otherwise. Future debt financing arrangements may contain various covenants, including restrictive covenants, which, if not complied with, could have a material adverse effect on our ability to meet our debt obligations and our overall financial condition. Additionally, future debt financing arrangements may be at the subsidiary level, but could include a guaranty by us, and could require a pledge of all or substantially all of our, and/or our subsidiaries' assets.

The amount of leverage we use will vary depending on our available acquisition and investment opportunities, our available capital, our ability to obtain and access financing arrangements with lenders, and the lenders' and our estimates of the stability of our operating cash flows. Our governing documents contain no limit on the amount of debt we may incur, and we may significantly increase the amount of leverage we utilize at any time without approval of our shareholders. The amount of leverage on individual assets may vary, with leverage on some assets substantially higher than others, including at the subsidiary level. Leverage can enhance our potential returns but can also exacerbate our losses.

Incurring additional substantial debt could subject us to many risks that, if realized, would materially and adversely affect us, including the risk that:

- our cash flow from operations may be insufficient to make required payments of principal and interest on the debt or we may fail to comply with covenants contained in our debt instruments, which would likely result in (a) acceleration of such debt (and any other debt arrangements containing a cross default or cross acceleration provision) that we may be unable to repay from internal funds, unable to refinance on favorable terms, or unable to repay at all, (b) our inability to borrow additional amounts under other facilities, even if we are current in payments on borrowings under those arrangements and/or (c) the loss of some or all of our assets to foreclosures or forced sales;
- our debt may increase our vulnerability to adverse economic, market and industry conditions;
- we may be required to dedicate a substantial portion of our cash flow from operations to payments on our debt, thereby reducing funds available for operations, future business opportunities, distributions to our shareholders or other purposes; and
- we may not be able to refinance maturing debts.

We cannot be sure that our leverage strategies will be successful.

We may be unable to access capital.

Our access to capital depends on a number of factors, some of which we have little or no control over, including:

- general economic, market or industry conditions;
- the market's view of the quality of our assets;
- the market's perception of our growth potential;
- our current and potential future earnings and distributions to our shareholders; and
- the value of our securities.

We may have to rely on additional equity issuances, which may be dilutive to our shareholders, or on costly debt financings that require a large portion of our cash flow from operations, thereby reducing funds available for our operations, future business opportunities, distributions to our shareholders or other purposes. We cannot be sure that we will have access to such equity or debt capital on favorable terms at the desired times, or at all, which could negatively affect our financial condition and results of operations.

We face intense competition, including competition from companies with significantly greater resources than us, and if we are unable to compete effectively with these companies, our market share may decline and our business could be harmed.

Outdoor Billboard Advertising. The outdoor billboard industry is highly competitive. There is a concentration in the ownership of billboards in the geographic markets in which we compete and significantly larger companies, such as Clear Channel Outdoor, Outfront Media, and Lamar Advertising Company, own the majority of the out-of-home advertising billboards. Such competition may make it difficult to maintain or increase our current advertising revenues. In addition to competing for advertising revenue with other outdoor advertising businesses, the outdoor advertising market faces competition from other media, including radio, internet based services, print media, television, direct mail, satellite services, and other mobile devices. Our competitors may develop technology, services, or advertising media that are equal or superior to those we provide or that achieve greater market acceptance and brand recognition than we achieve. Also, new competitors may emerge and rapidly acquire significant market share in any of our business segments. Additionally, increased competition for advertising dollars may lead to lower advertising rates if we are to retain customers or may cause us to lose customers to our competitors who offer lower rates that we are unable or unwilling to match.

Surety Insurance. Our insurance business operates in an environment that is highly competitive and very fragmented. We will likely compete with other global insurance and reinsurance providers, including but not limited to Travelers, Liberty Mutual, Zurich Insurance Group, Lloyds, and CNA Insurance Group, as well as numerous specialist, regional and local firms in almost every area of our surety business. Further, new competitors may regularly enter the market. In addition to UCS, we also operate a nationwide surety insurance brokerage firm, and the surety insurance brokerage industry has relatively low barriers to entry. We may experience significant competition and our competitors may have greater financial, marketing and human resources than us.

Broadband Services. Our broadband services compete with other technologies, including traditional cable services as well as satellite services. These markets are highly competitive, and many traditional providers of cable and wireless services have greater financial, marketing, and human resources than us and may be able to offer additional products and services to our customers. In addition, new technologies may be developed which would provide an alternative to our fiber-to-the-home services we currently provide. As we seek to expand our broadband services, we may face incumbent service providers which would be able to retain a significant customer base in the communities in which we may seek to enter, making it difficult to achieve a share of the market needed to provide our services profitably.

Any additional industries or markets that we may enter, whether through future acquisitions or development of a new business line, will also likely be occupied by established competitors. Many of our current competitors have substantially greater financial, marketing, product development, and human resources than we do. Accordingly, even if there is a large market for our products and services in the industries in which we compete, there can be no assurance that our products and services will be purchased by consumers at a rate sufficient for us to achieve our growth objectives.

Our management recognizes that we will, therefore, be forced to compete primarily on the basis of price, location, performance, service, and other factors. Our management believes that our ability to achieve sustained profitability will depend primarily on our ability to consummate acquisitions of assets and businesses in competitive markets, skillfully allocate capital and manage our businesses, and establish competitive advantages in each of our businesses. This approach requires that our management perform at a high level and is fraught with risks, many of which are beyond our control or ability to foresee.

Adverse economic conditions could negatively affect our results of operations and financial condition.

Our results of operations are sensitive to changes in overall economic conditions that impact consumer and commercial spending, including discretionary spending and the financial impact to consumers and businesses from inflation. Future economic conditions such as employment levels, business conditions, interest rates and tax rates could reduce our revenues. A general reduction in the level of business activity could adversely affect our financial condition and/or results of operations. Future changes in government regulation and funding could also directly or indirectly adversely impact our businesses.

A continued deterioration in general economic conditions may harm our business, results of operations, cash flows, and financial position. General global and domestic economic conditions directly affect the levels of demand and production of consumer goods, levels of employment, the availability and cost of credit, and ultimately, the demand for our billboard, surety insurance, and broadband products and services and the profitability of our business. The U.S. economy has experienced persistent inflation, and we have experienced, and continue to experience, cost inflation across our business lines. Inflation has resulted in, and may continue to result in, higher costs, which we may not be able to recover through higher prices charged to our customers or otherwise. Interest rates have increased, which may result in lower consumer demand and higher borrowing costs, and may cause general economic conditions to deteriorate and could impact our cost of borrowing. Also, reduced government spending could impact our operating businesses and result in the loss of programs which may benefit our businesses, such as programs to encourage development of broadband services in underserved areas. Decreases in the value of equity securities our UCS subsidiary owns could require us to provide additional capital to UCS to maintain its level of business under regulatory requirements. Increases in tariffs could adversely impact the costs of materials and our ability to obtain such materials. If global economic conditions continue to deteriorate, economies could experience a recession, which may result in higher unemployment rates, lower disposable income, lower consumer spending, and lower Company earnings and investment. These factors may result in continued lower demand for our products and services and negatively affect our business, results of operations, and cash flows.

Climate change, severe weather, natural disasters, public health emergencies and other external events could significantly impact our business.

Severe weather events cannot be predicted and may be exacerbated by global climate change, natural disasters, including hurricanes, flooding and earthquakes, acts of terrorism and other adverse external events. There is continuing uncertainty over what impact these events could have on our surety insurance bond business if claims are made against these bonds due to our customers' inability to meet their contractual obligations due to delays caused by any serious health or other natural disaster. Significant storm damage may impact our transmission capabilities for our broadband services and significant damage could result in a loss of service for an extended period of time. Severe weather and natural disasters could affect travel and transportation which could impact the manner of advertising consumption, and severe weather and natural disasters could impact the structural integrity of our billboards. Similarly, a public health emergency, such as the COVID-19 pandemic, could have an adverse effect on customer demand and our ability to meet such demand. The occurrence of any such event could have a material adverse effect on our business, financial condition and results of operations. The insurance we maintain against disasters may not be adequate to cover our losses in any particular case, which could require us to expend significant resources to replace any destroyed assets and materially and adversely affect our financial condition, results of operations and business prospects.

We may be unable to employ a sufficient number of key employees and other experienced or qualified workers.

The delivery of our services and products requires sales, operations, financial, and underwriting professionals and other personnel with substantial work experience in our lines of business. Workers may choose to pursue employment with our competitors or in fields that offer a more desirable work environment. Our ability to be productive and profitable will depend upon our ability to employ and retain workers with certain backgrounds and experience, such as experienced sales professionals, workers with substantial experience in insurance underwriting, risk and financial analysis, and individuals with broadband operations experience. In addition, our ability to further expand our operations according to geographic demand for our services depends in part on our ability to relocate or increase the size of our qualified and experienced labor force. The demand for experienced workers in our areas of operations can be high, the supply may be limited and we may be unable to relocate our employees from areas of lower utilization to areas of higher demand. A significant increase in the wages paid by competing employers could result in a reduction of our workers with required experience, increases in the wage rates that we must pay, or both. Further, a significant decrease in the wages paid by us or our competitors as a result of reduced industry demand could result in a reduction of the available pool of qualified and experienced individuals, and there is no assurance that the availability of such qualified and experienced labor will improve following a subsequent increase in demand for our services or an increase in wage rates. If any of these events were to occur, our capacity and profitability could be diminished and our growth potential could be impaired.

We are heavily reliant upon our executive management team.

We depend heavily on the efforts and services of our executive officers and other members of our management team to manage our operations, including our Chief Executive Officer and our Chief Financial Officer and the senior management of our operating subsidiaries. The unexpected loss or unavailability of key members of management may have a material adverse effect on our business, financial condition, results of operations, or prospects. Although our Chief Executive Officer devotes most of his business time to us and is highly active in our management, he expends part of his time on other business ventures. Among other commitments, our Chief Executive Officer is a managing member of separate investment management entities and is not obligated to devote any specific number of hours to our affairs. This key employee may not be able to dedicate adequate time to our businesses and operations, and we could experience an adverse effect on our operations due to the demands placed on our management team by his other professional obligations.

Our executive officers and directors may experience a conflict of interest between their duties to us and to affiliated parties.

Our Chief Executive Officer, Adam K. Peterson, is a managing member of separate investment management entities that collectively own 18.1% of our Class A common stock and all of our Class B common stock. While we have deemed that the outside business endeavors of our management team do not currently constitute a conflict of interest, it is possible that a conflict of interest could arise between the performance of our executive management team and their roles as managing members of entities which together own a majority of our outstanding capital stock. These conflicts may not be resolved in our favor. Such conflicts of interest could have a material adverse effect on our business and operations. Further, the appearance of conflicts of interest created by related party transactions could impair the confidence of our investors. We have the authority to engage various contracting parties, which may be affiliates of ours or of our directors. As such, our directors may have a conflict of interest between their fiduciary duties to manage the business for our benefit and that of our stockholders and their direct and indirect affiliates' interests in establishing and maintaining relationships with us and in obtaining compensation for services rendered to us. With respect to such affiliates, there may be an absence of arms' length negotiations with respect to the terms, conditions and consideration with respect to goods and services provided to or by us. Brendan J. Keating is also the Manager of Logic, 24th Street and Local Asset Management, LLC. Adam K. Peterson, Brendan J. Keating and Jeffrey C. Royal (where Mr. Royal has recently been appointed as Chief Executive Officer) all serve as members of the board of directors of Old Market Capital Corporation and Adam K. Peterson and David Graff serve as members of the board of directors of Nelnet, Inc.

Disruptions to our information technology systems and any cybersecurity breaches could disrupt our business operations and have a material adverse effect on our business, prospects, results of operations, financial condition and/or cash flows.

The operation of our business depends on our information technology systems. We rely on our information technology systems to effectively manage, among other things, our business data, communications, supply chain, inventory management, customer order entry and order fulfillment, processing transactions, summarizing and reporting results of operations, human resources benefits and payroll management, compliance with regulatory, legal and tax requirements, and other processes and data necessary to manage our business. Disruptions to our information technology systems, including any disruptions to our current systems and/or as a result of transitioning to additional or replacement information technology systems, as the case may be, could disrupt our business and could result in, among other things, transaction errors, processing inefficiencies, loss of data and the loss of sales and customers, which could have a material adverse effect on our business, prospects, results of operations, financial condition and/or cash flows. In addition, our information technology systems may be vulnerable to damage or interruption from circumstances beyond our control, including, without limitation, fire, natural disasters, power outages, systems disruptions, system conversions, security breaches, cyberattacks, phishing attacks, viruses and/or human error. In any such event, we could be required to make a significant investment to fix or replace our information technology systems, and we could experience interruptions in our ability to service our customers. These risks have been and may continue to be exacerbated as a result of remote working. Any such damage or interruption could have a material adverse effect on our business, prospects, results of operations, financial condition and/or cash flows.

In addition, as part of our normal business activities, we collect and store certain confidential information, including personal information with respect to customers, consumers and employees, and the success of our operations depends on the secure transmission of confidential and personal data over public networks, including the use of cashless payments. We may share some of this information with vendors who assist us with certain aspects of our business. Any failure on our part or our vendors to maintain the security of this confidential data and personal information, including via the penetration of our network security (or those of our vendors) and the misappropriation of confidential and personal information, could result in business disruption, damage to our reputation, financial obligations to third parties, fines, penalties, regulatory proceedings and private litigation, any or all of which could result in our incurring potentially substantial costs. Such events could also result in the deterioration of confidence in us by employees, consumers, and customers and cause other competitive disadvantages. In addition, a security or data privacy breach could require us to expend significant additional resources to enhance our information security systems and could result in a disruption to our operations. Furthermore, third parties, such as our suppliers and retail consumers, may also rely on information technology and be subject to such cybersecurity breaches. These breaches may negatively impact their businesses, which could in turn disrupt our supply chain and/or our business operations. Due to the potential significant costs, business disruption and reputational damage that typically accompany a cyberattack or cybersecurity breach, any such event could have a material adverse effect on our business, prospects, results of operations, financial condition and/or cash flows.

Our information technology systems, or those of our third-party service providers, may be accessed by unauthorized users such as cyber criminals as a result of a disruption, cyberattack or other security breach. Cyberattacks and other cybersecurity incidents are occurring more frequently, are constantly evolving in nature, are becoming more sophisticated and are being made by groups and individuals with a wide range of expertise and motives. Such cyberattacks and cyber incidents can take many forms, including cyber extortion, social engineering, password theft or introduction of viruses or malware, such as ransomware through phishing emails. As techniques used by cyber criminals change frequently, a disruption, cyberattack or other security breach of our information technology systems or infrastructure, or those of our third-party service providers, may go undetected for an extended period and could result in the theft, transfer, unauthorized access to, disclosure, modification, misuse, loss or destruction of our, employee, representative, customer, vendor, consumer and/or other third-party data, including sensitive or confidential data and personal information. We cannot guarantee that our security efforts will prevent breaches or breakdowns of our or our third-party service providers' information technology systems.

Changes in laws and regulations governing data privacy and data protection could have a material adverse impact on our business.

We are subject to data privacy laws and regulations that apply to the collection, transmission, storage and use of personally identifiable information, as well as numerous other countries', federal and state privacy and breach notification laws. While we continue to assess and address the implications of existing and new regulations relating to data privacy, the evolving regulatory landscape presents a number of legal and operational challenges, and our efforts to comply may be unsuccessful. We may also face audits or investigations by one or more government agencies relating to our compliance with these regulations that could result in the imposition of penalties or fines, significant expenses in facilitating and responding to the investigations, and overall reputational harm or negative publicity. The costs of compliance with, and other burdens imposed by, such laws, regulations and policies that are applicable to us could have a material adverse effect on our business, financial condition and results of operations.

Governmental regulations could adversely affect our business, financial condition, results of operations and prospects.

Outdoor Billboard Advertising. Our billboard businesses are regulated by governmental authorities in the jurisdictions in which we operate. These regulations could limit our growth by putting constraints on the number, location and timing of billboards we wish to erect. New regulations and changes to existing regulations may also curtail our ability to expand our billboard business and adversely affect us by reducing our revenues or increasing our operating expenses. For example, settlements between major tobacco companies and all U.S. states and certain U.S. territories include a ban on the outdoor advertising of certain types of tobacco products. Alcohol products and other products may be future targets of advertising bans, and legislation, litigation or out-of-court settlements may result in the implementation of additional advertising restrictions that impact our business. Any significant reduction in alcohol-related advertising or the advertising of other products due to content-related restrictions could negatively impact our revenues generated from such businesses and cause an increase in the existing inventory of available outdoor billboard space throughout the industry.

Surety Insurance. We are subject to maintaining compliance within the highly regulated insurance industry as we continue our pursuit of opportunities in that market, including the maintenance of certain levels of operating capital and reserves. Generally, the extensive regulations are designed to benefit or protect policyholders, rather than our investors, or to reduce systemic financial risk. Failure to comply with these regulations could lead to disciplinary action, the imposition of penalties and the revocation of our authorization to operate in the insurance industry. Changes to the regulatory environment in the insurance industry may cause us to adjust our views or practices regarding regulatory risk management and necessitate changes to our operations that may limit our growth or have an adverse impact on our business.

Broadband Services. The building and delivery of our broadband services is subject to regulation by both the FCC and county and local governments. Failure to comply with these regulations could lead to the imposition of fines and ultimately the revocation of our authorization to provide these services. As technology changes continue in this market, new regulations may impose additional regulatory burdens and costs that could have an adverse impact on our business.

Any future legislative, judicial, regulatory or administrative actions may increase our costs or impose additional restrictions on our businesses, some of which may be significant. We are unable to predict the outcome or effects of any of these potential actions or any other legislative or regulatory proposals on our businesses. In addition, certain of the other new markets and industries that we may choose to enter may be regulated by a variety of federal, state and local agencies. Similarly, our investments in other companies, including the home building and consumer auto lending markets, are highly regulated by federal and other governmental agencies.

Our surety insurance business is subject to extensive insurance regulation, which may adversely affect our ability to achieve our business objectives. In addition, if we fail to comply with these regulations, we may be subject to penalties, including fines and suspensions, which may adversely affect our financial condition and results of operations.

Our insurance subsidiary, UCS, is subject to extensive regulation in Nebraska, its state of domicile, and to a lesser degree, the other states in which it operates. Most insurance regulations are designed to protect the interests of insurance policyholders, as opposed to the interests of investors or stockholders. These regulations generally are administered by a department of insurance in each state and relate to, among other things, authorizations to write excess and surplus lines of business, capital and surplus requirements, investment and underwriting limitations, affiliate transactions, dividend limitations, changes in control, solvency and a variety of other financial and non-financial aspects of our business. Significant changes in these laws and regulations could further limit our discretion or make it more expensive to conduct our business. State insurance regulators also conduct periodic examinations of the affairs of insurance companies and require the filing of annual and other reports relating to financial condition, holding company issues and other matters. These regulatory requirements may impose timing and expense constraints that could adversely affect our ability to achieve some or all of our business objectives.

In addition, state insurance regulators have broad discretion to deny or revoke licenses for various reasons, including the violation of regulations. In some instances, where there is uncertainty as to applicability, we follow practices based on our interpretations of regulations or practices that we believe generally to be followed by the industry. These practices may turn out to be different from the interpretations of regulatory authorities. If we do not have the requisite licenses and approvals or do not comply with applicable regulatory requirements, state insurance regulators could preclude or temporarily suspend us from carrying on some or all of our activities or could otherwise penalize us. This could adversely affect our ability to operate our business. Further, changes in the level of regulation of the insurance industry or changes in laws or regulations themselves or interpretations by regulatory authorities could interfere with our operations and require us to bear additional costs of compliance, which could adversely affect our ability to operate our business.

The NAIC has adopted a system to test the adequacy of capital of insurance companies, known as “risk-based capital.” The risk-based capital formula establishes the minimum amount of capital necessary for a company to support its overall business operations. It identifies property and casualty insurers that may be inadequately capitalized by looking at three major areas: 1) Asset Risk; 2) Underwriting Risk; and 3) Other Risk. Insurers falling below a calculated threshold may be subject to varying degrees of regulatory action, including supervision, rehabilitation, or liquidation. Failure to maintain our risk-based capital at the required levels could adversely affect the ability of our insurance subsidiary to maintain regulatory authority to conduct our business. Also, failure to maintain our U.S. Treasury Department listing or our A.M. Best A– (“Excellent”) rating would significantly impact our ability to operate effectively in the surety markets.

Because we are a holding company with no business operations of our own, our ability to pay dividends to stockholders will likely depend in significant part on dividends and other distributions from our subsidiaries, including our insurance subsidiary, UCS. State insurance laws, including the laws of Nebraska, restrict the ability of UCS to declare stockholder dividends and bond rating agencies may also limit our ability to declare dividends if they were to seek to lower our bond rating due to lack of capital. State insurance regulators require insurance companies to maintain specified levels of statutory capital and surplus. Consequently, dividend distribution is limited by Nebraska law. State insurance regulators have broad powers to prevent the reduction of statutory surplus to inadequate levels, and there is no assurance that dividends up to the maximum amounts calculated under any applicable formula would be permitted. Moreover, state insurance regulators that have jurisdiction over the payment of dividends by our insurance subsidiary may in the future adopt statutory provisions more restrictive than those currently in effect. UCS may only declare and pay dividends to us after all of UCS’s obligations and regulatory requirements with the Nebraska Department of Insurance have been satisfied.

The declaration and payment of future dividends to holders of our Class A common stock will be at the discretion of our Board of Directors and will depend on many factors.

We may be unable to obtain reinsurance coverage at reasonable prices or on terms that adequately protect us.

We use reinsurance to help manage our exposure to insurance risks. Reinsurance is a practice whereby one insurer, called the reinsurer, agrees to indemnify another insurer, called the ceding insurer, for all or part of the potential liability arising from one or more insurance policies issued by the ceding insurer. The availability and cost of reinsurance is subject to prevailing market conditions, both in terms of price and available capacity, which can affect our business volume and profitability. In addition, reinsurance programs are generally subject to renewal on an annual basis. We may not be able to obtain reinsurance in acceptable amounts and/or on acceptable terms from entities with satisfactory creditworthiness. If we are unable to obtain new reinsurance facilities or renew expiring facilities, our net exposures would increase and we may not be able to maintain certain customer accounts. In such event, if we are unwilling to bear an increase in our net exposure, we would have to reduce the level of our underwriting commitments, which would reduce our revenues.

Many reinsurance companies have begun to exclude certain coverages from, or alter terms in, the reinsurance contracts. For example, many reinsurance policies now exclude coverage of terrorism. As a result, we, like other direct insurance companies, write insurance policies which to some extent do not have the benefit of reinsurance protection. These gaps in reinsurance protection expose us to greater risk and greater potential losses. In addition, the cost for reinsurance has risen significantly over the past several years and future increases in the cost of reinsurance and any increases in the retention amount of such policies could impact the operating results of our surety insurance business.

Our insurance employees could take excessive risks, which could negatively affect our financial condition and business.

As a business which anticipates it will derive a significant portion of its business from the sale of surety and other insurance products, we are in the business of binding certain risks. The employees who conduct our business, including executive officers and other members of management, underwriters, product managers and other employees, do so in part by making decisions and choices that involve exposing us to risk. These include decisions such as setting underwriting guidelines and standards, product design and pricing, determining which business opportunities to pursue and other decisions. We endeavor, in the design and implementation of our compensation programs and practices, to avoid giving our employees incentives to take excessive risks. However, employees may take such risks regardless of the structure of our compensation programs and practices. Similarly, although we employ controls and procedures designed to monitor employees' business decisions and prevent them from taking excessive risks, these controls and procedures may not be effective. If our employees take excessive risks, the impact of those risks could have a material adverse effect on our financial condition and business operations.

If actual insurance claims exceed our claims and claim adjustment expense reserves, or if changes in the estimated level of claims and claim adjustment expense reserves are necessary, our financial results could be materially and adversely affected.

As we grow our insurance operations, we will continue to establish loss and loss adjustment expense reserves. These reserves will not represent an exact calculation of liability, but instead will represent management's estimates of what the ultimate settlement and administration of claims will cost, generally utilizing actuarial expertise and projection techniques, at a given accounting date. We do not currently have a long history of national underwriting experience and, as a result, rely on generally available industry data in establishing loss and loss adjustment expense reserves, and our estimates may be materially different from actual losses and adjustments incurred.

The process of estimating claims and claim adjustment expense reserves involves a high degree of judgment and is subject to a number of variables. These variables can be affected by both internal and external events, such as:

- changes in claims handling procedures;
- adverse changes in loss cost trends;
- economic conditions including general inflation;
- legal trends and legislative changes;
- limited claims experience in newer insurance products; and
- varying judgments and viewpoints of the individuals involved in the estimation process, among others.

The impact of many of these items on ultimate costs for claims and claim adjustment expenses will be difficult to estimate. We also expect that claims and claim adjustment expense reserve estimation difficulties will also differ significantly by product line due to differences in claim complexity, the volume of claims, the potential severity of individual claims, the determination of occurrence date for a claim and reporting lags (the time between the occurrence of the policyholder event and when it is actually reported to the insurer).

The estimation of claims and claim adjustment expense reserves may also be more difficult during times of adverse or uncertain economic conditions due to unexpected changes in behavior of claimants and policyholders, including an increase in fraudulent reporting of exposures and/or losses, reduced maintenance of insured properties, increased frequency of small claims or delays in the reporting of claims, the impact of inflation on the cost of services and materials, and the ability of the principal to repay the surety company for any claims the surety company must pay.

We attempt to consider all significant facts and circumstances known at the time claims and claim adjustment expense reserves are established or reviewed. Due to the inherent uncertainty underlying claims and claim adjustment expense reserve estimates, the final resolution of the estimated liability for claims and claim adjustment expenses will likely be higher or lower than the related claims and claim adjustment expense reserves at the reporting date. Therefore, actual paid losses in the future may yield a materially different amount than will be currently reserved.

Because of the uncertainties set forth above, additional liabilities resulting from an accumulation of insured events, may exceed the current related reserves. In addition, our estimate of claims and claim adjustment expenses may change. These additional liabilities or increases in estimates, or a range of either, cannot now be reasonably estimated and could materially and adversely affect our results of operations and/or our financial position.

Our efforts to develop new insurance products or expand in targeted markets may not be successful and may create enhanced risks.

A number of our planned business initiatives in the insurance markets we intend to serve will involve developing new products or expanding existing products in targeted markets. This includes the following efforts, from time to time, to protect or grow market share:

- We may develop products that insure risks we have not previously insured, contain new coverage or coverage terms or contain different commission terms.
- We may refine our underwriting processes.
- We may seek to expand distribution channels.
- We may focus on geographic markets within or outside of the United States where we have had relatively little or no market share.

We may not be successful in introducing new products or expanding in targeted markets and, even if we are successful, these efforts may create enhanced risks. Among other risks:

- Demand for new products or in new markets may not meet our expectations.
- To the extent we are able to market new products or expand in new markets, our risk exposures may change, and the data and models we use to manage such exposures may not be as sophisticated or effective as those we use in existing markets or with existing products. This, in turn, could lead to losses in excess of our expectations.
- Models underlying underwriting and pricing decisions may not be effective.
- Efforts to develop new products or markets have the potential to create or increase distribution channel conflict.
- To develop new products or markets, we may need to make substantial capital and operating expenditures, which may also negatively impact results in the near term.

If our efforts to develop new products or expand in targeted markets are not successful, our results of operations could be materially and adversely affected.

Adverse economic factors, including recession, inflation, periods of high unemployment or lower economic activity could result in the sale of fewer surety policies than expected or an increase in frequency or severity of claims and premium defaults or both, which, in turn, could affect the growth and profitability of our surety insurance business.

Factors, such as business revenue, economic conditions, natural disasters, the volatility and strength of the capital markets and inflation can affect the business and economic environment. These same factors affect our ability to generate revenue and profits. In an economic downturn that is characterized by higher unemployment, declining spending and reduced corporate revenues, the demand for insurance products is generally adversely affected, which directly affects our premium levels and profitability. Negative economic factors may also affect our ability to receive the appropriate rate for the risk we insure with our policyholders and may adversely affect the number of policies we can write, including with respect to our opportunities to underwrite profitable business. In an economic downturn, our customers may have less need for insurance coverage. A decline in our financial strength rating may adversely affect the amount of business we write.

Participants in the insurance industry use ratings from independent ratings agencies, such as A.M. Best, as an important means of assessing the financial strength and quality of insurers. In setting its ratings, A.M. Best uses a quantitative and qualitative analysis of a company's balance sheet strength, operating performance and business profile. This analysis includes comparisons to peers and industry standards as well as assessments of operating plans, philosophy and management. A.M. Best financial strength ratings range from "A++" (Superior) to "F" for insurance companies that have been publicly placed in liquidation. As of the date of this Annual Report on Form 10-K, A.M. Best has assigned a financial strength rating of "A-" (Excellent) to our operating subsidiary, UCS. A.M. Best assigns ratings that are intended to provide an independent opinion of an insurance company's ability to meet its obligations to policyholders and such ratings are not evaluations directed to investors and are not a recommendation to buy, sell or hold our common stock or any other securities we may issue. A.M. Best periodically reviews our financial strength rating and may revise it downward or revoke it at its sole discretion based primarily on its analysis of our balance sheet strength (including capital adequacy and loss adjustment expense reserve adequacy), operating performance and business profile. Factors that could affect such analysis include but are not limited to:

- if we change our business practices from our organizational business plan in a manner that no longer supports A.M. Best's rating;
- if unfavorable financial, regulatory, reinsurance or market trends affect us, including excess market capacity;
- if our losses exceed our loss reserves;
- if we have unresolved issues with government regulators;
- if we are unable to retain our senior management or other key personnel;
- if our investment portfolio incurs significant losses; or
- if A.M. Best alters its capital adequacy assessment methodology in a manner that would adversely affect our rating.

These and other factors could result in a downgrade of our financial strength rating. A downgrade or withdrawal of our rating could result in any of the following consequences, among others:

- causing our current and future brokers and insureds to choose other, more highly-rated competitors;
- increasing the cost or reducing the availability of reinsurance to us;
- severely limiting or preventing us from writing new insurance contracts; or
- giving any future potential lenders the right to accelerate or call any future debt we may incur.

In addition, in view of the earnings and capital pressures recently experienced by many financial institutions, including insurance companies, it is possible that rating organizations will heighten the level of scrutiny that they apply to such institutions, will increase the frequency and scope of their credit reviews, will request additional information from the companies that they rate or will increase the capital and other requirements employed in the rating organizations' models for maintenance of certain ratings levels. We can offer no assurance that our rating will remain at its current level. It is possible that such reviews of us may result in adverse ratings consequences, which could have a material adverse effect on our financial condition and results of operations.

We lack operational control over certain companies in which we invest and may lack operational control over companies in which we may invest in the future.

We have made, and may continue to make, certain strategic investments in various businesses without acquiring all or a majority ownership stake in those businesses. To the extent that such investments represent a minority or passive stake in any business, we may have little to no participation, input or control over the management, policies, and operations of such business. Further, we may lack sufficient ownership of voting securities to impact, without the vote of additional equity holders, any matters submitted to stockholders or members of such business for a vote. We currently lack operational control over our investments in Sky Harbour, CB&T, MyBundle and Logic.

There is inherent risk in making minority equity investments in companies over which we have little to no control. Without control of the management and decision-making of these businesses, we cannot control their direction, strategy, policies and business plans, and we may be powerless to improve any declines in their performance, operating results and financial condition. If any company in which we are a minority investor suffers adverse effects, it may not be able to continue as a going business concern, and we may lose our entire investment.

We are subject to extensive financial reporting and related requirements for which our accounting and other management systems and resources may not be adequately prepared.

We are subject to reporting and other obligations under the Exchange Act, including the requirements of Section 404 of the Sarbanes-Oxley Act. Section 404 requires us to conduct an annual management assessment of the effectiveness of our internal controls over financial reporting, and Section 404(b) requires our independent registered accounting firm to attest to and report on our management's assessment of our internal controls. These reporting and other obligations place significant demands on our management, administrative, operational and accounting resources. In order to comply with these requirements, we may need to (i) upgrade our systems, (ii) implement additional financial and management controls, reporting systems and procedures, (iii) implement an internal audit function, and (iv) hire additional accounting, internal audit and finance staff. If we are unable to accomplish these objectives in a timely and effective manner, our ability to comply with our financial reporting requirements and other rules that apply to reporting companies could be impaired. Any failure to maintain effective internal controls could have a negative impact on our ability to manage our business and on our stock price.

We may fail to maintain effective internal controls over external financial reporting or such controls may fail or be circumvented.

Federal securities laws require us to report on our internal controls over financial reporting, and our business and financial results could be adversely affected if we, or our independent registered public accounting firm, determine that these controls are not effective. If we do not maintain adequate financial and management personnel, processes, and controls, we may not be able to accurately report our financial performance on a timely basis, we may be otherwise unable to comply with the periodic reporting requirements of the SEC and the listing of our Class A common stock on the NYSE could be suspended or terminated, each of which could have a material adverse effect on the confidence in our financial reporting, our credibility in the marketplace, and the trading price of our Class A common stock. The impact of these events could also make it more difficult for us to attract and retain qualified persons to serve on our Board of Directors, our committees and as executive officers.

In 2023, we identified a material weakness in our internal control over financial reporting in connection with our previous accounting for our investment in the 24th Street Funds under Accounting Standards Codification 323, Equity Method and Joint Ventures for fiscal year 2022. Although this material weakness was subsequently remediated, any future material weakness could adversely affect our ability to report our results of operations and financial condition accurately and in a timely manner.

Our management is responsible for establishing and maintaining adequate internal control over financial reporting designed 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. Our management is likewise required, on a quarterly basis, to evaluate the effectiveness of our internal controls and to disclose any changes and material weaknesses identified through such evaluation in those internal controls. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis.

We identified a material weakness in the Company's internal control over financial reporting existing as of December 31, 2022. Specifically, our management concluded that our disclosure controls and procedures and internal control over financial reporting were not effective related to the risk assessment of our investment in unconsolidated entities who are required to apply specialized industry accounting. Specifically, the Company did not design and implement effective controls addressing the technical accounting complexities associated with companies who are required to apply investment company accounting guidance. This material weakness did not require a restatement of our financial statements contained in our Annual Report on Form 10-K for the year ended December 31, 2022 as our evaluation concluded that the impact quantitatively and qualitatively was not material to any of the prior periods.

Despite our remediation of this material weakness in 2023, any failure in the future to maintain effective internal controls could adversely impact our ability to report our financial position and results from operations on a timely and accurate basis. If our financial statements are not accurate, investors may not have a complete understanding of our operations. Likewise, if our financial statements are not filed on a timely basis, we could be subject to sanctions or investigations by the stock exchange on which our Class A common stock is listed, the SEC or other regulatory authorities. In either case, this could result in a material adverse effect on our business. Ineffective internal controls could also cause investors to lose confidence in our reported financial information, which could have a negative effect on the trading price of our stock. Restated financial statements and failures in internal control may also cause us to fail to meet reporting obligations, negatively affect investor confidence in our management and the accuracy of our financial statements and disclosures, or result in adverse publicity and concerns from investors, any of which could have a negative effect on the price of our securities, subject us to regulatory investigations and penalties or stockholder litigation, and have a material adverse impact on our financial condition.

We can give no assurance that any additional material weaknesses or restatements of financial results will not arise in the future due to a failure to implement and maintain adequate internal control over financial reporting or circumvention of these controls. In addition, even if we are successful in strengthening our controls and procedures, in the future those controls and procedures may not be adequate to prevent or identify irregularities or errors or to facilitate the fair presentation of our financial statements.

Risks Related to Ownership of our Common Stock

Investors should not rely on the accuracy of forward-looking statements made by us.

To the extent that we or any of our officers were to provide any forward-looking statements, investors must recognize that any such forward-looking statements are based upon assumptions and estimates. We cannot make any representations as to the accuracy and reasonableness of such assumptions or the forward-looking statements based thereon. The validity and accuracy of those forward-looking statements will depend in large part on future events that we cannot foresee and may or may not prove to be correct. Consequently, there can be no assurance that our actual operating results will correspond to any of the forward-looking statements. Accordingly, an investment in our common stock should not be made in reliance on forward-looking statements prepared or provided by us.

The price of our Class A common stock has been, and is likely to continue to be, volatile and may fluctuate substantially, which could result in substantial losses for purchasers of our Class A common stock.

Our Class A common stock price has been, and is likely to continue to be, volatile. The stock market in general has experienced extreme volatility that has often been unrelated to the operating performance of particular companies. As a result of this volatility, you may not be able to sell your Class A common stock at or above your original purchase price. The market price for our Class A common stock may be influenced by many factors, many of which are beyond our control, including those discussed in this “*Risk Factors*” section and elsewhere in this Annual Report and the following:

- our operating and financial performance and prospects;
- success of our competitors' products or services;
- regulatory or legal developments in the United States, especially changes in laws or regulations applicable to our products and services, and changes in federal and state corporate tax laws;
- additions or departures of key management personnel;
- market and industry perception of our success, or lack thereof, in pursuing our growth strategy;
- introductions or announcements of new products and services offered by us or significant acquisitions, strategic partnerships, joint ventures or capital commitments by us or our competitors and the timing of such introductions or announcements;
- our ability to effectively manage our growth;
- our quarterly or annual earnings or those of other companies in the industries in which we participate;
- actual or anticipated changes in estimates to or projections of financial results, development timelines or recommendations by securities analysts;
- publication of research reports about us or our industry or positive or negative recommendations or withdrawal of research coverage by securities analysts;
- the public's potential adverse reaction to our intention not to publish any guidance with respect to future earnings;
- the public's reaction to our press releases, other public announcements or our competitors' businesses;

- market conditions in the billboard, insurance, broadband, real estate and other sectors in which we may operate as well as general economic conditions;
- our ability or inability to raise additional capital through the issuance of equity or debt or other arrangements and the terms on which we raise it;
- trading volume of our Class A common stock;
- the resale of Class A common stock held by our affiliates;
- changes in accounting standards, policies, guidance or principles;
- significant lawsuits, including stockholder litigation;
- general economic, industry and market conditions, including those resulting from inflation, geopolitical issues; natural disasters, severe weather events, terrorist attacks, epidemics and pandemics (such as the COVID-19 pandemic) and responses to such events;
- accounting charges associated with operating losses at Sky Harbour as well as any reductions in the value of our investments in Sky Warrants, reductions in value for publicly traded securities which we mark to market, and impairment charges for our investments in private companies;
- our income or losses in unconsolidated affiliates in which we have invested capital and our retention of specialized accounting for our investments in entities which qualify as investment companies and apply specialized industry accounting; and
- changes in other investment income or losses.

If our quarterly operating results fall below the expectations of investors or securities analysts, the price of our Class A common stock could decline substantially. Furthermore, any quarterly fluctuations in our operating results may, in turn, cause the price of our stock to fluctuate substantially. We believe that quarterly comparisons of our financial results are not necessarily meaningful and should not be relied upon as an indication of our future performance.

The stock market in general, and market prices for the securities of companies like ours in particular, as well as companies such as Sky Harbour, have from time to time experienced volatility that often has been unrelated to the operating performance of the underlying companies. These broad market and industry fluctuations may adversely affect the market price of our Class A common stock, regardless of our operating performance.

In several recent situations when the market price of a stock has been volatile, holders of that stock have instituted securities class action litigation against the company that issued the stock. If any of our stockholders were to bring a lawsuit against us, the defense and disposition of the lawsuit could be costly and divert the time and attention of our management and harm our operating results.

We are a smaller reporting company, and we cannot be certain if the reduced disclosure requirements applicable to smaller reporting companies will make our Class A common stock less attractive to investors.

We are currently a “smaller reporting company” as defined in Rule 12b-2 of the Exchange Act. “Smaller reporting companies” are able to provide simplified executive compensation disclosures in their filings and have certain other decreased disclosure obligations in their SEC filings, including, among other things, only being required to provide two years of audited financial statements in annual reports and in certain registration statements filed with the SEC and no requirement, as long as our revenues are below \$100 million and the value of our Class A common stock held by the public as measured on certain dates, is less than \$700 million, to have our independent auditor report on and attest to our management’s assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)). Decreased disclosures in our SEC filings due to our status as a “smaller reporting company” may make it harder for investors to analyze our results of operations and financial prospects and certain elements of our compensation program for executive officers and key employees.

An active trading market for our Class A common stock may not be maintained.

Our Class A common stock began trading on the NASDAQ Capital Market on June 16, 2017 and on the New York Stock Exchange on January 14, 2022. There is a risk that an active trading market for our shares may not be maintained. If an active market for our Class A common stock is not maintained, it may be difficult for you to sell your shares without depressing the market price for the shares or at all. The lack of an active market may also impair your ability to sell your shares at a time you wish to sell them or at a price that you consider reasonable and it may reduce the market value of your shares. An inactive trading market may also impair our ability to raise capital, to continue to fund operations by selling shares, and may impair our ability to acquire other companies or technologies by using our shares as consideration.

We will continue to incur increased costs as a result of operating as a public company in the United States.

As a public company in the United States, we have incurred and will continue to incur significant legal, accounting, insurance and other expenses, including costs associated with U.S. public company reporting requirements. We will also incur costs associated with NYSE listing requirements, the Sarbanes-Oxley Act and related rules implemented by the SEC. The expenses incurred by U.S. public companies generally for reporting and corporate governance purposes have been increasing. We expect these rules and regulations would increase our legal and financial compliance costs and make some activities more time-consuming and costly, although we are currently unable to estimate these costs with any degree of certainty. In estimating these costs, we took into account expenses related to insurance, legal, accounting, and compliance activities, as well as other expenses not currently incurred. These laws and regulations could also make it more difficult or costly for us to obtain certain types of insurance, including director and officer liability insurance, and we may be forced to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. These laws and regulations could also make it more difficult for us to attract and retain qualified persons to serve on our Board of Directors, our Board committees or as our executive officers. Furthermore, if we are unable to satisfy our obligations as a public company, we could be subject to delisting of our Class A common stock, fines, sanctions and other regulatory action and potentially civil litigation.

If a substantial number of shares of our Class A common stock become available for sale and are sold in a short period of time, the market price of our Class A common stock could decline.

If our current stockholders sell substantial amounts of our Class A common stock in the public market in a short period of time, the market price of our Class A common stock could decrease. The perception in the public market that our current stockholders might sell shares of Class A common stock could also create a perceived overhang and depress our market price. As of March 27, 2025, MBOC I holds for the benefit of Massachusetts Institute of Technology (“MIT”) and a pension fund managed by MIT 5,589,253 shares of our Class A common stock. In addition, the MIT affiliated pension fund separately reported that as of February 14, 2025, it owns an additional 2,444,473 shares of our Class A common stock. Additionally, Mr. Peterson and entities managed by Magnolia own 587,031 shares of our Class A common stock and 580,558 shares of our Class B common stock, which converts on a one for one basis into an equivalent number of shares of our Class A common stock.

Pursuant to the exercise of rights under a registration rights agreement, in September 2021, we registered a total of 9,698,705 shares of Class A common stock, including 6,437,768 shares of Class A common stock owned by MBOC I and beneficially owned by entities associated with MIT and the remaining 3,260,937 shares owned directly by certain entities affiliated with MIT and also grants them the right to participate in future registrations of securities by us, subject to certain conditions. In May 2022, we updated the Registration Statement to reflect subsequent distributions of certain shares of Class A common stock owned by MBOC I to MIT, resulting in a reduction in the number of shares registered to 8,297,039 shares of our Class A common stock. These registration rights continue until the earlier of March 31, 2033 or the date when an investor may resell the shares of our Class A common stock under Rule 144 as of the date when all registrable securities held by and issued to such investor may be sold under Rule 144 under the Securities Act during any 90 day period.

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 December 31, 2024, certain of our stockholders still hold 8,555,957 registered shares of our Class A common stock.

As of March 27, 2025, an additional 563,725 shares of our Class A common stock are owned directly or indirectly by our officers and directors and their affiliates other than Mr. Peterson and are available for resale under Rule 144 under the Securities Act. In addition, we have issued 142,134 shares of our Class A common stock under the 2022 Long-Term Incentive Plan and may issue additional shares in the future. Although we have not registered the shares issued or available for issuance under the 2022 Long-Term Incentive Plan, we may do so in the future.

A sale of a large number of the shares described above may have a depressive effect upon the price of our Class A common stock.

If equity research analysts do not publish research or reports about our business or if they issue unfavorable commentary or downgrade our Class A common stock, the market price of our Class A common stock could decline.

The trading market for our Class A common stock likely will be influenced by the research and reports that equity and debt research analysts publish about the industry, us and our business. The market price of our Class A common stock could decline if one or more securities analysts downgrade our shares or if those analysts issue a sell recommendation or other unfavorable commentary or cease publishing reports about us or our business. If one or more of the analysts who elect to cover us downgrade our shares, the market price of our Class A common stock would likely decline.

Entities managed by Magnolia currently effectively control 31.1% of the votes needed on all voting matters brought before our stockholders, making it difficult for stockholder proposals not approved by Magnolia to receive stockholder approval.

Currently, MCF owns all of our Class B common stock and entities managed by Magnolia own 18.1% of our Class A common stock, resulting in their holding 31.1% of the aggregate voting power of the company. As a result, Mr. Peterson and entities managed by Magnolia together control 32.7% of the aggregate voting power. Moreover, it is possible that entities managed by Magnolia may increase their ownership in us if we sell additional shares of stock to them in connection with any future capital raise we may conduct. Also, each share of Class B common stock is entitled to cast 10 votes for all matters on which our stockholders vote, while each share of Class A common stock is entitled to cast only one vote. For the foreseeable future, entities managed by Magnolia will likely continue to effectively make it more difficult for stockholder proposals not approved by Magnolia to pass; make it more difficult for director nominations not approved by Magnolia to succeed; and, as a result, Magnolia may effectively control our management, policies, and operations. Our other stockholders will not have voting control over our actions, including the determination of other industries and markets that we may enter.

The interests of the entities managed by Magnolia may not coincide with the interests of other holders of our Class A common stock. The entities managed by Magnolia are in the business of making investments in companies and may, from time to time, acquire and hold interests in businesses that compete directly or indirectly with us. The entities managed by Magnolia may also pursue, for their own managers' or members' accounts, acquisition opportunities that may be complementary to our business, and as a result, those acquisition opportunities may not be available to us. So long as MCF continues to own our Class B common stock or entities managed by Magnolia own a majority of our outstanding Class A common stock, they will continue to be able to strongly influence or effectively control our decisions, including potential mergers or acquisitions, asset sales and other significant corporate transactions.

Certain actions cannot be taken without the approval of MCF due to its ownership of Class B common stock.

MCF, the holder of record of all of the shares of Class B common stock, exclusively and as a separate class, is entitled to elect a director to our Board of Directors, which we refer to as the “Class B Director.” The Class B Director may be removed without cause by, and only by, the affirmative vote of the holders of eighty percent (80%) of the shares of Class B common stock exclusively and as a separate class, given either at a special meeting of such stockholders duly called for that purpose or pursuant to a written consent of such stockholders.

At any time when shares of Class B common stock are outstanding, we may not, without the affirmative vote of the Class B Director:

- Amend, alter or otherwise change the rights, preferences or privileges of the Class B common stock, or amend, alter or repeal any provision of our certificate of incorporation or bylaws in a manner that adversely affects the powers, preferences or rights of the Class B common stock.
- Liquidate, dissolve or wind-up our business, effect any merger or consolidation or any other deemed liquidation event or consent to any of the foregoing.
- Create, or authorize the creation of, or issue additional shares of Class B common stock, or increase the authorized number of shares of any additional class or series of capital stock.
- Increase or decrease the authorized number of directors constituting the Board of Directors.
- Hire, terminate, change the compensation of, or amend the employment agreements of, our executive officers.
- Purchase or redeem (or permit any subsidiary to purchase or redeem) or pay or declare any dividend or make any distribution on, any shares of our capital stock.
- Create, or authorize the creation of, or issue, or authorize the issuance of any debt security, if our aggregate indebtedness for borrowed money following such action would exceed \$10,000, or guarantee, any indebtedness except for our own trade accounts arising in the ordinary course of business.
- Make, or permit any subsidiary to make, any loan or advance outside of the ordinary course of business to any employee or director.
- Create, or hold capital stock in, any subsidiary that is not wholly owned (either directly or through one or more other subsidiaries) by us or permit any direct or indirect subsidiary to sell, lease, or otherwise dispose of all or substantially all of the assets of any subsidiary.
- Change our principal business, enter new lines of business, or exit the current line of business.
- Enter into any agreement involving the payment, contribution, or assignment by us or to us of money or assets greater than \$10,000.
- Enter into or be a party to any transaction outside of the ordinary course of business with any of our directors, officers, or employees or any “associate” (as defined in Rule 12b-2 promulgated under the Exchange Act) of any such person or entity.
- Acquire, by merger, stock purchase, asset purchase or otherwise, any material assets or securities of any other corporation, partnership or other entity.

Provisions in our charter documents and Delaware law could make an acquisition of us more difficult and may prevent attempts by our stockholders to replace or remove our current management, even if beneficial to our stockholders.

Provisions in our certificate of incorporation (including but not limited to the rights of the holders of Class B common stock) and our bylaws may discourage, delay or prevent a merger, acquisition or other change in control that some stockholders may consider favorable, including transactions in which you might otherwise receive a premium for your shares of our Class A common stock. These provisions could also limit the price that investors might be willing to pay in the future for shares of our Class A common stock, possibly depressing the market price of our Class A common stock.

The anti-takeover provisions of Delaware law impose various impediments to the ability of a third party to acquire control of us, even if a change of control would be beneficial to our existing stockholders. In addition, our certificate of incorporation, as amended, and bylaws contain provisions that may make the acquisition of the Company more difficult, including, but not limited to, the following:

- setting forth specific procedures regarding how our stockholders may nominate directors for election at stockholder meetings;
- permitting our Board of Directors to issue preferred stock without stockholder approval; and
- limiting the rights of stockholders to amend our bylaws, call a special meeting of our stockholders or take action by written consent.

In addition, these provisions may frustrate or prevent any attempts by our stockholders to replace members of our Board of Directors. Because our Board of Directors is responsible for appointing the members of our management team, these provisions could in turn affect any attempt by our stockholders to replace members of our management team.

Our Board of Directors is authorized to issue preferred stock without stockholder approval, which could be used to institute a “poison pill” that would work to dilute the stock ownership of a potential hostile acquirer, effectively preventing acquisitions that have not been approved by our Board of Directors. Our certificate of incorporation authorizes our Board of Directors to issue up to 1,000,000 shares of preferred stock. The preferred stock may be issued in one or more series, the terms of which may be determined by our Board of Directors at the time of issuance or fixed by resolution without further action by the stockholders. These terms may include voting rights, preferences as to dividends and liquidation, conversion rights, redemption rights and sinking fund provisions. The issuance of preferred stock could diminish the rights of holders of our common stock, and, therefore, could reduce the value of our common stock. In addition, specific rights granted to holders of preferred stock could be used to restrict our ability to merge with, or sell assets to, a third party. The ability of our Board of Directors to issue preferred stock could delay, discourage, prevent or make it more difficult or costly to acquire or effect a change in control, thereby preserving the current stockholders’ control.

Because we do not intend to pay dividends for the foreseeable future, you may not receive any return on investment unless you sell your common stock for a price greater than that which you paid for it.

We do not intend to pay dividends for the foreseeable future, and our stockholders will not be guaranteed, or have contractual or other rights, to receive dividends. Our Board of Directors may, in its discretion, modify or repeal our dividend policy or discontinue entirely the payment of dividends. The declaration and payment of dividends depends on various factors, including: our net income, financial condition, cash requirements, future prospects and other factors deemed relevant by our Board of Directors. In addition, state insurance regulators will limit the amount of dividends, if any, we can draw from our UCS insurance operations and Link’s and BOB’s credit agreements prohibits them from issuing dividends to us if as a result of any such dividend would be in violation of the financial covenants set forth in the credit agreements.

In addition, under the Delaware General Corporation Law, which we refer to as the “DGCL,” our Board of Directors may not authorize payment of a dividend unless it is either paid out of our surplus, as calculated in accordance with the DGCL, or if we do not have a surplus, it is paid out of our net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year.

If we are, or were, a U.S. real property holding corporation, non-U.S. holders of our Class A common stock could be subject to U.S. federal income tax on the gain from its sale, exchange or other disposition.

If we are or ever have been a U.S. real property holding corporation, which we refer to as “USRPHC,” under the Foreign Investment in Real Property Tax Act of 1980 and applicable United States Treasury regulations, which we refer to collectively as the “FIRPTA Rules,” unless an exception applies, certain non-U.S. investors in our Class A common stock would be subject to U.S. federal income tax on the gain from the sale, exchange or other disposition of shares of our Class A common stock, and such non-U.S. investor would be required to file a United States federal income tax return. In addition, the purchaser of such Class A common stock would be required to withhold a portion of the purchase price and remit such amount to the U.S. Internal Revenue Service.

In general, under the FIRPTA Rules, a company is a USRPHC if its interests in U.S. real property comprise at least 50% of the fair market value of its assets. If we are or were a USRPHC, so long as our Class A common stock is “regularly traded on an established securities market” (as defined under the FIRPTA Rules), a non-U.S. holder who, actually or constructively, holds or held no more than 5% of our Class A common stock is not subject to U.S. federal income tax on the gain from the sale, exchange or other disposition of our common stock under FIRPTA Rules. In addition, other interests in equity of a USRPHC may qualify for this exception if, on the date such interest was acquired, such interests had a fair market value no greater than the fair market value on that date of 5% of our Class A common stock. Any of our Class A common stockholders that are non-U.S. persons should consult their tax advisors to determine the consequences of investing in our Class A common stock.

You may be diluted by the future issuance of additional Class A common stock in connection with acquisitions, sales of our securities or otherwise.

As of March 27, 2025, we had 7,848,893 shares of Class A common stock authorized but unissued under our certificate of incorporation. We will be authorized to issue these shares of Class A common stock and options, rights, warrants and appreciation rights relating to Class A common stock for consideration and on terms and conditions established by our Board of Directors in its sole discretion, subject to applicable laws and NYSE rules, whether in connection with acquisitions, financings or otherwise. Any Class A common stock that we issue would dilute the percentage ownership held by current investors.

In the future, we may issue our securities, including shares of our common stock, in connection with financings, investments or acquisitions. We regularly evaluate potential acquisition opportunities, including ones that would be significant to us. We cannot predict the timing of any contemplated transactions, and none are currently probable, but any pending transaction could be entered into shortly after the filing of this Annual Report on Form 10-K. The amount of shares of our Class A common stock issued in connection with a financing, investment or acquisition could constitute a material portion of our then-outstanding shares of Class A common stock. Any issuance of additional securities in connection with financings, investments or acquisitions may result in additional dilution to you.

Our authorized preferred stock exposes holders of our common stock to certain risks.

Our certificate of incorporation authorizes the issuance of up to 1,000,000 shares of preferred stock. The authorized but unissued preferred stock constitutes what is commonly referred to as “blank check” preferred stock. This type of preferred stock may be issued by the Board of Directors from time to time on any number of occasions, without stockholder approval, as one or more separate series of shares comprised of any number of the authorized but unissued shares of preferred stock, designated by resolution of the Board of Directors stating the name and number of shares of each series and setting forth separately for such series the relative rights, privileges and preferences thereof, including, if any, the: (i) rate of dividends payable thereon; (ii) price, terms and conditions of redemption; (iii) voluntary and involuntary liquidation preferences; (iv) provisions of a sinking fund for redemption or repurchase; (v) terms of conversion to common stock, including conversion price and antidilution protection, and (vi) voting rights. Such preferred stock may provide our Board of Directors the ability to hinder or discourage any attempt to gain control of us by a merger, tender offer at a control premium price, proxy contest or otherwise. Consequently, the preferred stock could entrench our management. The market price of our Class A common stock could be depressed to some extent by the existence of the preferred stock. As of March 27, 2025, no shares of preferred stock have been issued.

Our amended and restated certificate of incorporation provides that the Court of Chancery of the State of Delaware and the federal district courts of the United States are the exclusive forums for substantially all disputes between us and our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers, or employees

Our amended and restated certificate of incorporation provides that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware will, to the fullest extent permitted by applicable law, be the sole and exclusive forum for (i) any derivative action or proceeding brought on our behalf, (ii) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers, employees or agents to us or our stockholders, (iii) any action asserting a claim arising pursuant to any provision of the DGCL, our certificate of incorporation or our bylaws, (iv) any action to interpret, apply, enforce or determine the validity of our certificate of incorporation or our bylaws or (v) any action asserting a claim against us that is governed by the internal affairs doctrine. Any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock will be deemed to have notice of, and consented to, the provisions of our certificate of incorporation described in the preceding sentence. This choice of forum provision may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers, employees or agents, which may discourage such lawsuits against us and such persons. Alternatively, if a court were to find these provisions of our certificate of incorporation inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings, we may incur additional costs associated with resolving such matters in other jurisdictions, which could adversely affect our business, financial condition or results of operations.

This provision would not apply to suits brought to enforce a duty or liability created by the Exchange Act. Furthermore, Section 22 of the Securities Act of 1933, as amended (the "Securities Act") creates concurrent jurisdiction for federal and state courts over all such Securities Act actions. Accordingly, both state and federal courts have jurisdiction to entertain such claims.

This exclusive forum provision may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers, or other employees, which may discourage lawsuits against us and our directors, officers, and other employees. If a court were to find either exclusive-forum provision in our amended and restated certificate of incorporation to be inapplicable or unenforceable in an action, we may incur further significant additional costs associated with resolving the dispute in other jurisdictions, all of which could seriously harm our business, financial condition, results of operations, and prospects.

Our directors have limited liability under Delaware law.

Pursuant to our certificate of incorporation, and Delaware law, our directors are not liable to us or our stockholders for monetary damages for breach of fiduciary duty, except for: liability in connection with a breach of the duty of loyalty; acts or omissions not in good faith; acts or omissions that involve intentional misconduct or a knowing violation of law; dividend payments or stock repurchases that are illegal under Delaware law; or any transaction in which a director has derived an improper personal benefit. Accordingly, except in those circumstances, our directors will not be liable to us or our stockholders for breach of their duty.

Our ability to use our net operating loss carry forwards may be subject to limitation and may result in increased future tax liability.

Sections 382 and 383 of the Internal Revenue Code contain rules that limit the ability of a company that undergoes an "ownership change" to utilize its net operating loss and tax credit carry forwards and certain built-in losses recognized in years after the ownership change. An "ownership change" is generally defined in Section 382 of the Internal Revenue Code as any change in ownership of more than 50% of a corporation's stock over a rolling three-year period by stockholders that own (directly or indirectly) 5% or more of the stock of a corporation or arising from a new issuance of stock by a corporation. If an ownership change occurs, Section 382 generally imposes an annual limitation on the use of pre-ownership change net operating losses, which we refer to as "NOLs," credits and certain other tax attributes to offset taxable income earned after the ownership change. The annual limitation is equal to the product of the applicable long-term tax exempt rate and the value of the company's stock immediately before the ownership change. This annual limitation may be adjusted to reflect any unused annual limitation for prior years and certain recognized built-in gains and losses for the year. In addition, Section 383 generally limits the amount of tax liability in any post-ownership change year that can be reduced by pre-ownership change tax credit carryforwards. In addition, tax net operating loss carry forwards generated in years beginning after December 31, 2017 may be carried forward indefinitely but are only available to offset 80% of future taxable income. This could result in increased U.S. federal income tax liability for us if we generate taxable income in a future period. Limitations on the use of NOLs and other tax attributes could also increase our state tax liability. The use of our tax attributes will also be limited to the extent that we do not generate positive taxable income in future tax periods. As a result of these limitations, we may be unable to offset future taxable income (if any) with losses, or our tax liability with credits, before such losses and credits expire. Accordingly, these limitations may increase our federal income tax liability. NOLs generated during 2018 and thereafter do not expire.

As of December 31, 2024, we had NOLs of approximately \$91.1 million. We have assessed the impact of the 2018 private placement, our "at the market" offerings, our 2020 public offering, our 2021 public offering, and other transactions to determine whether an "ownership change," as defined in Section 382 of the Internal Revenue Code, has occurred and do not anticipate that such shifts would result in any permanent limitation on our ability to utilize NOLs. Additionally, it is possible that future transactions may cause us to undergo one or more ownership changes. Certain of these NOLs may be also at risk of limitation in the event of a future ownership change.

We have U.S. federal and state NOLs. In general, NOLs in one state cannot be used to offset income in any other state. Accordingly, we may be subject to tax in certain jurisdictions even if we have unused NOLs in other jurisdictions. Also, each jurisdiction in which we operate may have its own limitations on our ability to utilize NOLs or tax credit carryovers generated in that jurisdiction. These limitations may increase our federal, state, and/or foreign income tax liability.

Item 1B. Unresolved Staff Comments.

None.

Item 1C. Cybersecurity.

Risk Management and Strategy

We have implemented and maintain various information security processes designed to identify, assess and manage material risks from cybersecurity threats to our critical computer networks, third party hosted services, communications systems, hardware and software, and our critical data, including, confidential information that is proprietary, strategic or competitive in nature, and data related to financial and customer data (“Information Systems and Data”).

While to date, we have not had a major cyber incident against our platforms, nor experienced significant data loss or any material financial losses related to cybersecurity attacks, it is possible that we could experience a significant event in the future. Risks and exposures related to cybersecurity attacks are expected to remain high for the foreseeable future due to the rapidly evolving nature and sophistication of these threats. For a description of the risks from cybersecurity threats that may materially affect us and how they may do so, see our risk factors under Part 1. Item 1A. Risk Factors in this Annual Report on Form 10-K, including the risk factor captioned “Disruptions to or any breach of our information technology systems could disrupt our business operations which could have a material adverse effect on our business, prospects, results of operations, financial condition and/or cash flows.”

Our officers and employees and our IT vendors help identify, assess and manage our cybersecurity threats and risks and the unique needs of each of our billboard, surety insurance, broadband and other businesses and the various offices in which we operate. We manage, identify and assess risks from cybersecurity threats by monitoring and evaluating our threat environment and risk profile using various methods including, for example: through the use of automated tools, including but not limited to tools for monitoring, geolocation, remote wiping, threat detection, intrusion detection and prevention, patch management, distributed denial of service (DDoS) protection and forensics; conducting (directly or through third parties) regular audits and threat assessments for internal and external threats; subscribing to reports and services that identify cybersecurity threats; analyzing reports of threats and actors; conducting vulnerability assessments to identify vulnerabilities; evaluating our and our industry’s risk profile; and evaluating threats reported to us.

We implement and maintain various technical, physical, and organizational measures, processes, standards and policies designed to manage and mitigate material risks from cybersecurity threats to our Information Systems and Data, including, for example: incident response plans and procedures, disaster recovery/business continuity plans, risk assessments, implementation of security standards and certifications, encryption of data, network security controls, data segregation, access controls, physical security, asset management, tracking and disposal, systems monitoring, vendor risk management program, employee training and penetration testing.

Our assessment and management of material risks from cybersecurity threats are integrated into our overall risk management processes. For example, cybersecurity risk is addressed as a component of our enterprise risk management program, and members of our management team and IT consultants work together to prioritize our risk management processes, mitigate cybersecurity threats that are more likely to lead to a material impact to our business, and report regularly to our board of directors on cybersecurity matters.

We use third-party service providers to assist us from time to time to identify, assess, and manage material risks from cybersecurity threats, including for example managed cybersecurity service providers, threat intelligence service providers, dark web monitoring services, and other cybersecurity software providers.

We use third-party service providers to perform a variety of functions throughout our business, including but not limited to application providers, hosting companies, contract manufacturing organizations and contract research organizations. We have a vendor management program to oversee, identify and manage cybersecurity risks associated with our use of these providers. The program includes a risk assessment for vendors that may include, depending on the vendor and nature of services being performed, security questionnaires, review of the vendor's written security program, review of security assessments, audits and reports, vulnerability scans related to the vendor, security assessment calls with the vendor's security personnel, and the imposition of certain contractual obligations on the vendor, among other elements, in accordance with the processes outlined in our internal vendor selection, management, and oversight process policy and other internal guidelines. More specifically, the level of assessment may depend on the following: the nature of the services provided and the data the vendors may collect, retain, and utilize, the sensitivity of the Information Systems and Data at issue, and the identity of the provider.

Governance

Our board of directors addresses our cybersecurity risk management as part of its general oversight function.

Our cybersecurity risk assessment and management processes are implemented and maintained by various members of our management team and IT consultants, which includes individuals who have a diverse combination of relevant expertise, experience, education and training. Our team includes individuals with relevant experience in enterprise risk management and disclosure controls and procedures. Additionally, certain members of our team have experience managing cybersecurity programs and are specifically assigned cybersecurity oversight.

Certain members of our management team are responsible for hiring appropriate employees and consultants, helping to integrate cybersecurity risk considerations into our overall risk management strategy, communicating key priorities to relevant personnel, approving budgets, helping prepare for cybersecurity incidents, approving cybersecurity processes, and reviewing security assessments and other security-related reports.

Our cybersecurity incident response processes are designed to escalate certain cybersecurity incidents to members of management. Our cybersecurity incident management team, and other individuals as needed, work to help us mitigate and remediate cybersecurity incidents of which we are notified. In addition, our incident response processes include a procedure for reporting certain cybersecurity incidents to the board of directors.

Commencing in 2024, our Audit and Risk Committee, on behalf of the board of directors, is overseeing our cybersecurity risk management program.

Item 2. Properties.

Our corporate headquarters is located in Omaha, Nebraska. As of December 31, 2024, we maintained offices in various locations in the United States with leases expiring between 2025 and 2042. In connection with the acquisition of various billboard sites, we own a small percentage of these sites and in most instances lease the sites from third parties. Land leases related to the structures are typically paid in advance for periods ranging from one to twelve months. The lease contracts include those with fixed payments and those with escalating payments. Some of the lease contracts contain a base rent payment plus an additional amount up to a particular percentage of revenue. In the opinion of our management, our properties are adequate and suitable for our business as presently conducted and are adequately maintained. We also own several parcels in Arizona used by our broadband business for storage of equipment.

Item 3. 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 4. Mine Safety Disclosures.

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Certain Information Regarding the Trading of Our Common Stock

Since January 14, 2022, our Class A common stock publicly trades on the New York Stock Exchange and currently trades under the trading symbol "BOC". From June 16, 2017 through January 13, 2022, our Class A common stock traded on the NASDAQ Capital Market. Prior to this time, our Class A common stock traded on the OTCQX with limited trading volume. Currently, there is no public trading market for our Class B common stock.

As of March 27, 2025, the closing price per share of our common stock was \$14.80, as reported by the NYSE.

Holders of Our Common Stock

As of March 27, 2025, there were approximately 100 holders of record of shares of our Class A common stock. This number does not include stockholders for whom shares are held in "nominee" or "street" name. As of March 27, 2025, there were 30,872,876 shares of Class A common stock outstanding. As of March 27, 2025, we also had 580,558 shares of Class B common stock held entirely by MCF.

Dividend Policy

We have never declared or paid any cash dividends on our capital stock. We currently intend to retain all of our future earnings, if any, to finance the growth and development of our business. We do not intend to pay any cash dividends to the holders of our common stock in the foreseeable future. We are not required to pay dividends, and our stockholders will not be guaranteed, or have contractual or other rights to receive, dividends. The declaration and payment of any future dividends will be at the sole discretion of our Board of Directors and will depend upon, among other things, our earnings, financial condition, capital requirements, level of indebtedness, contractual restrictions with respect to the payment of dividends, opportunity set for retained capital, and other considerations that our Board of Directors deems relevant. In addition, state insurance regulators will limit the amount of dividends, if any, we can draw from our UCS insurance operations. In addition, the loan credit facilities at Link and BOB limit their ability to issue cash dividends to us during any period in which they are in default of any loan covenant. Our Board of Directors may decide, in its discretion, at any time, to modify or repeal the dividend policy or discontinue entirely the payment of dividends.

The ability of our Board of Directors to declare a dividend is also subject to limits imposed by Delaware corporate law. Under Delaware law, our Board of Directors and the boards of directors of our corporate subsidiaries incorporated in Delaware may declare dividends only to the extent of our “surplus,” which is defined as total assets at fair market value minus total liabilities, minus statutory capital, or if there is no surplus, out of net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year.

Recent Sales of Unregistered Securities

In addition to restricted stock grants issued to employees under the 2022 Incentive Plan in February 2025, on January 10, 2025, Magnolia Capital Fund exercised, in full, two warrants issued in 2015 and which expire in June 2025 to acquire 51,516 shares of our Class B common stock at an exercise price of \$10.00 per share and to acquire 1,262 shares of our Class B common stock at an exercise price of \$8.00 per share. No other warrants are issued and outstanding.

Equity Compensation Plans

In August 2022, our shareholders approved the 2022 Incentive Plan. Commencing in January 2023, we have issued stock grants under the 2022 Incentive Plan of our Class A common stock to our Chief Financial Officer, Chief Accounting Officer, the president of our billboard subsidiary, the president of our broadband subsidiary, other key employees, and our current and previous independent directors totaling 142,134 shares. Certain of the grants to the employees and the independent directors are subject to vesting periods of up to three years from the date of grant. The 2022 Incentive Plan currently is authorized to issue 1,575,000 shares of our Class A common stock and maintains an evergreen provision allowing for the issuance of a total of 5% of our issued and outstanding Class A common stock and Class B common stock, which amount is adjusted annually based on shares outstanding at the end of the fiscal year. We currently have 1,432,866 shares available for grant under the 2022 Incentive Plan.

Issuer Purchases of Equity Securities

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. During fiscal 2024, we repurchased 111,323 shares of our Class A common stock for a total cost of \$1,589,322.

Item 6. Selected Financial Data.

Not applicable as we are a “smaller reporting company.”

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

You should read the following discussion and analysis of our financial condition and results of operations together with our consolidated financial statements and related notes appearing elsewhere in this Annual Report on Form 10-K. The following discussion contains forward-looking statements that involve risks and uncertainties. Our actual results and the timing of certain events could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including those discussed below and as set forth under Summary Risk Factors and "Item 1A. Risk Factors." Please also refer to the section under the heading "Cautionary Note Concerning Forward-Looking Statements."

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 Southeast 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 December 31, 2024, we operate approximately 4,000 billboards with approximately 7,600 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 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 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 December 31, 2024, we have approximately 46,900 broadband customers (15,600 fiber customers) and 39,800 fiber passings completed. We hope to continue to expand in Arizona, Florida, Nevada, Utah, and other locales.

Investments:

- Since September 2015, we have made a series of investments in commercial real estate, a commercial real estate management, brokerage and related services business as well as an asset management business. We currently own 30% of Logic. 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 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, the privately-held parent company of Crescent. Our investment now represents 15.6% of CB&T's outstanding common stock. Crescent 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 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". 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, 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. Sky Harbour's Class A common stock trades on the NYSE American 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. During fiscal 2024, we sold 285,442 shares of Sky Harbour Class A common stock for gross proceeds of approximately \$2.9 million. As of December 31, 2024, we held 12,401,589 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, 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

Year Ended December 31, 2024 Compared to Year Ended December 31, 2023

The following is a comparison of our results of operations for the year ended December 31, 2024, which we refer to as “fiscal 2024,” compared to the year ended December 31, 2023 which we refer to as “fiscal 2023.”

Revenues. For fiscal 2024 and fiscal 2023, our revenues in dollars and as a percentage of total revenues were as follows:

	For the Years Ended December 31,				
	2024		2023		2024 vs 2023
	Amount	As a % of Total Revenues	Amount	As a % of Total Revenues	\$ Variance
Revenues:					
Billboard rentals, net	\$ 45,153,076	41.7%	\$ 42,940,369	44.6%	\$ 2,212,707
Broadband services	39,098,228	36.1%	35,340,502	36.7%	3,757,726
Premiums earned	19,759,540	18.2%	13,932,659	14.5%	5,826,881
Insurance commissions	1,962,692	1.8%	1,884,007	2.0%	78,685
Investment and other income	2,301,365	2.2%	2,156,199	2.2%	145,166
Total Revenues	\$ 108,274,901	100.0%	\$ 96,253,736	100.0%	\$ 12,021,165

We realized total revenues of \$108,274,901 during fiscal 2024, an increase of 12.5% over revenues of \$96,253,736 during fiscal 2023. The key factors impacting revenue across each of our businesses during fiscal 2024 were as follows:

- Net billboard rentals increased by 5.2% in fiscal 2024 when compared to fiscal 2023, reflecting an improvement in rental and occupancy rates across a number of our markets.
- Revenue from broadband services increased by 10.6% in fiscal 2024 when compared to fiscal 2023, mainly reflecting subscriber growth across a number of our markets.
- Premiums earned from our UCS insurance subsidiary increased by 41.8% in fiscal 2024 when compared to the fiscal 2023. The increase in premiums earned was primarily due to increases in gross written premium production throughout fiscal 2024. 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 increased by 4.2% in fiscal 2024 when compared to fiscal 2023, mainly due to increased production through outside insurance carriers.
- Investment and other income at UCS and BOAM increased by 6.7% from \$2,156,199 in fiscal 2023 to \$2,301,365 in fiscal 2024.

Expenses. For fiscal 2024 and fiscal 2023, our expenses in dollars and as a percentage of total revenues were as follows:

	For the Years Ended December 31,				
	2024		2023		2024 vs 2023
	Amount	As a % of Total Revenues	Amount	As a % of Total Revenues	\$ Variance
Costs and Expenses:					
Cost of billboard revenues	\$ 15,496,805	14.3%	\$ 15,136,817	15.7%	\$ 359,988
Cost of broadband revenues	9,444,030	8.7%	9,955,518	10.3%	(511,488)
Cost of insurance revenues	9,400,691	8.7%	6,808,167	7.1%	2,592,524
Employee costs	38,146,193	35.2%	32,561,929	33.8%	5,584,264
Professional fees	4,898,144	4.5%	4,665,515	4.9%	232,629
General and administrative	16,237,654	15.0%	16,112,243	16.8%	125,411
Depreciation	14,495,747	13.4%	12,155,096	12.6%	2,340,651
Amortization	7,683,952	7.1%	7,409,939	7.7%	274,013
Accretion	218,472	0.2%	216,501	0.2%	1,971
Loss on disposition of assets	720,691	0.7%	84,414	0.1%	636,277
Total Costs and Expenses	\$ 116,742,379	107.8%	\$ 105,106,139	109.2%	\$ 11,636,240

During fiscal 2024, we had total costs and expenses of \$116,742,379, as compared to total costs and expenses of \$105,106,139 in fiscal 2023. Total costs and expenses as a percentage of revenues decreased from 109.2% in fiscal 2023 to 107.8% in fiscal 2024. The key factors impacting costs and expenses across each of our businesses during fiscal 2024 were as follows:

- Cost of billboard revenues decreased as a percentage of billboard revenues from 35.2% in fiscal 2023 to 34.3% in fiscal 2024. The decrease was mainly related to lower ground rent expense and other costs of revenues as a percentage of billboard revenues.
- Cost of broadband revenues decreased as a percentage of broadband revenues from 28.2% in fiscal 2023 to 24.2% in fiscal 2024. The decrease was mainly driven by lower commissions paid within other broadband costs of revenues as well as reduced maintenance costs and cell site rent related to our fixed wireless networks as a percentage of broadband revenues.
- Cost of insurance revenues increased as a percentage of insurance revenues from 38.5% in fiscal 2023 to 39.4% in fiscal 2024. The increase was mainly due to higher loss and loss adjustment expense as a percentage of insurance revenues, which was partially offset by lower commissions paid as a percentage of insurance revenues.
- Employee costs in fiscal 2024 were \$38,146,193, or 35.2% of total revenues, as compared to \$32,561,929, or 33.8% in fiscal 2023. The increase as a percentage of total revenues was mainly driven by one-time severance and bonus payments to our former Co-CEO as a part of his separation and stock repurchase agreement. Excluding the one-time severance and bonus payments, employee costs would have decreased to 32.1% of total revenues in fiscal 2024.
- Professional fees in fiscal 2024 were \$4,898,144, or 4.5% of total revenues, as compared to \$4,665,515, or 4.9% of total revenues, in fiscal 2023. Excluding the one-time professional fees associated with our former Co-CEO's separation and stock repurchase agreement, professional fees would have decreased to 3.8% of total revenues in fiscal 2024.
- General and administrative expenses in fiscal 2024 were \$16,237,654, or 15.0% of total revenues, as compared to \$16,112,243, or 16.8% of total revenues, in fiscal 2023. The decrease as a percentage of total revenues was mainly driven by higher organic revenue growth within our billboard, broadband and insurance businesses as well as lower general and administrative expenses at Boston Omaha's parent company.
- Non-cash expenses in fiscal 2024 included \$14,495,747 in depreciation expense, \$7,683,952 in amortization expense, and \$218,472 in accretion expense related to asset retirement obligations for certain billboard and broadband 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 in fiscal 2024 was \$8,467,478, or 7.8% of total revenues, as compared to a net loss from operations of \$8,852,403, or 9.2% of total revenues, in fiscal 2023. The decrease in net loss from operations was primarily due to improved operations within our billboard, broadband and insurance businesses, which were partially offset by one-time costs associated with our former Co-CEO's separation agreement and an increase in depreciation expense related to continued capital investments within our broadband businesses. Our net loss from operations included \$22,398,171 from non-cash amortization, depreciation and accretion expenses in fiscal 2024, as compared to \$19,781,536 in fiscal 2023.

Other Income (Expense). During fiscal 2024, we had net other income of \$11,564,072. Net other income included \$29,059,717 in other investment income mainly driven by a \$16,983,514 unrealized gain on the Sky Harbour warrants held by Boston Omaha, other investment income of \$7,815,912 primarily related to the sale of real estate properties and changes in the fair value of remaining assets within the 24th Street Funds and BFR Fund, \$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, \$1,137,684 in realized gains on the sale of 285,442 shares of Sky Harbour Class A common stock, and interest and dividend income of \$1,385,884. These items were partially offset by a loss of \$17,283,281 from unconsolidated affiliates mainly related to non-cash losses from our equity method position in Sky Harbour and interest expense of \$1,598,248 mainly incurred under Link's term loan and revolver. During fiscal 2023, we had net other expense of \$294,060. Net other expense included a loss of \$7,888,765 from unconsolidated affiliates mainly related to \$13,149,861 in non-cash losses from our equity method position in Sky Harbour, which was partially offset by \$4,630,610 in non-cash gains recognized in May 2023 due to our purchase of the membership interests in 24th Street held by third parties resulting in the remeasurement of our previously-held interest in 24th Street, and interest expense of \$1,147,234 mainly incurred under Link's term loan. These items were partially offset by \$6,132,791 in other investment income mainly related to public securities held by Boston Omaha and UCS and interest and dividend income of \$2,609,148.

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 December 31, 2024, 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 \$5.80 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 \$1,292,450 in fiscal 2024, or a loss per share of \$0.04, based on 31,496,857 diluted weighted average shares outstanding. This is compared to a net loss attributable to common stockholders of \$7,004,009 in fiscal 2023, or a loss per share of \$0.23, based on 31,092,850 diluted weighted average shares outstanding.

The following tables report results for the following four segments in which we operate: billboards, broadband, insurance and asset management for fiscal 2024 and fiscal 2023:

Results of Billboard Operations

	For the Years Ended December 31,			
	2024		2023	
	Amount	As a % of Segment Operating Revenues	Amount	As a % of Segment Operating Revenues
Operating Revenues				
Billboard rentals, net	\$ 45,153,076	100.0%	\$ 42,940,369	100.0%
Cost of Revenues				
Ground rents	8,241,212	18.3%	7,981,107	18.6%
Utilities	1,846,056	4.1%	1,790,349	4.2%
Commissions paid	3,543,865	7.8%	3,409,923	7.9%
Other costs of revenues	1,865,672	4.1%	1,955,438	4.5%
Total cost of revenues	15,496,805	34.3%	15,136,817	35.2%
Gross margin	29,656,271	65.7%	27,803,552	64.8%
Other Operating Expenses				
Employee costs	7,812,497	17.3%	7,072,960	16.5%
Professional fees	223,165	0.5%	804,203	1.9%
General and administrative	4,033,121	8.9%	3,902,279	9.1%
Depreciation	5,151,286	11.4%	5,075,358	11.8%
Amortization	3,902,738	8.7%	3,933,290	9.1%
Accretion	204,659	0.5%	199,211	0.5%
Loss on disposition of assets	63,455	0.1%	206,832	0.5%
Total expenses	21,390,921	47.4%	21,194,133	49.4%
Segment Income from Operations	8,265,350	18.3%	6,609,419	15.4%
Interest expense, net	(1,410,216)	(3.1%)	(956,251)	(2.2%)
Net Income Attributable to Common Stockholders	\$ 6,855,134	15.2%	\$ 5,653,168	13.2%

Comparison of Fiscal 2024 to Fiscal 2023. In fiscal 2024, there was a 5.2% increase in net billboard revenues from fiscal 2023, reflecting an improvement in rental and occupancy rates across a number of our markets. The key factors affecting our billboard operations results during fiscal 2024 were as follows:

- Ground rent expense decreased as a percentage of total segment operating revenues from 18.6% in fiscal 2023 to 18.3% in fiscal 2024.
- Commissions paid decreased as a percentage of total segment operating revenues from 7.9% in fiscal 2023 to 7.8% in fiscal 2024.
- Employee costs increased as a percentage of total segment operating revenues from 16.5% in fiscal 2023 to 17.3% in fiscal 2024. The increase is mainly due to the filling of open positions to align processes and lower operating costs in other expense categories.
- General and administrative expenses decreased as a percentage of total segment operating revenues from 9.1% fiscal 2023 to 8.9% in fiscal 2024.
- Depreciation and amortization expense as a percentage of total segment operating revenues decreased from 11.8% and 9.1% in fiscal 2023 to 11.4% and 8.7% in fiscal 2024, respectively.
- Net interest expense was \$1,410,216 in fiscal 2024 compared to net interest expense of \$956,251 in fiscal 2023. The increase is mainly driven by the additional borrowings on the revolving line of credit.

Results of Broadband Operations

	For the Years Ended December 31,			
	2024		2023	
	Amount	As a % of Segment Operating Revenues	Amount	As a % of Segment Operating Revenues
Operating Revenues				
Broadband revenues	\$ 39,098,228	100.0%	\$ 35,340,502	100.0%
Cost of Revenues				
Network operations and data costs	5,081,153	13.0%	5,268,526	14.9%
Software costs	798,992	2.1%	722,198	2.1%
Cell site rent and utilities	1,415,053	3.6%	1,597,681	4.5%
Other costs of revenues	2,148,832	5.5%	2,367,113	6.7%
Total cost of revenues	9,444,030	24.2%	9,955,518	28.2%
Gross margin	29,654,198	75.8%	25,384,984	71.8%
Other Operating Expenses				
Employee costs	15,541,832	39.7%	14,527,407	41.1%
Professional fees	850,528	2.2%	823,969	2.3%
General and administrative	7,418,184	19.0%	7,093,277	20.1%
Depreciation	9,078,651	23.2%	6,816,929	19.3%
Amortization	3,509,856	9.0%	3,316,403	9.4%
Accretion	13,813	0.0%	17,290	0.0%
Loss (gain) on disposition of assets	657,236	1.7%	(122,418)	(0.3%)
Total expenses	37,070,100	94.8%	32,472,857	91.9%
Segment Loss from Operations	(7,415,902)	(19.0%)	(7,087,873)	(20.1%)
Interest (expense) income, net	(32,019)	(0.1%)	17,664	0.1%
Noncontrolling interest in subsidiary loss	-	-	75,008	0.2%
Net Loss Attributable to Common Stockholders	\$ (7,447,921)	(19.1%)	\$ (6,995,201)	(19.8%)

Comparison of Fiscal 2024 to Fiscal 2023. In fiscal 2024, total operating revenues increased by 10.6% when compared to fiscal 2023 mainly reflecting subscriber growth across a number of our markets. The key factors affecting our broadband operations results during fiscal 2024 were as follows:

- Network operations and data costs decreased as a percentage of total segment operating revenues from 14.9% in fiscal 2023 to 13.0% in fiscal 2024. The decrease is mainly driven by reduced maintenance costs related to our fixed wireless networks.
- Other costs of revenues decreased as a percentage of total segment operating revenues from 6.7% in fiscal 2023 to 5.5% in fiscal 2024. The decrease is mainly driven by lower commissions paid.
- Employee costs decreased as a percentage of total segment operating revenues from 41.1% in fiscal 2023 to 39.7% in fiscal 2024. The decrease is mainly driven by organic revenue growth withing our broadband businesses.
- General and administrative expenses decreased as a percentage of total segment operating revenues from 20.1% in fiscal 2023 to 19.0% in fiscal 2024. The decrease is mainly driven by organic revenue growth within our broadband businesses.
- Depreciation and amortization expense increased by \$2,261,722 and \$193,453, respectively, from fiscal 2023. The increase in depreciation expense is mainly driven by continued capital investments across all of our broadband businesses.
- The \$657,236 loss on disposition of assets in fiscal 2024 was mainly related to projects that we decided to pause indefinitely within our FFH business.

Results of Insurance Operations

	For the Years Ended December 31,			
	2024		2023	
	Amount	As a % of Segment Operating Revenues	Amount	As a % of Segment Operating Revenues
Operating Revenues				
Premiums earned	\$ 19,759,540	82.9%	\$ 13,932,659	78.7%
Insurance commissions	1,962,692	8.2%	1,884,007	10.6%
Investment and other income	2,129,218	8.9%	1,889,225	10.7%
Total operating revenues	23,851,450	100.0%	17,705,891	100.0%
Cost of Revenues				
Commissions paid	5,707,648	23.9%	4,387,088	24.8%
Premium taxes, fees, and assessments	519,588	2.2%	376,828	2.1%
Losses and loss adjustment expense	3,173,455	13.3%	2,044,251	11.6%
Total cost of revenues	9,400,691	39.4%	6,808,167	38.5%
Gross margin	14,450,759	60.6%	10,897,724	61.5%
Other Operating Expenses				
Employee costs	8,499,669	35.6%	6,500,480	36.7%
Professional fees	487,447	2.0%	596,245	3.4%
General and administrative	2,647,495	11.1%	1,970,121	11.1%
Depreciation	154,897	0.7%	152,388	0.9%
Amortization	160,247	0.7%	160,246	0.9%
Total expenses	11,949,755	50.1%	9,379,480	53.0%
Segment Income from Operations	2,501,004	10.5%	1,518,244	8.5%
Other investment income	218,015	0.9%	538,621	3.1%
Net Income Attributable to Common Stockholders	\$ 2,719,019	11.4%	\$ 2,056,865	11.6%

Comparison of Fiscal 2024 to Fiscal 2023. In fiscal 2024, total operating revenues increased by 34.7% when compared to fiscal 2023, mainly due to increased earned premiums at our UCS insurance subsidiary. The key factors affecting our insurance operations results during fiscal 2024 were as follows:

- Premiums earned from our UCS insurance subsidiary increased 41.8% in fiscal 2024 when compared to fiscal 2023. The increase in premiums earned was primarily due to increases in gross written premium production throughout fiscal 2024. 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 increased by 4.2% in fiscal 2024 when compared to fiscal 2023, mainly due to increased production through outside insurance carriers.
- Commissions paid as a percentage of total segment operating revenues decreased from 24.8% in fiscal 2023 to 23.9% in fiscal 2024.
- Losses and loss adjustment expenses as a percentage of insurance revenues increased from 11.6% in fiscal 2023 to 13.3% in fiscal 2024. Losses and loss adjustment expenses are reserved monthly based on a percentage of earned premium.
- Employee costs decreased as a percentage of total segment operating revenues from 36.7% in fiscal 2023 to 35.6% in fiscal 2024. The decrease is mainly driven by organic revenue growth within our insurance businesses.
- General and administrative expenses remained flat as a percentage of total segment operating revenues at 11.1% in fiscal 2023 and fiscal 2024.
- During fiscal 2024, our segment income from insurance operations of \$2,501,004 was increased by other investment income of \$218,015 mainly from realized gains on the sale of investments in publicly held securities. As of December 31, 2024, UCS had \$2,393,260 in publicly held securities (marked to market) and \$8,859,330 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 Years Ended December 31,			
	2024		2023	
	Amount	As a % of Segment Operating Revenues	Amount	As a % of Segment Operating Revenues
Operating Revenues				
Investment and other income	\$ 172,147	100.0%	\$ 266,974	100.0%
Cost of Revenues				
Total cost of revenues	-	-	-	-
Gross margin	172,147	100.0%	266,974	100.0%
Other Operating Expenses				
Employee costs	766,064	445.0%	1,574,332	589.7%
Professional fees	754,253	438.2%	321,363	120.4%
General and administrative	562,824	326.9%	753,320	282.1%
Depreciation	-	-	-	-
Amortization	-	-	-	-
Total expenses	2,083,141	1210.1%	2,649,015	992.2%
Segment Loss from Operations	(1,910,994)	(1110.1%)	(2,382,041)	(892.2%)
Interest and dividend income	536,524	311.6%	1,058,527	396.5%
Equity in income of unconsolidated affiliates	-	-	4,630,610	1734.5%
Other investment income	7,815,912	4540.3%	980,410	367.2%
Noncontrolling interest in subsidiary income	(4,599,100)	(2671.6%)	(911,292)	(341.4%)
Net Income Attributable to Common Stockholders	\$ 1,842,342	1070.2%	\$ 3,376,214	1264.6%

Comparison of Fiscal 2024 to Fiscal 2023. 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 fiscal 2024 to fiscal 2023 may not be meaningful. The key factors affecting our asset management operations results during fiscal 2024 were as follows:

- Employee costs decreased by 51.3% in fiscal 2024 when compared to fiscal 2023 as we wind down BOAM's operations and implemented cost-cutting measures.
- Professional fees increased by 134.7% in fiscal 2024 when compared to fiscal 2023. 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 decreased by 25.3% in fiscal 2024 when compared to fiscal 2023 as we wind down BOAM's operations and implemented cost-cutting measures.
- Equity in income of unconsolidated affiliates in fiscal 2023 included non-cash gains recognized related to the remeasurement of our previously-held interest in 24th Street.
- Other investment income in fiscal 2024 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 income in fiscal 2024 consists of 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 Fiscal 2024 compared to Fiscal 2023. The table below summarizes our cash flows in dollars for fiscal 2024 and fiscal 2023:

	2024	2023
Net cash provided by operating activities	\$ 21,241,580	\$ 16,059,125
Net cash provided by (used in) investing activities	28,099,816	(64,252,691)
Net cash (used in) provided by financing activities	(47,557,174)	32,940,258
Net increase (decrease) in cash, cash equivalents, and restricted cash	\$ 1,784,222	\$ (15,253,308)

Net Cash Provided by Operating Activities. Net cash provided by operating activities was \$21,241,580 during fiscal 2024 as compared to net cash provided by operating activities of \$16,059,125 during fiscal 2023. The increase in net cash provided by operating activities was mainly driven by improved cash flow generation within our billboard, broadband and insurance businesses. These items were partially offset by costs associated with our former Co-CEO's separation agreement as well as operating costs within our FFH business.

Net Cash Provided by (Used in) Investing Activities. Net cash provided by investing activities was \$28,099,816 during fiscal 2024 as compared with net cash used in investing activities of \$64,252,691 during fiscal 2023. The increase in net cash provided by investing activities is primarily attributable to \$60,818,906 in net proceeds from sales of investments mainly from the sale or maturity of U.S. Treasury securities and real estate investments within the 24th Street Funds and BFR Fund, which was partially offset by \$32,201,191 in capital expenditures mainly within our broadband businesses.

Net Cash (Used in) Provided by Financing Activities. Net cash used in financing activities was \$47,557,174 during fiscal 2024 as compared to net cash provided by financing activities of \$32,940,258 during fiscal 2023. During fiscal 2024, net cash used in financing activities mainly consisted of \$37,512,061 in distributions to noncontrolling interests from the 24th Street Funds and BFR Fund, \$16,761,371 related to the repurchase of Class A and Class B common stock and Class B warrants from our former Co-CEO, \$4,127,540 in collateral released by UCS, and \$1,589,322 related to the repurchase of Class A common stock through our share repurchase program. These items were partially offset by \$10,000,000 in additional borrowings on Link's revolving line of credit, of which \$400,000 was repaid during 2024, and \$3,500,000 under BOB's credit facility.

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, 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 December 31, 2024, we had approximately \$28.3 million in unrestricted cash and \$11 million in short-term 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. During fiscal 2024, we repurchased 111,323 shares of our Class A common stock for a total cost of \$1,589,322.

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 subsidiary, 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. As described below, we may raise additional funds through our current shelf registration statement allowing us to raise up to \$500 million through the sale of securities to fund future acquisitions and investments, which we intend to renew in May 2025.

2022 Shelf Registration Statement

In April 2022, we filed a shelf registration statement on Form S-3 (File No. 333-264470) that was declared effective on May 11, 2022, which we refer to as the “2022 Shelf Registration Statement,” relating to the registration 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 million. We may, from time to time, in one or more offerings, offer and sell Class A common stock or preferred stock, various series of debt securities, and/or warrants. The shelf registration statement may also be used by one or more selling security holders, to be identified in the future, of our securities. 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 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.

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. Currently, 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. No officer or director has any beneficial interest in any shares eligible for resale by the selling shareholders. Also, we registered shares held by Adam Peterson and his affiliates underlying the Class A common stock and shares of Class A common stock issuable upon conversion of shares of Class B common stock of which shares have been sold. In May 2022, we also registered 1,018,660 shares of Class A common stock held by Magnolia and Boulderado and their affiliates. All of 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 December 31, 2024, certain of our stockholders still hold 8,555,957 registered shares of our Class A common stock.

At The Market Offering Programs

Starting in March 2018, we utilized our "at the market" offering that was part of our 2018 Shelf Registration Statement. This 2018 Shelf Registration Statement, which authorized us to sell up to \$200 million through the sales of securities to the public, expired in February 2021 and was superseded by the 2021 Shelf Registration Statement. We sold a total of 2,630,787 shares of Class A common stock resulting in gross proceeds of \$60.1 million under the 2018 Shelf Registration Statement.

On September 29, 2021, we entered into an "at the market" equity offering program under the 2022 Shelf Registration Statement pursuant to a Sales Agreement (the "2021 Sales Agreement") by and between us and WFS. Pursuant to the terms of the 2021 Sales Agreement, we could sell, from time to time, shares of our Class A common stock, with an aggregate sales price of up to \$100 million through WFS, in transactions that are deemed to be "at the market" offerings as defined in Rule 415 of the Securities Act of 1933, as amended (the "Securities Act"). The 2021 Shelf Registration Statement expired on March 28, 2022 upon the filing of our 2021 Annual Report on Form 10-K as we no longer qualified as a well-known seasoned issuer. We sold a total of 122,246 shares of our Class A common stock resulting in gross proceeds of approximately \$4.2 million under the 2021 Shelf Registration Statement.

On December 8, 2022, we entered into an "at the market" equity offering program (the "ATM Program") pursuant to a Sales Agreement (the "2022 Sales Agreement") with Wells Fargo Securities, LLC ("WFS"). This ATM Program is consistent with our historical practice of having available to management the option to issue stock from time to time in order to continue to fund the growth of its fiber-to-the-home broadband business, acquire additional billboards, and make other such investments in assets as needed to seek to grow intrinsic value per share. Our general preference is always to have options available to it from a capital allocation perspective which includes, but is not limited to, having a regularly filed ATM program.

Pursuant to the terms of the 2022 Sales Agreement, we may sell, from time to time, shares of our Class A common stock, par value \$0.001 per share (the "Class A common stock"), with an aggregate sales price of up to \$100 million through WFS, in transactions that are deemed to be "at the market" offerings as defined in Rule 415 of the Securities Act of 1933, as amended (the "Securities Act"). Since the signing of the 2022 Sales Agreement, we sold 7,887 shares of Class A common stock for gross proceeds of approximately \$205,000 in December 2022 and 1,532,065 shares of our Class A common stock for gross sale proceeds of approximately \$37.5 million during fiscal 2023. We did not sell any shares of our Class A common stock during fiscal 2024.

Upon delivery of a placement notice (a "Placement Notice") and upon the terms and subject to the conditions of the 2022 Sales Agreement, WFS will use reasonable efforts consistent with its normal trading and sales practices, applicable laws and the rules of the NYSE to sell the shares available under the ATM Program from time to time based upon our instructions for the sales, including price, time or size limits specified, and otherwise in accordance with, the terms of such Placement Notice. Pursuant to the 2022 Sales Agreement, WFS may sell shares of our Class A common stock under the ATM Program by any method permitted by law deemed to be an "at the market" offering as defined in Rule 415 of the Securities Act, including without limitation sales made through the NYSE or on any other existing trading market for the Class A common stock. Notwithstanding the foregoing, WFS may not purchase shares under the ATM Program for its own account as principal unless expressly authorized to do so by us.

We intend to use the net proceeds, if any, from any future offering under the ATM Program, after deducting WFS' commissions and our offering expenses, for general corporate purposes, which may include financing our existing businesses and operations, and expanding our businesses and operations through additional acquisitions and minority investments, and additional hires. Such expansion may include future billboard acquisitions, broadband acquisitions, acquisitions of surety insurance companies and other growth of our insurance activities, additional investments in real estate management and other real estate service businesses, additional investments in subprime automobile lending, and acquisitions of other businesses. We have not determined the amount of net proceeds to be used for any specific purpose, and we will retain broad discretion over the allocation of net proceeds. While we have no current agreements, commitments or understandings for any specific acquisitions at this time, we may use a portion of the net proceeds for these purposes.

For sales of shares of Class A common stock under the ATM Program through WFS, we will pay WFS a commission at a mutually agreed rate of 3% of the gross sales price per share of Class A common stock sold under the ATM Program. We have no obligation to sell any shares under the 2022 Sales Agreement and may at any time suspend the ATM Program under the 2022 Sales Agreement. The 2022 Sales Agreement contains customary representations and warranties of the parties and indemnification and contribution provisions under which we and WFS have agreed to indemnify each other against certain liabilities, including liabilities under the Securities Act. The ATM Program pursuant to the 2022 Sales Agreement will automatically terminate upon the issuance and sale of all of the shares available for sale under the ATM Program through WFS. In addition, we may terminate the 2022 Sales Agreement with WFS without penalty upon 10 days' notice.

The foregoing description of the 2022 Sales Agreement is not complete and is qualified in its entirety by reference to the full text of such agreement, a copy of which is filed as Exhibit 1.1 to the Current Report on Form 8-K dated December 8, 2022 and is incorporated herein by reference.

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 consolidated balance sheet as of December 31, 2024 consists of Link’s Term Loan borrowings of approximately \$26,500,000, of which approximately \$900,000 is classified as current, and \$9,600,000 related to the revolving line of credit as of December 31, 2024.

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 December 31, 2024.

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 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 consolidated balance sheet as of December 31, 2024 consists of approximately \$3,400,000 under BOB's credit facility, of which approximately \$350,000 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 and 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 December 31, 2024, we hold 12,401,589 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, 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 December 31, 2024, we had approximately \$28.3 million in unrestricted cash and \$11 million in short-term 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.

Critical Accounting Policies and Estimates

The preparation of the 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.

In the notes accompanying the consolidated financial statements, we describe the significant accounting policies used in the preparation of our consolidated financial statements. We believe that the following represent the most significant estimates and management judgments used in preparing the consolidated financial statements.

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 in which we are the primary beneficiary in accordance with ASC 810, *Consolidation*. The equity attributable to non-controlling interests in subsidiaries is shown separately in the accompanying Consolidated Balance Sheets.

Retention of Specialized Accounting

Each of 24th Street Fund I and 24th Street Fund II, collectively “the 24th Street Funds,” and Fund One Boston Omaha Build for Rent LP qualify as investment companies and apply specialized industry accounting. We report fund investments on our 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 Consolidated Statements of Operations. Accordingly, the accompanying consolidated financial statements reflect different accounting policies for investments depending on whether or not they are held through a consolidated investment company.

Goodwill

Goodwill represents future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognized. Goodwill is subject to an annual impairment test. We designated October 1 as the date of our annual goodwill impairment test. We are required to identify our reporting units and determine the carrying value of each reporting unit. We analyze financial information of our operations to identify discrete segments that constitute a reporting unit. We assign assets acquired and liabilities assumed in business combinations to those reporting units. We have identified four reporting units: billboard operations, broadband operations, insurance brokerage and insurance carrier operations, and asset management operations. We are required to determine the fair value of each reporting unit and compare it to the carrying amount of the reporting unit. To the extent the carrying amount of a reporting unit exceeds the fair value of the reporting unit, we would be required to book an impairment loss. For our annual review of reporting units, we employ a third party valuation expert.

We conduct a qualitative assessment by examining relevant events and circumstances which could have a negative impact on our goodwill, including macroeconomic conditions, industry and market conditions, cost factors, overall financial performance, reporting unit dispositions and acquisitions, our market capitalization, and other relevant events specific to us. If, after assessing the totality of events or circumstances described above, we determine that it is more likely than not that the fair value of a reporting unit is less than its carrying amount, we will perform a quantitative impairment test. If industry and economic conditions deteriorate, we may be required to assess goodwill impairment before the next annual test, which could result in impairment charges. The fair value of each of our goodwill reporting units is generally estimated using a combination of public company multiples and discounted cash flow methodologies. The discounted cash flow approach that we use for valuing goodwill as part of the impairment testing approach involves estimating future cash flows expected to be generated from the related assets, discounted to their present value using a risk-adjusted discount rate.

Losses and Loss Adjustment Expenses

Unpaid losses and loss adjustment expenses represent estimates for the ultimate cost of unpaid reported and unreported claims incurred and related expenses. Estimates for losses and loss adjustment expenses are based on past experience of investigating and adjusting claims and consideration of the level of premiums written during the current and prior year. Since the reserves are based on estimates, the ultimate liability may differ from the estimated reserve. The effects of changes in estimated reserves are included in the results of operations in the period in which the estimates are updated.

Quantitative and Qualitative Disclosures about Market Risk

At December 31, 2024, 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.

Recently Issued Accounting Pronouncements

Management reviewed currently issued pronouncements during the year ended December 31, 2024, and believes that any other recently issued, but not yet effective, accounting standards, if currently adopted, would not have a material effect on the accompanying consolidated financial statements.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

Not applicable as we are a “smaller reporting company.”

Item 8. Financial Statements and Supplementary Data.

Our Consolidated Financial Statements and the related notes, together with the Report of Independent Registered Public Accounting Firm (PCAOB ID 185) thereon, are set forth below beginning on page F-1 and are incorporated herein by reference.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

Not applicable.

Item 9A. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our principal executive officers and principal financial and accounting officer, 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 Annual Report on Form 10-K. Based on this evaluation, our principal executive officers and principal financial and accounting officer each concluded that, as of December 31, 2024, 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.

Management’s Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. Our management conducted an evaluation of the effectiveness of our internal control over financial reporting as of December 31, 2024, using the framework in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission, which we refer to as “COSO 2013.” Based on its evaluation under the framework in Internal Control - Integrated Framework (2013), management concluded that our internal control over financial reporting was effective as of as of December 31, 2024.

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 December 31, 2024 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 officer, 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.

Item 9B. Other Information.

During the fiscal year ended December 31, 2024, no director or Section 16 officer adopted or terminated any Rule 10b5-1 trading arrangements or non-Rule 10b5-1 trading arrangements.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections.

Not Applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance.

The information required by this item is hereby incorporated by reference to our Definitive Proxy Statement relating to our 2025 Annual Meeting of Stockholders to be filed with the SEC within 120 days of the fiscal year ended December 31, 2024 or will be provided on a Form 10-K/A to be filed with the SEC within 120 days of our fiscal year ended December 31, 2024.

Insider Trading Policy

We have adopted an insider trading policy governing the purchase, sale and other disposition of the Company's securities, which includes a provision that restricts our directors, officers, and employees from engaging in hedging or monetization transactions involving our securities and from engaging in short sales of our securities. Our insider trading policy also prohibits our directors, officers, and employees from holding our securities in margin accounts or otherwise pledging our securities as collateral for loans. A copy of our insider trading policy is included as Exhibit 19.1 to this Annual Report.

Clawback Policy

While we do not presently have in place any significant incentive compensation agreements or awards related to the Company's overall financial performance, our board of directors has adopted a clawback policy in order to comply with federal securities laws. As such, we have adopted a clawback policy in which we may seek the recovery and/or forfeiture of incentive compensation paid by us, including cash, equity or equity-based compensation, in the event that we restate our financial statements under certain circumstances. The clawback policy applies to our current and former officers. A copy of our clawback policy is included as Exhibit 97.1 to this Annual Report.

Item 11. Executive Compensation.

The information required by this item is hereby incorporated by reference to our Definitive Proxy Statement relating to our 2025 Annual Meeting of Stockholders to be filed with the SEC within 120 days of the fiscal year ended December 31, 2024 or will be provided on a Form 10-K/A to be filed with the SEC within 120 days of our fiscal year ended December 31, 2024.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The information required by this item is hereby incorporated by reference to our Definitive Proxy Statement relating to our 2025 Annual Meeting of Stockholders to be filed with the SEC within 120 days of the fiscal year ended December 31, 2024 or will be provided on a Form 10-K/A to be filed with the SEC within 120 days of our fiscal year ended December 31, 2024.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

The information required by this item is hereby incorporated by reference to our Definitive Proxy Statement relating to our 2025 Annual Meeting of Stockholders to be filed with the SEC within 120 days of the fiscal year ended December 31, 2024 or will be provided on a Form 10-K/A to be filed with the SEC within 120 days of our fiscal year ended December 31, 2024.

Item 14. Principal Accountant Fees and Services.

The information required by this item is hereby incorporated by reference to our Definitive Proxy Statement relating to our 2025 Annual Meeting of Stockholders to be filed with the SEC within 120 days of the fiscal year ended December 31, 2024 or will be provided on a Form 10-K/A within 120 days of our fiscal year ended December 31, 2024.

PART IV

Item 15. Exhibits and Financial Statement Schedules.

(a) The following consolidated financial statements and the related notes thereto of the Company and the Accounting Firm thereon are filed as part of this report:

1. Financial Statements:

	<u>Page</u>
Report of Independent Registered Public Accounting Firms	F-1
Consolidated Balance Sheets – December 31, 2024 and December 31, 2023	F-5
Consolidated Statements of Operations – Years ended December 31, 2024 and December 31, 2023	F-7
Consolidated Statements of Changes in Stockholders' Equity – Years ended December 31, 2024 and December 31, 2023	F-8
Consolidated Statements of Cash Flows – Years ended December 31, 2024 and December 31, 2023	F-9
Notes to Consolidated Financial Statements	F-12

2. Exhibits: See Item 15(b) below.

(b) Exhibits

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

Item 16. Form 10-K Summary.

The Company has determined not to include a summary of information required by this Item 16 of the Annual Report on Form 10-K.

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 Boston Omaha Corporation dated June 2, 2020, 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>
4.1 (*)	<u>Specimen Stock Certificate evidencing shares of Class A common stock (previously known as "Common Stock"), filed as Exhibit 4.01 to the Company's Registration Statement on Form S-1, as amended, (File No. 333-170054) originally filed with the Commission on October 20, 2010.</u>
4.2 (*)	<u>Form of Class B Common Stock (previously known as "Class A Common Stock") Purchase Warrant, filed as Exhibit 4.6 to the Company's Current Report on Form 8-K filed with the Commission on June 24, 2015.</u>
4.3 (*)	<u>Amended and Restated Voting and First Refusal Agreement dated May 26, 2017 by and among the Company, Magnolia Capital Fund, L.P. and Boulderado Partners, LLC, filed as Exhibit 4.1 to the Company's Current Report on Form 8-K filed with the Commission on May 26, 2017.</u>
4.4 (*)	<u>Registration Rights Agreement dated March 6, 2018, among Boston Omaha Corporation and the Purchasers named therein, in the form attached as Annex I to the Class A Common Stock Purchase Agreement dated February 22, 2018, among Boston Omaha Corporation and the Purchasers named therein, filed as Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the Commission on February 26, 2018.</u>
4.5 (*)	<u>Board Observer Letter dated March 6, 2018, among Boston Omaha Corporation and the Purchasers named therein, in the form attached as Annex II to the Class A Common Stock Purchase Agreement dated February 22, 2018, among Boston Omaha Corporation and the Purchasers named therein, filed as Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the Commission on February 26, 2018.</u>
4.6 (*)	<u>Stockholders Agreement dated as of May 15, 2018 by and among Boston Omaha Corporation, Magnolia BOC I LP and Boulderado BOC, LP, filed as Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the Commission on May 15, 2018.</u>
4.7 (#)	<u>Description of the Registrant's Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934, as amended.</u>
10.1 (*) (+)	<u>Employment Agreement dated August 1, 2015 by and between the Company and Adam K. Peterson, filed as Exhibit 10.2 to the Company's Current Report on Form 8-K filed with the Commission on August 5, 2015.</u>

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10.2 (*)	<u>Form of Indemnification Agreement by and among the Company and each of its current directors and officers, filed as Exhibit 10.6 to the Company's Registration Statement on Form S-1, as amended, (File No. 333-216040) originally filed with the Commission on February 13, 2017.</u>
10.3 (*) (+)	<u>Amendment No. 1 to Employment Agreement dated June 5, 2017 by and between the Company and Adam K. Peterson, filed as Exhibit 10.9 to the Company's Registration Statement on Form S-1, as amended, (File No. 333-216040) originally filed with the Commission on February 13, 2017.</u>
10.4 (*) (+)	<u>Amended and Restated Management Incentive Bonus Plan, filed as Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the Commission on February 28, 2018.</u>
10.5 (*) (+)	<u>Amendment No. 2 to Employment Agreement dated February 27, 2018 by and between the Company and Adam K. Peterson, filed as Exhibit 10.3 to the Company's Current Report on Form 8-K filed with the Commission on February 28, 2018.</u>
10.6 (*)	<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>
10.7 (*)	<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>
10.8 (*)	<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>
10.9 (*)	<u>\$24,900,000 Term Loan Note 1 dated August 12, 2019 issued by Link Media Holdings, LLC to First National Bank of Omaha filed as Exhibit 10.5 to the Company's Current Report on Form 8-K filed with the Commission on August 13, 2019.</u>
10.10 (*)	<u>First Amendment to Credit Agreement dated October 25, 2019 filed as Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the Commission on October 25, 2019.</u>
10.11 (*)	<u>Second Amendment to Credit Agreement dated June 25, 2020 filed as Exhibit 10.1 to the Company's Current report on Form 8-K as filed with the Commission on June 30, 2020.</u>
10.12 (*)	<u>Third Amendment to Credit Agreement filed as Exhibit 10.1 to the Company's Current Report on Form 8-K as filed with the Commission on August 24, 2021.</u>
10.13 (*)	<u>Fourth Amendment to Credit Agreement filed as Exhibit 10.1 to the Company's Current Report on Form 8-K as filed with the Commission on December 9, 2021.</u>
10.14 (*)	<u>Amended and Restated Term Loan Note filed as Exhibit 10.2 to the Company's Current Report on Form 8-K as filed with the Commission on December 9, 2021.</u>
10.15 (*)	<u>Fifth Amendment to Credit Agreement filed as Exhibit 10.1 to the Company's Current Report on Form 8-K as filed with the Commission on June 3, 2022.</u>
10.16 (*)	<u>Sixth Amendment to Credit Agreement filed as Exhibit 10.1 to the Company's Current Report on Form 8-K as filed with the Commission on April 11, 2023.</u>
10.17 (*)	<u>Seventh Amendment to Credit Agreement filed as Exhibit 10.1 to the Company's Current Report on Form 8-K as filed with the Commission on September 26, 2023.</u>
10.18 (*)	<u>Eighth Amendment to Credit Agreement filed as Exhibit 10.1 to the Company's Current Report on Form 8-K as filed with the Commission on February 16, 2024.</u>
10.19 (*)	<u>Ninth Amendment to Credit Agreement filed as Exhibit 10.1. to the Company's Current Report on Form 8-K as filed with the Commission on June 5, 2024.</u>
10.20 (*)	<u>Second Amended and Restated Revolving Note filed as Exhibit 10.2 to the Company's Current Report on Form 8-K as filed with the Commission on June 5, 2024.</u>
10.21 (*)	<u>Credit Agreement by and among FIF Airebeam LLC, FIF St. George, LLC, and FIF Utah, LLC and First National Bank of Omaha filed as Exhibit 10.1 to the Company's Current Report on Form 8-K as filed with the Commission on September 23, 2024.</u>
10.22 (*)	<u>Form of Note filed as Exhibit 10.2 to the Company's Current Report on Form 8-K as filed with the Commission on September 23, 2024.</u>
10.23 (*)	<u>Security Agreement filed as Exhibit 10.3 to the Company's Current Report on Form 8-K as filed with the Commission on September 23, 2024.</u>

- 10.24(*) [Guaranty of Boston Omaha Broadband, LLC filed as Exhibit 10.4 to the Company's Current Report on Form 8-K as filed with the Commission on September 23, 2024.](#)
- 10.25 (*) (+) [Separation and Stock Repurchase Agreement by and among Alex Rozek, Boulderado Partners, LLC and the Company filed as Exhibit 10.1 to the Company's Current Report on Form 8-K as with the Commission on May 10, 2024.](#)
- 10.26 (+) (#) [Services Agreement by and between Local Asset Management LLC and Boston Omaha Asset Management LLC filed as Exhibit 10.1 to the Company's Current Report on Form 8-K as filed with the Commission on May 17, 2024.](#)
- 10.27 (+) (#) [Boston Omaha Corporation 2022 Long-Term incentive Plan filed as Exhibit A to the Company's Definitive Proxy Statement for the 2022 Annual Meeting of Stockholders filed with the Commission on June 28, 2022.](#)

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14.1 (*)	Code of Business Conduct and Ethics, filed as Exhibit 14.1 to the Company's Annual Report on Form 10-K filed with the Commission on March 30, 2016.
19 (#)	Insider Trading Policy of the Company.
21.1 (#)	Schedule of Subsidiaries of the Company.
23.1 (#)	Consent of EisnerAmper LLP, Registered Public Accounting Firm.
23.2 (#)	Consent of KPMG LLP, Registered Public Accounting Firm.
31.1 (#)	Certification of Chief Executive Officer required by Rule 13a-14(a) or Rule 15d-14(a).
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.
97.1 (*)	Policy for the Recovery of Erroneously Awarded Compensation filed as Exhibit 97.1 to the Company's Annual Report on Form 10-K filed with the Commission on March 27, 2024.
101.INS	Inline XBRL Instance Document (the Instance Document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document)
101.SCH (#)	Inline XBRL Taxonomy Extension Schema Document.
101.CAL (#)	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF (#)	Inline XBRL Taxonomy Extension Definition.
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.
(+)	Management contract or compensatory plan or arrangement.
(#)	Filed herewith.
(##)	The certifications attached as Exhibits 32.1, 32.2 and 32.3 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 Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, 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 and Chief Executive Officer
(Principal Executive Officer)

March 28, 2025

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

March 28, 2025

By: /s/ Joseph M. Meisinger
Joseph M. Meisinger
Chief Accounting Officer

March 28, 2025

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated:

Name	Title	Date
<u>/s/ Adam K. Peterson</u> Adam K. Peterson	President, Chief Executive Officer and Chairman of the Board of Directors (Principal Executive Officer)	March 28, 2025
<u>/s/ Tom Burt</u> Tom Burt	Director	March 28, 2025
<u>/s/ David S. Graff</u> David S. Graff	Director	March 28, 2025
<u>/s/ Brendan J. Keating</u> Brendan J. Keating	Director	March 28, 2025
<u>/s/ Frank H. Kenan II</u> Frank H. Kenan II	Director	March 28, 2025
<u>/s/ Jeffrey C. Royal</u> Jeffrey C. Royal	Director	March 28, 2025
<u>/s/ Vishnu Srinivasan</u> Vishnu Srinivasan	Director	March 28, 2025
<u>/s/ Joshua P. Weisenburger</u> Joshua P. Weisenburger	Chief Financial Officer (Principal Financial Officer)	March 28, 2025
<u>/s/ Joseph M. Meisinger</u> Joseph M. Meisinger	Chief Accounting Officer	March 28, 2025

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
Boston Omaha Corporation:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Boston Omaha Corporation and subsidiaries (the Company) as of December 31, 2024 and 2023, the related consolidated statements of operations, changes in stockholders' equity, and cash flows for each of the years in the two-year period ended December 31, 2024, and the related notes (collectively, the consolidated financial statements). In our opinion, based on our audits and the report of EisnerAmper LLP, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the years in the two-year period ended December 31, 2024, in conformity with U.S. generally accepted accounting principles.

We did not audit the financial statements of Sky Harbour Group Corporation (a 16.4 percent owned investee company). The Company's investment in Sky Harbour Group Corporation was \$72.0 million and \$94.2 million as of December 31, 2024 and 2023, respectively, and its equity in loss of unconsolidated affiliates of Sky Harbour Group Corporation was (\$17.2) million and (\$10.7) million for the years 2024 and 2023, respectively. The financial statements of Sky Harbour Group Corporation were audited by EisnerAmper LLP, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Sky Harbour Group Corporation, is based solely on the report of EisnerAmper LLP.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide and the report of EisnerAmper LLP provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Evaluation of the fair value of the real estate assets in the 24th Street Funds

As discussed in Note 8 to the consolidated financial statements, in May 2023, the Company began consolidating 24th Street Asset Management LLC (24th Street) and the 24th Street Funds. Each of the 24th Street Funds hold investments in special purpose entities whose primary assets are real estate property (collectively, the Subject Properties or individually, the Subject Property). The Company reports fund investments at their estimated fair value with gains (losses) resulting from changes in fair value reflected within other investment income. As of December 31, 2024, the aggregate fair value of fund investments, a portion of which relates to the real estate assets within the 24th Street Funds, was approximately \$34.5 million. The income and comparable sales approach was used to value the real estate assets.

We identified the evaluation of the fair value of the real estate assets in the 24th Street Funds as of December 31, 2024 as a critical audit matter. Subjective auditor judgment was required to evaluate certain key assumptions used by management to estimate the fair value of the Subject Properties, as they are sensitive to variation such that changes in the key assumptions could have a significant impact on the fair value of the Subject Properties. Key assumptions included expected market rents and capitalization rates used in the income approach and comparable observable sales used in the comparable sales approach. Additionally, the audit effort associated with the estimate required specialized skills and knowledge.

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The following are the primary procedures we performed to address this critical audit matter. We involved valuation professionals with specialized skills and knowledge, who assisted in:

- o Assessing the appropriateness of management's methodologies used to determine the fair value, for all Subject Properties
- o Evaluating the reasonableness of management's future expected market rents by comparing the market rent assumptions to external sources including signed and active leases of similar properties, and to objective contractual information of leases recently signed at the respective Subject Property, for a selection of Subject Properties
- o Assessing the reasonableness of the capitalization rates by comparing the selected capitalization rates to reliable market resources, for a selection of Subject Properties
- o Assessing the reasonableness of management's fair value by developing ranges of fair value using transactions and listings of comparable properties from external databases, and comparing to management's fair values for a selection of Subject Properties.

/s/KPMG LLP

KPMG LLP

We have served as the Company's auditor since 2020.

Omaha, Nebraska

March 28, 2025

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of
Sky Harbour Group Corporation

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Sky Harbour Group Corporation and Subsidiaries (the “Company”) as of December 31, 2024 and 2023, and the related consolidated statements of operations, comprehensive income (loss), stockholders’ equity, and cash flows for each of the years then ended, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the consolidated financial position of the Company as of December 31, 2024 and 2023, and the consolidated results of their operations and their cash flows for each of the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ EisnerAmper LLP

We have served as the Company’s auditor since 2020.

EISNERAMPER LLP
New York, New York
March 27, 2025

**BOSTON OMAHA CORPORATION
and SUBSIDIARIES**

Consolidated Financial Statements

For the Years Ended December 31, 2024 and 2023

**BOSTON OMAHA CORPORATION
and SUBSIDIARIES**

Consolidated Balance Sheets

ASSETS

	December 31,	
	2024	2023
Current Assets:		
Cash and cash equivalents	\$ 28,289,712	\$ 21,946,884
Cash held by BOAM funds and other	2,933,723	3,364,789
Accounts receivable, net	12,433,587	12,141,244
Interest receivable	83,613	185,482
Short-term investments	44,953,337	24,753,469
Marketable equity securities	2,393,260	2,210,037
U. S. Treasury securities	10,976,969	47,112,659
Funds held as collateral assets	9,973,991	14,101,531
Prepaid expenses	5,409,209	5,571,454
Total Current Assets	117,447,401	131,387,549
Property and Equipment, net	161,593,673	144,266,763
Other Assets:		
Goodwill	182,380,136	182,380,136
Intangible assets, net	58,332,625	65,532,301
Investments	74,080,331	87,104,272
Investments in unconsolidated affiliates	72,435,867	94,244,788
Deferred policy acquisition costs	2,161,721	1,772,455
Right of use assets	59,742,166	61,399,460
Other	171,809	119,368
Total Other Assets	449,304,655	492,552,780
Total Assets	\$ 728,345,729	\$ 768,207,092

The accompanying notes are an integral part of the consolidated financial statements.

**BOSTON OMAHA CORPORATION
and SUBSIDIARIES**

Consolidated Balance Sheets (Continued)

LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS, AND STOCKHOLDERS' EQUITY

	December 31,	
	2024	2023
Current Liabilities:		
Accounts payable and accrued expenses	\$ 22,251,493	\$ 18,438,647
Short-term payables for business acquisitions	121,104	618,003
Lease liabilities	5,333,611	5,085,221
Funds held as collateral	9,973,991	14,101,531
Unearned premiums	12,985,868	9,699,544
Current maturities of long-term debt	1,201,448	814,667
Deferred revenue	3,044,009	2,628,139
Total Current Liabilities	54,911,524	51,385,752
Long-term Liabilities:		
Asset retirement obligations	4,013,457	3,794,985
Lease liabilities	54,994,879	56,438,308
Long-term debt, less current maturities	38,363,356	26,523,099
Other long-term liabilities	1,417,091	1,500,875
Deferred tax liability	11,925,969	12,111,812
Total Liabilities	165,626,276	151,754,831
Redeemable Noncontrolling Interests	-	15,638,013
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, 30,943,349 and 30,255,739 shares issued, respectively	30,943	30,256
Class B common stock, \$.001 par value, 1,161,116 shares authorized, 527,780 and 1,055,560 shares issued and outstanding, respectively	528	1,056
Additional paid-in capital	539,126,302	522,506,626
Treasury stock, at cost, 111,323 and 0 shares, respectively	(1,589,322)	-
(Accumulated deficit) Retained earnings	(4,748,942)	15,669,488
Total Boston Omaha Stockholders' Equity	532,819,509	538,207,426
Noncontrolling interests	29,899,944	62,606,822
Total Equity	562,719,453	600,814,248
Total Liabilities, Redeemable Noncontrolling Interests, and Equity	\$ 728,345,729	\$ 768,207,092

The accompanying notes are an integral part of the consolidated financial statements.

**BOSTON OMAHA CORPORATION
and SUBSIDIARIES**

Consolidated Statements of Operations

	For the Years Ended December 31,	
	2024	2023
Revenues:		
Billboard rentals, net	\$ 45,153,076	\$ 42,940,369
Broadband services	39,098,228	35,340,502
Premiums earned	19,759,540	13,932,659
Insurance commissions	1,962,692	1,884,007
Investment and other income	2,301,365	2,156,199
Total Revenues	108,274,901	96,253,736
Costs and Expenses:		
Cost of billboard revenues (exclusive of depreciation and amortization)	15,496,805	15,136,817
Cost of broadband revenues (exclusive of depreciation and amortization)	9,444,030	9,955,518
Cost of insurance revenues (exclusive of depreciation and amortization)	9,400,691	6,808,167
Employee costs	38,146,193	32,561,929
Professional fees	4,898,144	4,665,515
General and administrative	16,237,654	16,112,243
Amortization	7,683,952	7,409,939
Depreciation	14,495,747	12,155,096
Loss on disposition of assets	720,691	84,414
Accretion	218,472	216,501
Total Costs and Expenses	116,742,379	105,106,139
Net Loss from Operations	(8,467,478)	(8,852,403)
Other Income (Expense):		
Interest and dividend income	1,385,884	2,609,148
Equity in loss of unconsolidated affiliates	(17,283,281)	(7,888,765)
Other investment income	29,059,717	6,132,791
Interest expense	(1,598,248)	(1,147,234)
Net Income (Loss) Before Income Taxes	3,096,594	(9,146,463)
Income tax benefit	274,821	2,978,738
Net Income (Loss)	3,371,415	(6,167,725)
Noncontrolling interest in subsidiary income	(4,663,865)	(836,284)
Net Loss Attributable to Common Stockholders	\$ (1,292,450)	\$ (7,004,009)
Basic Net Loss per Share	\$ (0.04)	\$ (0.23)
Diluted Net Loss per Share	\$ (0.04)	\$ (0.23)
Basic Weighted Average Class A and Class B Common Shares Outstanding	31,496,857	31,092,850
Diluted Weighted Average Class A and Class B Common Shares Outstanding	31,496,857	31,092,850

The accompanying notes are an integral part of the consolidated financial statements.

interests, 24th Street Asset Management	-	-	-	-	-	-	(29,655,901)	-	(29,655,901)
Treasury stock purchased	-	-	-	-	-	(1,589,322)	-	-	(1,589,322)
Net income attributable to minority interests, December 31, 2024	-	-	-	-	-	-	4,599,100	-	4,599,100
Net (loss) attributable to common stockholders, December 31, 2024	-	-	-	-	-	-	-	(1,292,450)	(1,292,450)
Stockholders' equity 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

The accompanying notes are an integral part of the consolidated financial statements.

**BOSTON OMAHA CORPORATION
and SUBSIDIARIES**

Consolidated Statements of Cash Flows

	For the Years Ended December 31,	
	2024	2023
Cash Flows from Operating Activities:		
Net Income (Loss)	\$ 3,371,415	\$ (6,167,725)
Adjustments to reconcile net income (loss) to cash provided by (used in) operating activities:		
Amortization of right of use assets	5,493,263	5,488,927
Depreciation, amortization, and accretion	22,398,171	19,781,536
Income taxes	(290,427)	(3,077,908)
Loss on disposition of assets	720,691	84,414
Bad debt expense	318,520	252,957
Equity in loss of unconsolidated affiliates	17,283,281	7,888,765
Amortization of bond premium	(1,302,048)	-
Other investment income	(29,059,717)	(6,132,791)
Changes in operating assets and liabilities:		
Accounts receivable	(610,863)	(6,562,835)
Interest receivable	101,869	10,584
Prepaid expenses	162,245	(880,197)
Distributions from unconsolidated affiliates	-	271,355
Deferred policy acquisition costs	(389,266)	(517,135)
Other assets	(52,659)	(2,966)
Other liabilities, exclusive of debt	(83,785)	-
Accounts payable, accrued expenses and other current liabilities	3,917,430	7,635,508
Lease liabilities	(5,356,529)	(5,291,469)
Compensation paid in stock	917,795	640,370
Unearned premiums	3,286,324	2,540,818
Deferred revenue	415,870	96,917
Net Cash Provided by Operating Activities	21,241,580	16,059,125
Cash Flows from Investing Activities:		
Payments on short-term payables for business acquisitions	(496,899)	(4,038,855)
Business acquisitions, net of cash acquired	-	(10,916,955)
Investment in unconsolidated affiliates	(21,000)	(3,019,500)
Capital expenditures	(32,201,191)	(51,866,340)
Payment of contingent consideration	-	(248,272)
Proceeds from sales of investments	355,082,233	304,480,216
Purchase of investments	(294,263,327)	(298,642,985)
Net Cash Provided by (Used in) Investing Activities	28,099,816	(64,252,691)

The accompanying notes are an integral part of the consolidated financial statements.

**BOSTON OMAHA CORPORATION
and SUBSIDIARIES**

Consolidated Statements of Cash Flows (Continued)

	For the Years Ended December 31,	
	2024	2023
Cash Flows from Financing Activities:		
Proceeds from issuance of stock	-	37,526,663
Proceeds from credit facilities	13,500,000	-
Stock repurchased	(18,350,693)	-
Contributions from noncontrolling interests	206,082	5,550,175
Distributions to noncontrolling interests	(37,512,061)	(769,968)
Principal payments of long-term debt	(1,272,962)	(1,161,504)
Collateral release	(4,127,540)	(6,925,048)
Offering costs	-	(1,280,060)
Net Cash (Used in) Provided by Financing Activities	<u>(47,557,174)</u>	<u>32,940,258</u>
Net Increase (Decrease) in Cash, Cash Equivalents, and Restricted Cash	1,784,222	(15,253,308)
Cash, Cash Equivalents, and Restricted Cash, Beginning of Year	39,413,204	54,666,512
Cash, Cash Equivalents, and Restricted Cash, End of Year	<u>\$ 41,197,426</u>	<u>\$ 39,413,204</u>
Interest Paid in Cash	<u>\$ 1,527,915</u>	<u>\$ 1,130,539</u>
Income Taxes Paid in Cash	<u>\$ -</u>	<u>\$ 99,649</u>

The accompanying notes are an integral part of the consolidated financial statements.

**BOSTON OMAHA CORPORATION
and SUBSIDIARIES**

**Consolidated Statements of Cash Flows (Continued)
Supplemental Schedules of Non-cash Investing and Financing Activities**

	For the Years Ended December 31,	
	2024	2023
Payable as consideration for business acquisitions	\$ -	\$ 1,691,602
Stock issued as consideration for redeemable noncontrolling interest	13,399,161	-
Investment transferred as compensation for stock repurchased	1,474,292	-
Contributions from noncontrolling interests, 24th Street Asset Management	-	50,206,255
Stock issued as consideration for business acquisition	-	1,003,320

The accompanying notes are an integral part of the consolidated financial statements.

**BOSTON OMAHA CORPORATION
and SUBSIDIARIES**

Notes to Consolidated Financial Statements

For the Years Ended December 31, 2024 and 2023

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 2024, 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 2024, 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 Consolidated Financial Statements

For the Years Ended December 31, 2024 and 2023

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 significant 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 Consolidated Balance Sheets were approximately \$48,700,000 and \$96,500,000 as of December 31, 2024 and December 31, 2023, respectively. Total liabilities of the consolidated VIEs included within our Consolidated Balance Sheets were approximately \$27,000 and \$132,000 as of December 31, 2024 and December 31, 2023, respectively. As of December 31, 2024 and December 31, 2023, the aggregate fair value of the 24th Street Funds' and BFR's investments in special purpose entities was approximately \$46,900,000 and \$64,900,000, respectively. During 2024, the 24th Street Funds' and BFR's investments in special purpose entities recognized other investment income of approximately \$8,000,000 and distributions to the funds of approximately \$26,000,000. The assets of the consolidated VIEs may only be used to settle obligations of the same VIE.

Our consolidated subsidiaries 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
and SUBSIDIARIES**

Notes to Consolidated Financial Statements

For the Years Ended December 31, 2024 and 2023

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

For purposes of the statement of cash flows, we consider all highly liquid investments, with the exception of U.S. Treasury securities, purchased with an original maturity of three months or less to be cash equivalents.

Cash Held by BOAM Funds and Other

Cash held by BOAM Funds and other represents cash and cash equivalents held by consolidated BOAM Funds and other consolidated entities. Such amounts are not available to fund the general liquidity needs of Boston Omaha.

Accounts Receivable

Billboard Rentals

Accounts receivable are recorded at the invoiced amount, net of advertising agency commissions, sales discounts, and allowances for credit losses. We evaluate the collectability of accounts receivable based on our knowledge of our customers and historical experience of credit losses. In circumstances where we are aware of a specific customer's inability to meet its financial obligations, we record a specific allowance to reduce the amounts recorded to what we believe will be collected. For all other customers, we recognize reserves for credit losses based upon historical experience of credit losses as a percentage of revenue, adjusted for relative improvement or deterioration and changes in current economic conditions.

Insurance

Accounts receivable consists of premiums, anticipated salvage, and reinsurance receivables. All of the receivables have payment terms of less than twelve months.

Anticipated salvage is the amount we expect to receive from principals pursuant to indemnification agreements.

Broadband

Accounts receivable are recorded at the invoiced amount, net of allowances for credit losses. We evaluate the collectability of accounts receivable based on our knowledge of our customers and historical experience of credit losses. In circumstances where we are aware of a specific customer's inability to meet its financial obligations, we record a specific allowance to reduce the amounts recorded to what we believe will be collected.

Credit Losses

We estimate credit losses on financial instruments based on amounts expected to be collected. The allowance for credit losses is estimated based on historical collections, accounts receivable aging, economic indicators, and expected future trends.

**BOSTON OMAHA CORPORATION
and SUBSIDIARIES****Notes to Consolidated Financial Statements****For the Years Ended December 31, 2024 and 2023****NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****Deferred Policy Acquisition Costs**

Policy acquisition costs consist primarily of commissions to agents and brokers and premium taxes, fees, and assessments. Such costs that are directly related to the successful acquisition of new or renewal insurance contracts are deferred and amortized over the related policy period, generally one to three years. The recoverability of these costs is analyzed by management quarterly, and if determined to be impaired, is charged to expense. We do not consider anticipated investment income in determining whether a premium deficiency exists. All other acquisition expenses are charged to operations as incurred.

Property and Equipment

Property and equipment are carried at cost less depreciation. Depreciation is provided principally on the straight-line method over the estimated useful lives of the assets, which range from four years to twenty years as follows:

	<u>Years</u>
Structures	15
Digital displays and electrical	10
Static and tri-vision displays	10 to 15
Fiber, towers, and broadband equipment	5 to 20
Vehicles, equipment, and furniture	4 to 7

Maintenance and repair costs are charged against income as incurred. Significant improvements or betterments are capitalized and depreciated over the estimated life of the asset.

Periodic internal reviews are performed to evaluate the reasonableness of the depreciable lives for property and equipment. Actual usage, physical wear and tear, replacement history, and assumptions about technology evolution are reviewed and evaluated to determine the remaining useful lives of the assets. Remaining useful life assessments are made to anticipate the loss in service value that may precede physical retirement, as well as the level of maintenance required for the remaining useful life of the asset.

Property and equipment is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset or asset group before interest expense. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized in the amount by which the carrying amount of the asset exceeds the fair value of the asset or asset group. Assets to be disposed of would be separately presented in the balance sheet and reported at the lower of the carrying amount or fair value less costs to sell and would no longer be depreciated. The assets and liabilities of a disposed group classified as held for sale would be presented separately in the appropriate asset and liability sections of the balance sheet.

Acquisitions

For transactions that meet the definition of a business combination, we allocate the purchase price, including any contingent consideration, to the assets acquired and the liabilities assumed at their estimated fair values as of the date of the acquisition with any excess of the purchase price paid over the estimated fair value of net assets acquired recorded as goodwill. The determination of the final purchase price and the acquisition-date fair value of identifiable assets acquired and liabilities assumed may extend over more than one period and result in adjustments to the preliminary estimate recognized in the prior period financial statements. For transactions which meet the definition of asset purchases, we proportionally allocate the purchase price to the assets based on their relative fair values acquired and the liabilities assumed at their estimated fair values as of the date of the acquisition.

The fair value of the assets acquired and liabilities assumed is typically determined by using either estimates of replacement costs or discounted cash flow valuation methods. When determining the fair value of tangible assets acquired, we estimate the cost to replace the asset with a new asset, adjusted for an estimated reduction in fair value due to age of the asset, and the economic useful life. When determining the fair value of intangible assets acquired, we estimate the applicable discount rate and the timing and amount of future cash flows. Key assumptions utilized in estimating the future cash flows expected to be generated by each reporting unit primarily relate to forecasted revenues and premiums earned.

Goodwill

Goodwill represents future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognized. Goodwill is subject to an annual impairment test. We designated October 1 as the date of our annual goodwill impairment test. We are required to identify our reporting units and determine the carrying value of each reporting unit. We analyze financial information of our operations to identify discrete segments that constitute a reporting unit. We assign assets acquired and liabilities assumed in business combinations to those reporting units. We have

identified four reporting units: billboard operations, broadband operations, insurance brokerage and insurance carrier operations, and asset management operations. We are required to determine the fair value of each reporting unit and compare it to the carrying amount of the reporting unit. To the extent the carrying amount of a reporting unit exceeds the fair value of the reporting unit, we would be required to book an impairment loss. For our annual review of reporting units, we employ a third party valuation expert.

**BOSTON OMAHA CORPORATION
and SUBSIDIARIES****Notes to Consolidated Financial Statements****For the Years Ended December 31, 2024 and 2023****NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****Goodwill (Continued)**

We conduct a qualitative assessment by examining relevant events and circumstances which could have a negative impact on our goodwill, including macroeconomic conditions, industry and market conditions, cost factors, overall financial performance, reporting unit dispositions and acquisitions, our market capitalization, and other relevant events specific to us. If, after assessing the totality of events or circumstances described above, we determine that it is more likely than not that the fair value of a reporting unit is less than its carrying amount, we will perform a quantitative impairment test. If industry and economic conditions deteriorate, we may be required to assess goodwill impairment before the next annual test, which could result in impairment charges. The fair value of each of our goodwill reporting units is generally estimated using a combination of public company multiples and discounted cash flow methodologies. The discounted cash flow approach that we use for valuing goodwill as part of the impairment testing approach involves estimating future cash flows expected to be generated from the related assets, discounted to their present value using a risk-adjusted discount rate.

We performed our annual measurement for impairment of the goodwill of our reporting units and concluded the fair value of each reporting unit exceeded its carrying amount at its annual impairment test date on October 1, 2024 and 2023; therefore, we were not required to recognize an impairment loss.

During 2023, goodwill of approximately \$2,900,000 was recorded in connection with acquisitions in our broadband and asset management segments. We did not complete any acquisitions during 2024.

Purchased Intangibles and Other Long-Lived Assets

We amortize intangible assets with finite lives over their estimated useful lives, which range between five and fifty years as follows:

	Years
Customer relationships	10 to 15
Permits, licenses, and lease acquisition costs	10 to 50
Noncompetition and nonsolicitation agreements	5
Technology, trade names, and trademarks	10 to 20
Site location	15
Capitalized contract costs	10

Purchased intangible assets, including long-lived assets, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be fully recoverable. Factors considered in reviewing the asset values include consideration of the use of the asset, the expected life of the asset, and regulatory or contractual provisions related to such assets. Market participation assumptions are compared to our experience and the results of the comparison are evaluated. For finite-lived intangible assets, the period over which the assets are expected to contribute directly to future cash flows is evaluated against our historical experience. Impairment losses are recognized only if the carrying amount exceeds its fair value.

Asset Retirement Obligations

We are required to record the present value of obligations associated with the retirement of tangible long-lived assets in the period in which the obligation is incurred. The liability is capitalized as part of the long-lived asset's carrying amount. With the passage of time, accretion of the liability is recognized as an operating expense and the capitalized cost is depreciated over the expected useful life of the related asset. Our asset retirement obligations relate to the dismantlement, removal, site reclamation, and similar activities related to the decommissioning of our billboard structures and broadband towers.

**BOSTON OMAHA CORPORATION
and SUBSIDIARIES**

Notes to Consolidated Financial Statements

For the Years Ended December 31, 2024 and 2023

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments, Short-term and Long-term

Investments include U.S Treasury securities, marketable equity securities, and equity investments as discussed below. U.S. Treasury securities held by our insurance entities are classified as held-to-maturity and are accounted for at amortized cost. We have both the intent and ability to hold the securities to maturity. U.S. Treasury securities held by non-insurance entities are classified as trading securities and are accounted for at fair value. Unrealized holding gains and losses during the period are included in earnings. Marketable equity securities are stated at fair value. Dividend and interest income are recognized when earned. Realized investment gains and losses are included in earnings.

Equity Investments

Our equity investments consist of investment in three private companies in which we do not have the ability to exercise significant influence over their operating and financial activities. These investments are carried at cost as there is no market for the capital stock, accordingly, no quoted market price is available. The investments are tested for impairment, at least annually, and more frequently upon the occurrences of certain events. We have adopted the provisions of ASU 2016-01 and use the measurement alternative, defined as cost, less any impairment, plus or minus changes resulting from observable price changes in orderly transactions for identical or similar investments of the same issuer.

Investments in Unconsolidated Entities

We account for investments where we have significant influence but do not have a controlling interest, typically ownership of less than 50% and more than 20%, using the equity method of accounting. In accordance with ASC 323-30, we account for investments in limited partnerships and limited liability companies using the equity method of accounting when our investment is more than minimal (greater than 3% to 5%). Our share of income (loss) of such entities is recorded as a single amount as equity in income (loss) of unconsolidated affiliates. Dividends, if any, are recorded as a reduction of the investment.

We monitor our equity method investments for factors indicating other-than-temporary impairment. We consider several factors when evaluating our investments, including, but not limited to, (i) the period of time for which the fair value has been less than the carrying value, (ii) operating and financial performance of the investee, (iii) the investee's future business plans and projections, (iv) discussions with their management, and (v) our ability and intent to hold the investment until it recovers in value.

Retention of Specialized Accounting

Each of the 24th Street Funds, and Fund One Boston Omaha Build for Rent LP qualify as investment companies and apply specialized industry accounting. We report fund investments on our 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 Consolidated Statements of Operations. Accordingly, the accompanying consolidated financial statements reflect different accounting policies for investments depending on whether or not they are held through a consolidated investment company.

Funds Held as Collateral Assets

Funds held as collateral assets consist principally of cash collateral received from principals to guarantee performance on surety bonds issued by us, as well as all other contractual obligations of the principals to the surety.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

The more significant areas requiring the use of management estimates relate to allocation of asset acquisition price between tangible and intangible assets, useful lives for depreciation, amortization, and accretion, impairment of goodwill, valuation of insurance loss reserves, and the valuation of deferred tax assets and liabilities. Accordingly, actual results could differ from those estimates.

Fair Value Measurements

We determine the fair value of our financial instruments using the fair value hierarchy, which requires us to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

Subsequent Events

We have performed an evaluation of subsequent events through the date on which the financial statements are issued.

**BOSTON OMAHA CORPORATION
and SUBSIDIARIES**

Notes to Consolidated Financial Statements

For the Years Ended December 31, 2024 and 2023

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 840, *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.

**BOSTON OMAHA CORPORATION
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Notes to Consolidated Financial Statements

For the Years Ended December 31, 2024 and 2023

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition (Continued)

Surety Bond Sales

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 approximately \$4,300,000 and \$3,300,000 for the years ended December 31, 2024 and 2023, respectively, are included within "Premiums earned" in our 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.

Right of Use Assets and Lease Liabilities

Right of use, which we refer to as "ROU," assets and lease liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. The present value of lease payments is determined primarily using the incremental borrowing rate based on the information available at the lease commencement date. We have elected not to recognize ROU assets and lease liabilities for short-term leases for all classes of underlying assets. Short-term leases are leases with terms greater than 1 month, but less than 12 months.

Redeemable Noncontrolling Interest

Redeemable noncontrolling interests are interests in subsidiaries that are redeemable outside of our control either for cash or other assets. These interests are classified as mezzanine equity and measured at the estimated redemption value at the end of each reporting period. The resulting increases or decreases in the estimated redemption amount are effected by corresponding charges against retained earnings, or in the absence of retained earnings, additional paid-in capital. Redeemable Noncontrolling Interests recorded within our Consolidated Balance Sheets relate to our Broadband subsidiaries (see Note 17).

Losses and Loss Adjustment Expenses

Unpaid losses and loss adjustment expenses represent estimates for the ultimate cost of unpaid reported and unreported claims incurred and related expenses. We involve an independent, third-party actuary to assist us in the estimation of reserves for losses and loss adjustment expenses. Estimates are based on paid and incurred loss development factors and expected loss ratios, which are primarily driven by historical claims paid and incurred data and consideration of the level of premiums written during the current and prior year. Since the reserves are based on estimates, the ultimate liability may differ from the estimated reserve. The effects of changes in estimated reserves are included within cost of insurance revenues in our consolidated results of operations in the period in which the estimates are updated. The reserves are included within accounts payable and accrued expenses in our Consolidated Balance Sheets.

Segment Information

Operating segments are defined as the components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision makers in deciding how to allocate resources and in assessing performance. Our chief operating decision makers direct the allocation of resources to operating segments based on the profitability, cash flows, and growth opportunities of each respective segment.

Our current operations for the years ended December 31, 2024 and 2023 include the outdoor advertising industry, the broadband services industry, the insurance industry, and the asset management industry.

**BOSTON OMAHA CORPORATION
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Notes to Consolidated Financial Statements

For the Years Ended December 31, 2024 and 2023

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Earnings Per Share

Basic income (loss) per common share is computed by dividing the net income (loss) available to Class A common stockholders and Class B common stockholders by the weighted average number of Class A common and Class B common shares outstanding during the year. Diluted earnings per share reflect the potential dilution of securities that could share in earnings of an entity. In a loss year, dilutive common equivalent shares are excluded from the loss per share calculation as the effect would be anti-dilutive. For the years ended December 31, 2024 and 2023, we had potentially dilutive securities in the form of stock warrants.

Income Taxes

We account for income taxes in accordance with ASC Topic 740 which requires us to provide a net deferred tax asset or liability equal to the expected future tax benefit or expense of temporary reporting differences between book and tax accounting and any available operating loss or tax credit carry forwards. Income taxes are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due plus deferred taxes related primarily to differences between the bases of certain assets and liabilities for financial and income tax reporting. Deferred tax assets and liabilities represent the future tax return consequences of those differences, which will either be taxable or deductible when the assets and liabilities are recovered or settled. Deferred taxes also are recognized for operating losses that are available to offset future federal income taxes. Valuation allowances are established when necessary to reduce deferred tax assets to amounts expected to be realized.

Our policy is to recognize interest accrued related to unrecognized tax benefits in interest expense and penalties in operating expenses. During the years ended December 31, 2024 and 2023, we recognized no interest and penalties. As of December 31, 2024 and 2023, we had no accruals for interest and penalties.

Recent Accounting Pronouncement

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 15).

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 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 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 consolidated financial statements.

**BOSTON OMAHA CORPORATION
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Notes to Consolidated Financial Statements

For the Years Ended December 31, 2024 and 2023

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 Consolidated Statements of Cash Flows that agrees to the total of those amounts as presented in the Consolidated Statements of Cash Flows.

	December 31,	
	2024	2023
Cash and cash equivalents	\$ 28,289,712	\$ 21,946,884
Funds held as collateral	9,973,991	14,101,531
Cash held by BOAM funds and other	2,933,723	3,364,789
Total Cash, Cash Equivalents, and Restricted Cash as Presented in the Consolidated Statements of Cash Flows	<u>\$ 41,197,426</u>	<u>\$ 39,413,204</u>

NOTE 4. ACCOUNTS RECEIVABLE

Accounts receivable consist of the following:

	December 31,	
	2024	2023
Trade accounts	\$ 6,696,413	\$ 6,117,359
Premiums	3,778,050	2,911,119
Recoverables from reinsurers	2,166,939	3,283,071
Allowance for doubtful accounts	(207,815)	(170,305)
Total Accounts Receivable, net	<u>\$ 12,433,587</u>	<u>\$ 12,141,244</u>

NOTE 5. PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	December 31,	
	2024	2023
Structures and displays	\$ 67,161,287	\$ 65,736,121
Fiber, towers, and broadband equipment	126,808,205	97,974,753
Land	583,892	583,892
Vehicles and equipment	11,255,755	10,699,920
Office furniture and equipment	5,594,698	5,384,720
Accumulated depreciation	(49,810,164)	(36,112,643)
Total Property and Equipment, net	<u>\$ 161,593,673</u>	<u>\$ 144,266,763</u>

Depreciation expense for the years ended December 31, 2024 and 2023 was \$14,495,747, and \$12,155,096, respectively.

**BOSTON OMAHA CORPORATION
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Notes to Consolidated Financial Statements

For the Years Ended December 31, 2024 and 2023

NOTE 6. BUSINESS ACQUISITIONS

2024 Acquisitions

We did not complete any acquisitions during fiscal 2024.

2023 Acquisitions

During the year ended December 31, 2023, we completed the acquisition of two broadband service providers and their related assets and an asset management business. These acquisitions were accounted for as business combinations under the provisions of ASC 805. A summary of the acquisitions is provided below.

24th Street Asset Management

On May 1, 2023, Boston Omaha Asset Management, LLC, our wholly owned subsidiary, acquired 100% of the membership interests in 24th Street Asset Management LLC, from the members of 24th Street 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 paid at closing, an additional \$1,254,102 in cash subject to holdback, and 45,644 shares of BOC Class A common stock. Our purchase price allocation related to 24th Street Asset Management includes carried interest and goodwill of \$9,110,478 and \$536,626, respectively.

Broadband Acquisitions

On June 16, 2023, our subsidiary, FIF St. George, acquired from Pro Communication and Construction Services, LLC, which we refer to as “ProComm,” broadband construction equipment and related assets for a purchase price of \$2,881,000 paid in cash. The acquisition was completed for the purpose of expanding our broadband presence in the Western United States. Our final purchase price allocation related to ProComm includes property, plant and equipment, intangibles, and goodwill of \$844,500, \$1,046,000 and \$990,500, respectively. The intangible assets primarily include customer relationships which have a useful life of fifteen years.

On October 24, 2023, our subsidiary, FIF St. George, acquired from Cable Systems, LLC, which we refer to as “Cable Systems”, substantially all of the business assets and related assets for a purchase price of \$4,375,000. The consideration consisted of \$3,937,500 in cash paid at closing, and an additional \$437,500 in cash subject to holdback. The acquisition was completed for the purpose of expanding our broadband presence in the Western United States. Our final purchase price allocation related to Cable Systems includes property, plant and equipment, intangibles, and goodwill of \$1,664,240, \$1,797,000 and \$913,760, respectively. The intangible assets include customer relationships which have a useful life of fifteen years.

**BOSTON OMAHA CORPORATION
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Notes to Consolidated Financial Statements

For the Years Ended December 31, 2024 and 2023

NOTE 6. BUSINESS ACQUISITIONS (Continued)

Pro Forma Information

The following is the unaudited pro forma information assuming all business acquisitions occurred on January 1, 2023. For all the business acquisitions, depreciation and amortization have been included in the calculation of the pro forma information provided below, based upon the actual or preliminary acquisition costs. Depreciation is computed on the straight-line method over the estimated remaining economic lives of the assets, ranging from five years to forty years. Amortization is computed on the straight-line method over the estimated useful lives of the assets ranging from five to fifty years.

	For the Year Ended December 31,	
	2024	2023
Revenue	\$ 108,274,901	\$ 97,693,127
Net Loss Attributable to Common Stockholders	\$ (1,292,450)	\$ (6,371,174)
Basic Net Loss per Share	\$ (0.04)	\$ (0.20)
Basic Weighted Average Class A and Class B Common Shares Outstanding	31,496,857	31,092,850
Diluted Net Loss per Share	\$ (0.04)	\$ (0.20)
Diluted Weighted Average Class A and Class B Common Shares Outstanding	31,496,857	31,092,850

The information included in the pro forma amounts is derived from historical information obtained from the sellers of the businesses.

**BOSTON OMAHA CORPORATION
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Notes to Consolidated Financial Statements

For the Years Ended December 31, 2024 and 2023

NOTE 7. INTANGIBLE ASSETS

Intangible assets consist of the following:

	December 31, 2024			December 31, 2023		
	Cost	Accumulated Amortization	Balance	Cost	Accumulated Amortization	Balance
Customer relationships	\$ 72,028,493	\$ (38,854,986)	\$ 33,173,507	\$ 72,028,493	\$ (33,426,898)	\$ 38,601,595
Permits, licenses, and lease acquisition costs	11,926,773	(6,656,353)	5,270,420	11,793,354	(5,562,205)	6,231,149
Site location	849,347	(419,955)	429,392	849,347	(363,332)	486,015
Noncompetition agreements	626,000	(626,000)	-	626,000	(624,600)	1,400
Technology	1,128,000	(608,250)	519,750	1,128,000	(509,250)	618,750
Trade names and trademarks	11,152,200	(2,271,025)	8,881,175	11,152,200	(1,680,459)	9,471,741
Nonsolicitation agreement	353,000	(176,611)	176,389	103,000	(40,500)	62,500
Capitalized contract costs	2,800,576	(624,175)	2,176,401	2,974,125	(387,990)	2,586,135
Indefinite lived intangibles	7,705,591	-	7,705,591	7,473,016	-	7,473,016
Total	\$ 108,569,980	\$ (50,237,355)	\$ 58,332,625	\$ 108,127,535	\$ (42,595,234)	\$ 65,532,301

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

	December 31,						Total
	2025	2026	2027	2028	2029	Thereafter	
Customer relationships	\$ 5,428,084	\$ 5,428,084	\$ 5,398,077	\$ 4,719,106	\$ 3,364,583	\$ 8,835,573	\$33,173,507
Permits, licenses and lease acquisition costs	1,087,249	1,060,760	1,027,373	764,887	255,686	1,074,465	5,270,420
Site location	56,623	56,623	56,623	56,623	56,623	146,277	429,392
Noncompetition agreements	-	-	-	-	-	-	-
Technology	99,000	99,000	99,000	99,000	99,000	24,750	519,750
Trade names and trademarks	590,567	590,567	525,667	525,667	525,667	6,123,040	8,881,175
Nonsolicitation agreement	163,889	12,500	-	-	-	-	176,389
Capitalized contract costs	280,058	280,058	280,058	280,058	280,058	776,111	2,176,401
Total	\$ 7,705,470	\$ 7,527,592	\$ 7,386,798	\$ 6,445,341	\$ 4,581,617	\$ 16,980,216	\$ 50,627,034

Amortization expense for the years ended December 31, 2024 and 2023 was \$7,683,952 and \$7,409,939, respectively.

Future Amortization

The weighted average amortization period, in months, for intangible assets is as follows:

Customer relationships	73
Permits, licenses, and lease acquisition costs	58
Site location	91
Noncompetition agreements	12
Technology	63
Trade names and trademarks	180
Nonsolicitation agreement	18
Capitalized contract costs	93

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Notes to Consolidated Financial Statements

For the Years Ended December 31, 2024 and 2023

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.

	December 31,	
	2024	2023
U.S. Treasury notes held to maturity	\$ 22,411,583	\$ 19,195,228
Common stock warrants of Sky Harbour Group Corporation	22,541,754	5,558,241
Total	<u>\$ 44,953,337</u>	<u>\$ 24,753,469</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 December 31, 2024 and 2023 are as follows:

	Cost	Gross Unrealized Gain (Loss)	Fair Value
Marketable equity securities, December 31, 2024	\$ 2,455,024	\$ (61,764)	\$ 2,393,260
Marketable equity securities, December 31, 2023	\$ 2,279,723	\$ (69,686)	\$ 2,210,037

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 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 December 31, 2024 and 2023 are as follows:

	Cost	Gross Unrealized Gain (Loss)	Fair Value
U.S. Treasury trading securities, December 31, 2024	\$ 10,949,883	\$ 27,086	\$ 10,976,969
U.S. Treasury trading securities, December 31, 2023	\$ 47,162,564	\$ (49,905)	\$ 47,112,659

**BOSTON OMAHA CORPORATION
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Notes to Consolidated Financial Statements

For the Years Ended December 31, 2024 and 2023

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

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 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.

As a result of the transaction, we began consolidating 24th Street and the 24th Street Funds, for which 24th Street serves as general partner. Also, in connection with the acquisition, we recognized a non-cash gain of approximately \$4,600,000 related to the remeasurement of our previously-held interest in 24th Street Asset Management. The gain is included within ‘Equity in loss of unconsolidated affiliates’ in our Consolidated Statements of Operations.

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 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.

	December 31,	
	2024	2023
U.S. Treasury securities held to maturity	\$ 4,736,409	\$ -
Investments in special purpose entities	46,936,743	64,697,093
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	\$ 74,080,331	\$ 87,104,272

We reviewed our investments as of December 31, 2024 and 2023 and concluded that no impairment to the carrying value was required.

**BOSTON OMAHA CORPORATION
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Notes to Consolidated Financial Statements

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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.

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Notes to Consolidated Financial Statements

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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 change 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. Additionally, 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. If our 16.4% equity interest in Sky Harbour, comprised of 12,401,589 shares of 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.

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

	December 31,	
	2024	2023
Beginning of year	\$ 94,244,788	\$ 118,218,389
Additional investments in unconsolidated affiliates	21,000	19,500
Distributions received	-	(271,355)
Transfer of interest	(2,748,292)	-
Sale of interest	(1,798,348)	-
Reclassification to consolidated subsidiaries	-	(15,832,981)
Equity in loss of unconsolidated affiliates	(17,283,281)	(7,888,765)
End of year	<u>\$ 72,435,867</u>	<u>\$ 94,244,788</u>

Combined summarized financial data for these affiliates is as follows:

	December 31,	
	2024	2023
Revenue	\$ 19,281,724	\$ 14,925,054
Gross profit	16,006,913	11,232,952
Loss from continuing operations	(20,534,728)	(17,414,314)
Net loss	<u>\$ (53,800,324)</u>	<u>\$ (22,349,383)</u>

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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 December 31, 2024 and 2023, 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, if any, 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 facility is estimated using quoted prices for similar debt (level 2 in the fair value hierarchy). At December 31, 2024, the estimated fair value of our billboard term loan borrowings included within long-term debt was \$24,500,000, which is 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 for the years ended December 31, 2024 and 2023, resulted in gains of approximately \$17,000,000 and \$4,000,000, respectively, which are included within Other investment income within our Consolidated Statements of Operations.

Fund I, Fund II and BFR Special Purpose Entities

We report fund investments on our 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 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 of 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 December 31, 2024, the aggregate fair value of the 24th Street Funds' and BFR's investments in special purpose entities was approximately \$46,900,000.

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Notes to Consolidated Financial Statements

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NOTE 9. FAIR VALUE (Continued)

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 16.4% equity interest in Sky Harbour, comprised of 12,401,589 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 December 31, 2024 it would be valued at approximately \$148,000,000.

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 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 December 31, 2024	\$ 13,370,229	\$ 13,370,229	\$ 1,063,730	\$ 1,029,051
Marketable equity securities and U.S. Treasury trading securities at December 31, 2023	\$ 49,322,696	\$ 49,322,696	\$ 740,892	\$ 4,411,489

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Notes to Consolidated Financial Statements

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NOTE 10. INCOME TAXES

We are subject to taxation in all jurisdictions in which we operate that impose an income tax on our business activities.

The components of the income tax expense for the years ended December 31, and the tax effects of temporary differences that give rise to deferred taxes at December 31, are as follows:

	December 31,	
	2024	2023
Income tax (benefit) provision:		
Current federal income tax expense	\$ -	\$ -
Current state income tax expense	2,992	166,223
Deferred federal income tax benefit	272,435	(2,138,204)
Deferred state income tax benefit	(550,248)	(1,006,757)
Total income tax benefit	\$ (274,821)	\$ (2,978,738)
Deferred tax assets:		
Net operating loss carryforwards	\$ 21,943,518	\$ 18,672,782
Tax credits	643,945	643,945
Lease liabilities	13,228,639	14,555,615
Premium adjustments and IBNR	440,447	580,373
Long-term investments	4,768,942	-
Disallowed interest expense carryforwards	78,388	1,204
Other	103,687	70,452
Total deferred tax assets	41,207,566	34,524,371
Valuation allowance	(862,510)	(846,633)
Net deferred tax assets	\$ 40,345,056	\$ 33,677,738
Deferred tax liabilities:		
Property and equipment	\$ (22,263,046)	\$ (19,504,745)
Intangibles	(11,510,781)	(8,269,752)
Right of use assets	(13,224,225)	(14,684,988)
Long-term investments	-	(2,570,253)
Unrealized gain on securities	(5,272,973)	(759,812)
Total deferred tax liabilities	(52,271,025)	(45,789,550)
Net deferred tax liabilities	\$ (11,925,969)	\$ (12,111,812)

The realization of deferred tax assets, including net operating loss carryforwards, is dependent on the generation of future taxable income sufficient to realize the tax deductions, carryforwards and credits. Valuation allowances on deferred tax assets are recognized if it is determined that it is more likely than not that the asset will not be realized. As of December 31, 2024, the Company has only recorded a valuation allowance against certain state net operating loss deferred tax assets that it has determined to be more-likely-than-not not realizable.

**BOSTON OMAHA CORPORATION
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Notes to Consolidated Financial Statements

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NOTE 10. INCOME TAXES (Continued)

As of December 31, 2024, we have available federal tax operating loss carry forwards of approximately \$91.1 million. Of the \$91.1 million, \$7.1 million arose in tax years beginning before December 31, 2017 and may be carried forward 20 years. The remaining tax net operating losses were generated in years beginning after December 31, 2017. Tax net operating loss carry forwards generated in years beginning after December 31, 2017 may be carried forward indefinitely but are only available to offset 80% of future taxable income. We have available state tax operating loss carry forwards of approximately \$61.6 million, which are available to reduce future state taxable income and expire at various times and amounts.

Pursuant to Section 382 of the Internal Revenue Code of 1986, as amended, annual use of our net operating losses may be limited if it is determined that an ownership shift has occurred. An ownership shift is generally defined as a cumulative change in equity ownership by “5% shareholders” that exceeds 50 percentage points over a rolling three-year period. We have determined that through December 31, 2024, two ownership shifts occurred; however, we do not anticipate that these shifts would result in any permanent limitation on our ability to utilize our net operating loss and credit carryforward amounts.

The reconciliation of our total income tax expense (benefit) at the federal statutory income tax rate and our actual effective income tax rate is as follows:

	For the Year Ended December 31,	
	2024	2023
Federal income tax at statutory rate	\$ 644,659	\$ (1,941,583)
State tax income taxes, net of federal benefit	(138,994)	(1,118,721)
Non-controlling interest	(1,126,491)	(213,753)
Provision to return adjustments	(1,092,238)	129,405
Limitation on deduction for officer compensation	539,138	-
Permanent differences	60,886	137,649
State rate change	719,612	-
Valuation allowance	15,877	14,510
Other	102,730	13,755
Total income tax benefit	<u>\$ (274,821)</u>	<u>\$ (2,978,738)</u>

Uncertain Tax Positions

We believe that there are no tax positions taken or expected to be taken that would significantly increase or decrease unrecognized tax benefits within 12 months of the reporting date.

As of December 31, 2024 we do not have any open or ongoing exams by any taxing authorities. The federal and state statutes of limitation for assessment of tax liability generally lapse three and four years, respectively, after the date the tax returns are filed. However, income tax attributes that are carried forward, such as net operating loss carryforwards, may be challenged and adjusted by taxing authorities at any time prior to the expiration of the statute of limitations for the tax year in which they are utilized.

NOTE 11. 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, January 1, 2023	\$ 3,569,580
Additions	8,904
Accretion expense	216,501
Liabilities settled	-
Balance, December 31, 2023	<u>\$ 3,794,985</u>
Additions	-
Accretion expense	218,472
Liabilities settled	-
Balance, December 31, 2024	<u>\$ 4,013,457</u>

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NOTE 12. CAPITAL STOCK

On April 25, 2022, we filed a new 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 have 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 December 31, 2024, certain of our stockholders still hold 8,555,957 registered shares of our Class A common stock. We may, from time to time, in one or more offerings, 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 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.

On December 8, 2022, we entered into an “at the market” equity offering program (the “ATM Program”) pursuant to a Sales Agreement (the “Sales Agreement”) by and between us and Wells Fargo Securities, LLC (“WFS”). This ATM Program is consistent with our historical practice of having available to management the option to issue stock from time to time in order to continue to fund the growth of our fiber-to-the-home broadband business, acquire additional billboards, and make other such investments in assets as needed to seek to grow intrinsic value per share. Our general preference is always to have options available to us from a capital allocation perspective which includes, but is not limited to, having a regularly filed ATM program. Pursuant to the terms of the Sales Agreement, we may sell, from time to time, shares of our Class A common stock, with an aggregate sales price of up to \$100,000,000 through WFS, in transactions that are deemed to be “at the market” offerings as defined in Rule 415 of the Securities Act of 1933, as amended (the “Securities Act”).

Upon delivery of a placement notice (a “Placement Notice”) and upon the terms and subject to the conditions of the Sales Agreement, WFS will use reasonable efforts consistent with its normal trading and sales practices, applicable laws and the rules of the New York Stock Exchange (“NYSE”) to sell the shares of Class A common stock from time to time based upon our instructions for the sales, including price, time, or size limits specified, and otherwise in accordance with, the terms of such Placement Notice. Pursuant to the Sales Agreement, WFS may sell shares of Class A common stock by any method permitted by law deemed to be an “at the market” offering as defined in Rule 415 of the Securities Act, including without limitation sales made through the NYSE or on any other existing trading market for the Class A common stock. Notwithstanding the foregoing, WFS may not purchase shares of Class A common stock for its own account as principal unless expressly authorized to do so by the Company.

We intend to use the net proceeds, if any, from any future offering under the ATM Program, after deducting WFS’ commissions and our offering expenses, for general corporate purposes, which may include financing our existing businesses and operations, and expanding our businesses and operations through additional acquisitions and minority investments, and additional hires. Such expansion may include future billboard acquisitions, broadband acquisitions, acquisitions of surety insurance companies and other growth of the Company’s insurance activities, additional investments in real estate management and other real estate service businesses, additional investments in subprime automobile lending, and acquisitions of other businesses. We have not determined the amount of net proceeds to be used for any specific purpose, and management will retain broad discretion over the allocation of net proceeds. While the Company has no current agreements, commitments or understandings for any specific acquisitions at this time, it may use a portion of the net proceeds for these purposes.

From January 1, 2023 through December 31, 2023, we sold 1,532,065 shares of our Class A common stock under the ATM Program for gross proceeds of \$37,526,663. For sales of Class A common stock by WFS, we paid WFS a commission at a rate of 3% of the gross sales price per share. In addition, we have agreed to pay certain expenses incurred by WFS in connection with the offering. We did not sell any shares of our Class A common stock under the ATM program during fiscal 2024. We have no obligation to sell any shares under the Sales Agreement and may at any time suspend the offering of the ATM Program under the Sales Agreement. The Sales Agreement contains customary representations and warranties of the parties and indemnification and contribution provisions under which we and WFS have agreed to indemnify each other against certain liabilities, including liabilities under the Securities Act. The ATM Program pursuant to the Sales Agreement will automatically terminate upon the issuance and sale of all the shares through WFS in an aggregate amount of \$100,000,000. We also have the right to terminate the ATM Program with WFS upon notice to WFS without penalty.

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NOTE 12. 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. During 2024, we repurchased 111,323 shares of our Class A common stock for a total cost of \$1,589,322.

At December 31, 2024, there were 52,778 outstanding warrants for our Class B common stock and 784 outstanding warrants for our Class A common stock. Each share of Class B common stock is identical to the 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 is 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.

A summary of warrant activity for the years ended December 31, 2024 and 2023, 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 January 1, 2023	105,556	\$ 9.95	2.5	\$ 1,746,952
Issued	-			
Exercised	-			
Expired	-			
Outstanding as of December 31, 2023	<u>105,556</u>	\$ 9.95	1.5	<u>\$ 610,114</u>
Issued	-			
Exercised	-			
Redeemed	(51,994)			
Expired	-			
Outstanding as of December 31, 2024	<u>53,562</u>	\$ 9.95	0.5	<u>\$ 226,567</u>

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Notes to Consolidated Financial Statements

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NOTE 12. CAPITAL STOCK (Continued)

Separation Agreement with Alex Rozek

On May 9, 2024, the Company, Alex B. 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 its direct and indirect subsidiaries. Mr. Rozek continues to serve 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 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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NOTE 13. 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 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 \$18,000,000 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 an 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 December 31, 2024, 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 Consolidated Balance Sheets as of December 31, 2024 and 2023 consists of Term Loan borrowings of approximately \$26,500,000 and \$27,300,000, respectively, of which approximately \$900,000 and \$800,000 are classified as current, respectively. As of December 31, 2024, there was \$9,600,000 outstanding related to the revolving line of credit, which is included within long-term debt in our Consolidated Balance Sheets. There were no amounts outstanding related to the revolving line of credit as of December 31, 2023.

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 1.0, and a minimum consolidated fixed charge coverage ratio of not less than 1.15 to 1.00 measured quarterly, based on a rolling four quarters. The Company was in compliance with these covenants as of December 31, 2024.

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.

The aggregate minimum principal payments required on long-term debt as of December 31, 2024 were as follows: \$851,444 in 2025, \$886,624 in 2026, \$923,257 in 2027, \$23,861,813 in 2028.

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NOTE 13. 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 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 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 their assets to the Lender. The Company was in compliance with these covenants as of December 31, 2024.

As of December 31, 2024, there was approximately \$3,400,000 outstanding under the BOB Credit Agreement. The aggregate minimum principal payments required on long-term debt as of December 31, 2024 were as follows: \$350,000 in 2025, \$350,000 in 2026, \$350,000 in 2027, \$350,000 in 2028, and \$2,041,666 in 2029.

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NOTE 14. 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 for the years ended December 31, 2024 and 2023 is as follows:

	Year Ended Ended December 31, 2024	Year Ended Ended December 31, 2023	Statement of Operations Classification
Lease cost	\$ 8,644,098	\$ 8,615,322	Cost of billboard revenues and general and administrative
Variable and short-term lease cost	2,854,938	2,429,724	Cost of billboard revenues and general and administrative
Total Lease Cost	<u>\$ 11,499,036</u>	<u>\$ 11,045,046</u>	

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

	Year Ended Ended December 31, 2024	Year Ended Ended December 31, 2023
Cash payments for operating leases	\$ 8,402,005	\$ 8,312,237
New operating lease assets obtained in exchange for operating lease liabilities	\$ 3,911,148	\$ 1,843,316

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NOTE 14. LEASES (Continued)

Operating Lease Assets and Liabilities

	<u>December 31, 2024</u>	<u>December 31, 2023</u>	<u>Balance Sheet Classification</u>
Lease assets	\$ 59,742,166	\$ 61,399,460	Other Assets: Right of use assets
Current lease liabilities	\$ 5,333,611	\$ 5,085,221	Current Liabilities: Lease liabilities
Noncurrent lease liabilities	54,994,879	56,438,308	Long-term Liabilities: Lease liabilities
Total Lease Liabilities	<u>\$ 60,328,490</u>	<u>\$ 61,523,529</u>	

Maturity of Operating Lease Liabilities

	<u>December 31, 2024</u>
2025	\$ 8,302,957
2026	7,864,961
2027	7,550,960
2028	7,175,906
2029	6,336,586
Thereafter	53,849,888
Total lease payments	91,081,258
Less imputed interest	<u>(30,752,768)</u>
Present Value of Lease Liabilities	<u>\$ 60,328,490</u>

As of December 31, 2024 our operating leases have a weighted-average remaining lease term of 16.04 years and a weighted-average discount rate of 5.1%.

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NOTE 15. 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".

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, 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 in others.

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NOTE 15. INDUSTRY SEGMENTS (Continued)

The table below presents information about reported segments for the years ending December 31:

Year Ended December 31, 2024	GIG	LMH	BOB	BOAM	Unallocated	Total Consolidated
Operating Revenues	\$ 23,851,450	\$ 45,153,076	\$ 39,098,228	\$ 172,147	\$ -	\$ 108,274,901
Cost of Revenues	9,400,691	15,496,805	9,444,030	-	-	34,341,526
Gross Margin	14,450,759	29,656,271	29,654,198	172,147	-	73,933,375
Other Operating Expenses						
Employee costs	8,499,669	7,812,497	15,541,832	766,064	5,526,131	38,146,193
Professional fees	487,447	223,165	850,528	754,253	2,582,751	4,898,144
General and administrative	2,647,495	4,033,121	7,418,184	562,824	1,576,030	16,237,654
Depreciation	154,897	5,151,286	9,078,651	-	110,913	14,495,747
Amortization	160,247	3,902,738	3,509,856	-	111,111	7,683,952
Accretion	-	204,659	13,813	-	-	218,472
Loss on disposition of assets	-	63,455	657,236	-	-	720,691
Total expenses	11,949,755	21,390,921	37,070,100	2,083,141	9,906,936	82,400,853
Segment Income (Loss) from Operations	2,501,004	8,265,350	(7,415,902)	(1,910,994)	(9,906,936)	(8,467,478)
Interest expense	-	(1,547,124)	(51,124)	-	-	(1,598,248)
Interest and dividend income	-	136,908	19,105	536,524	693,347	1,385,884
Equity in loss of unconsolidated affiliates	-	-	-	-	(17,283,281)	(17,283,281)
Other investment income	218,015	-	-	7,815,912	21,025,790	29,059,717
Noncontrolling interest in subsidiary income	-	-	-	(4,599,100)	(64,765)	(4,663,865)
Income tax benefit	-	-	-	-	274,821	274,821
Net Income (Loss) Attributable to Common Stockholders	<u>\$ 2,719,019</u>	<u>\$ 6,855,134</u>	<u>\$ (7,447,921)</u>	<u>\$ 1,842,342</u>	<u>\$ (5,261,024)</u>	<u>\$ (1,292,450)</u>
Segment adjusted EBITDA	\$ 2,816,148	\$ 17,587,488	\$ 5,843,654	\$ (1,910,994)	\$ (9,684,912)	\$ 14,651,384
Capital expenditures	\$ 28,951	\$ 2,462,001	\$ 29,460,239	\$ -	\$ 250,000	\$ 32,201,191
Year Ended December 31, 2023	GIG	LMH	BOB	BOAM	Unallocated	Total Consolidated
Operating Revenues	\$ 17,705,891	\$ 42,940,369	\$ 35,340,502	\$ 266,974	\$ -	\$ 96,253,736
Cost of Revenues	6,808,167	15,136,817	9,955,518	-	-	31,900,502
Gross Margin	10,897,724	27,803,552	25,384,984	266,974	-	64,353,234
Other Operating Expenses						
Employee costs	6,500,480	7,072,960	14,527,407	1,574,332	2,886,750	32,561,929
Professional fees	596,245	804,203	823,969	321,363	2,119,735	4,665,515
General and administrative	1,970,121	3,902,279	7,093,277	753,320	2,393,246	16,112,243
Depreciation	152,388	5,075,358	6,816,929	-	110,421	12,155,096
Amortization	160,246	3,933,290	3,316,403	-	-	7,409,939
Accretion	-	199,211	17,290	-	-	216,501
Loss (gain) on disposition of assets	-	206,832	(122,418)	-	-	84,414
Total expenses	9,379,480	21,194,133	32,472,857	2,649,015	7,510,152	73,205,637
Segment Income (Loss) from Operations	1,518,244	6,609,419	(7,087,873)	(2,382,041)	(7,510,152)	(8,852,403)
Interest expense	-	(1,126,538)	(20,696)	-	-	(1,147,234)
Interest and dividend income	-	170,287	38,360	1,058,527	1,341,974	2,609,148
Equity in income (loss) of unconsolidated affiliates	-	-	-	4,630,610	(12,519,375)	(7,888,765)
Other investment income	538,621	-	-	980,410	4,613,760	6,132,791
Noncontrolling interest in subsidiary loss (income)	-	-	75,008	(911,292)	-	(836,284)
Income tax benefit	-	-	-	-	2,978,738	2,978,738

Net Income (Loss) Attributable to Common Stockholders	\$ 2,056,865	\$ 5,653,168	\$ (6,995,201)	\$ 3,376,214	\$ (11,095,055)	\$ (7,004,009)
Segment adjusted EBITDA	\$ 1,830,878	\$ 16,024,110	\$ 2,940,331	\$ (2,382,041)	\$ (7,399,731)	\$ 11,013,547
Capital expenditures	\$ 176,499	\$ 3,535,306	\$ 56,743,382	\$ 5,016,494	\$ 6,536	\$ 65,478,217

As of December 31, 2024	GIG	LMH	BOB	BOAM	Unallocated	Total Consolidated
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

As of December 31, 2023	GIG	LMH	BOB	BOAM	Unallocated	Total Consolidated
Accounts receivable, net	\$ 7,124,471	\$ 4,060,259	\$ 689,817	\$ 251,154	\$ 15,543	\$ 12,141,244
Goodwill	11,325,138	130,903,950	39,614,422	536,626	-	182,380,136
Total assets	71,723,355	267,205,346	183,151,741	100,739,644	145,387,006	768,207,092

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NOTE 16. 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 years ended December 31:

	2024	2023
Gross reserve for unpaid losses and loss adjustment expenses, beginning of year	\$ 5,733,444	\$ 2,105,579
Less: reinsurance recoverable on unpaid losses	3,283,071	415,000
Net reserve for unpaid losses and loss adjustment expenses, beginning of year	2,450,373	1,690,579
Incurred losses and loss adjustment expenses:		
Current year	3,924,202	2,411,846
Prior year	(750,747)	(367,411)
Total net losses and loss adjustment expense incurred	3,173,455	2,044,435
Payments:		
Current Year	1,193,187	532,062
Prior Year	361,314	752,579
Total Payments:	1,554,501	1,284,641
Net reserves for unpaid losses and loss adjustment expenses, end of year	4,069,327	2,450,373
Reinsurance recoverable on unpaid losses, net of allowance	1,803,865	3,283,071
Gross reserves for unpaid losses and loss adjustment expenses, end of year	<u>\$ 5,873,192</u>	<u>\$ 5,733,444</u>

During the years ended December 31, 2024 and 2023, there was a favorable loss development for the current year and a favorable prior year's 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.

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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 Consolidated Balance Sheets.

NOTE 18. CUSTODIAL RISK

As of December 31, 2024, we had approximately \$32,000,000 in excess of federally insured limits on deposit with financial institutions.

NOTE 19. SUBSEQUENT EVENTS

Subsequent to December 31, 2024, we sold 190,692 shares of Sky Harbour for gross proceeds of approximately \$2,159,732.

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. Following this transaction, there are no other warrants outstanding issued by BOC to purchase Class B common stock.

Also, during January 2025, Boston Omaha Broadband borrowed an additional \$3,500,000 pursuant to the BOB Credit Agreement established with First National Bank of Omaha during the third quarter of fiscal 2024.

Subsequent to December 31, 2024, we transferred an additional 1,162,000 shares of Sky Harbour Class A common stock to our UCS subsidiary. UCS now holds 2,673,831 shares of Sky Harbour Class A common stock.

DESCRIPTION OF THE REGISTRANT'S SECURITIES REGISTERED PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

The following is a description of the capital stock of Boston Omaha Corporation ("Boston Omaha," the "Company," "we," "us," and "our") and certain provisions of our second amended and restated certificate of incorporation, as amended (the "Certificate of Incorporation"), our bylaws (the "Bylaws") and the General Corporation Law of the State of Delaware (the "DGCL"). This description is summarized from, and qualified in its entirety by reference to, our Certificate of Incorporation and Bylaws, and the applicable provisions of the DGCL. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in our Annual Report on Form 10-K filed with the Securities and Exchange Commission (the "SEC"), of which this Exhibit 4.7 is a part.

Authorized and Outstanding Stock

Our Certificate of Incorporation authorizes the issuance of 41,000,000 shares of the Company, consisting of: (i) forty million (40,000,000) shares of Common Stock, \$0.001 par value per share ("Common Stock"), of which (a) thirty eight million eight hundred thirty eight thousand eight hundred and eighty four (38,838,884) are designated "Class A Common Stock" ("Class A Common Stock") and (b) one million one hundred sixty-one thousand one hundred and sixteen (1,161,116) shares are designated "Class B Common Stock" ("Class B Common Stock") and (ii) one million (1,000,000) shares of Preferred Stock, \$0.001 par value per share ("Preferred Stock"). As of March 27, 2025, there were approximately 30,872,876 shares of Class A Common Stock, 580,558 shares of Class B Common Stock and no shares of Preferred Stock outstanding. The outstanding shares of Common Stock are duly authorized, validly issued, fully paid and non-assessable.

Common Stock*Voting Power*

Pursuant to the Certificate of Incorporation, holders of Class A Common Stock and Class B Common Stock vote together as a single class on all matters submitted to the stockholders for their vote or approval, except as required by applicable law. Holders of Class A Common Stock are entitled to one vote per share on all matters submitted to the stockholders for their vote or approval. Holders of Class B common stock are entitled to ten votes per share on all matters submitted to the stockholders for their approval. Certain matters enumerated in the Certificate of Incorporation require the approval of each of the two directors elected by the holders of the Class B common Stock.

Board of Directors

The size of the Company's Board of Directors (the "Board") shall be no fewer than one (1) and no greater than seven (7) directors. The holders of record of the shares of Class B Common Stock, exclusively and as a separate class, are entitled to elect a single director of the Company (the "Class B Director"). The Class B Director may be removed without cause by, and only by, the affirmative vote of the holders of eighty percent (80%) of the shares of Class B Common Stock, exclusively and as a separate class, given either at a special meeting of such stockholders duly called for that purpose or pursuant to a written consent of such stockholders. Any directorship not so filled shall remain vacant until such time as the holders of the Class B Common Stock elect a person to fill such directorship by vote or written consent in lieu of a meeting; and no such directorship may be filled by stockholders of the Company other than by the holders of shares of Class B Common Stock. The holders of record of the shares of Class A Common Stock and of any other class or series of voting stock (including the Class B Common Stock and the Preferred Stock), exclusively and voting together as a single class, shall be entitled to elect the balance of the total number of directors of the Company.

Dividends

The holders of Common Stock are entitled to receive cash dividends, as and if declared by the Board out of legally available funds. With respect to stock dividends, holders of Class A Common Stock must receive Class A Common Stock and holders of Class B Common Stock shall be entitled to receive a stock dividend equal to the amount of shares of Class A Common Stock that the holder of such share would be entitled to receive if it had been converted into a share of Class A Common Stock and been outstanding on the record date for such dividend or distribution.

Liquidation or Dissolution

Upon the Company's liquidation or dissolution, the holders of all classes of Common Stock are entitled to their respective par value, and the holders of Common Stock will then be entitled to share ratably in those of the Company's assets that are legally available for distribution to stockholders after payment of liabilities and subject to the prior rights of any holders of preferred stock then outstanding.

Conversion, Transferability and Exchange

Each share of Class B Common Stock is convertible, at the option of the holder thereof, at any time and from time to time, and without the payment of additional consideration by the holder thereof, into one (1) share of Class A Common Stock. Transfers of Class B Common Stock may automatically convert into Class A Common Stock unless such transfer is made to an affiliate of the holder of Class B Common Stock or is purchased by another holder of Class B Common Stock.

Other Provisions

None of the Class A Common Stock or Class B Common Stock has any pre-emptive or other subscription rights.

Preferred Stock

The Certificate of Incorporation authorizes the Company to issue up to 1,000,000 shares of preferred stock. The Board is authorized, subject to limitations prescribed by Delaware law and the Certificate of Incorporation, to determine the terms and conditions of the preferred stock, including whether the shares of preferred stock will be issued in one or more series, the number of shares to be included in each series and the powers (including the voting power), designations, preferences and rights of the shares. The Board is also authorized to designate any qualifications, limitations or restrictions on the shares without any further vote or action by the stockholders. The issuance of preferred stock may have the effect of delaying, deferring, or preventing a change in control of the Company and may adversely affect the voting and other rights of the holders of Class A Common Stock and Class B Common Stock, which could have a negative impact on the market price of the Class A Common Stock.

Certain Anti-Takeover Provisions of the Certificate of Incorporation and Bylaws

The provisions of the Certificate of Incorporation, Bylaws and of the DGCL summarized below may have an anti-takeover effect and may delay, defer, or prevent a tender offer or takeover attempt that stockholders might consider in their best interests, including an attempt that might result in our stockholders' receipt of a premium over the market price for their shares of Class A Common Stock.

The Certificate of Incorporation and Bylaws contain certain provisions that are intended to enhance the likelihood of continuity and stability in the composition of the Board and that may have the effect of delaying, deferring, or preventing a future takeover or change in control of the Company unless such takeover or change in control is approved by the Board.

These provisions include:

Action by Written Consent; Special Meetings of Stockholders. The Bylaws provide that stockholder action can be taken only at an annual or special meeting of stockholders and cannot be taken by written consent in lieu of a meeting. The Certificate of Incorporation and Bylaws also provide that, subject to any special rights of the holders of any series of preferred stock, and except as otherwise required by applicable law), special meetings of the stockholders can only be called by the Board, the chairman of the Board, or, the Magnolia/Boulderado Control Group (provided that the Magnolia/Boulderado Control Group own at least 35% of the votes that are entitled to be cast by the holders of Class A Common Stock and Class B Common Stock). voting together as a single class. Except as described above, stockholders are not permitted to call a special meeting or to require the Board to call a special meeting.

Amendment of Certificate of Incorporation and Other Actions. At any time when shares of Class B Common Stock are outstanding, the Corporation shall not, either directly or indirectly by amendment, merger, consolidation or otherwise, amend, alter or otherwise change the rights, preferences or privileges of the Class B Common Stock under the Certificate of Incorporation, or amend, alter or repeal any provision of Section 3.3 of the Certificate of Incorporation (describing matters which require the approval of the director elected solely by the holders of Class B Common Stock) without the approval of the director elected by the holders of Class B Common Stock, and any such act or transaction entered into without such consent or vote shall be null and void *ab initio*, and of no force or effect.

Advance Notice Procedures. The Bylaws establish an advance notice procedure for stockholder proposals to be brought before an annual meeting of the Company's stockholders, and for stockholder nominations of persons for election to the Board to be brought before an annual or special meeting of stockholders. Stockholders at an annual meeting will only be able to consider proposals or nominations specified in the notice of meeting or brought before the meeting by or at the direction of the Board or by a stockholder who was a stockholder of record on the record date for the meeting, who is entitled to vote at the meeting and who has given the Company's secretary timely written notice, in proper form, of the stockholder's intention to bring that business or nomination before the meeting. Although the Bylaws do not give the Board the power to approve or disapprove stockholder nominations of candidates or proposals regarding other business to be conducted at a special or annual meeting, as applicable, the Bylaws may have the effect of precluding the conduct of certain business at a meeting if the proper procedures are not followed or may discourage or deter a potential acquirer from conducting a solicitation of proxies to elect its own slate of directors or otherwise attempting to obtain control of the Company.

Authorized but Unissued Shares. The Company's authorized but unissued shares of common stock and preferred stock will be available for future issuance without stockholder approval, subject to rules of the securities exchange on which the Class A Common Stock is listed. These additional shares may be utilized for a variety of corporate purposes, including future public offerings to raise additional capital, corporate acquisitions, and employee benefit plans. The existence of authorized but unissued shares of common stock and preferred stock could render more difficult or discourage an attempt to obtain control of a majority of the Company's common stock by means of a proxy contest, tender offer, merger or otherwise.

Business Combinations with Interested Stockholders. The Certificate of Incorporation provide that the Company is not subject to Section 203 of the DGCL, an anti-takeover law. In general, Section 203 prohibits a publicly held Delaware corporation from engaging in a business combination, such as a merger, with an "interested stockholder" (which includes a person or group owning 15% or more of the corporation's voting stock) for a period of three years following the date the person became an interested stockholder, unless (with certain exceptions) the business combination or the transaction in which the person became an interested stockholder is approved in a prescribed manner. Accordingly, the Company is not subject to any anti-takeover effects of Section 203.

Transfer Agent, Warrant Agent and Registrar

The transfer agent and registrar for our Common Stock is: Issuer Direct, One Glenwood Avenue, Suite 1001, Raleigh, North Carolina 27603.

Listing of Securities

Our Class A Common Stock is listed on the NYSE under the symbol "BOC".

BOSTON OMAHA CORPORATION

INSIDER TRADING POLICY

and Guidelines with Respect to Certain Transactions in Company Securities

(As approved December 31, 2015; as amended on December 11, 2023)

SECTION I APPLICABILITY AND OVERVIEW OF POLICY

This Policy applies to all transactions in Boston Omaha Corporation (the “**Company**”) securities, including common stock, options and warrants to purchase common stock and any other securities the Company may issue from time to time, such as preferred stock, and convertible debentures, as well as derivative securities relating to the Company’s stock, whether or not issued by the Company, such as exchange-traded options. It applies to all officers and directors of the Company, all other employees of the Company and its subsidiaries, all secretaries and assistants supporting such directors, officers and employees, and consultants or advisors to the Company or its subsidiaries who have or may have access to material nonpublic information regarding the Company and members of the immediate family or household of any such person. This Policy also applies to any person who receives material nonpublic information from any Insider.

Any person who possesses material nonpublic information regarding the Company is an Insider for so long as such information is not publicly known.

All employees are required to refrain from investing in publicly traded securities based on material nonpublic inside information. This Policy is based on the U.S. federal securities laws that prohibit any person from:

- trading on the basis of material nonpublic information;
- tipping such information to others;
- recommending the purchase or sale of securities on the basis of such information;
- assisting someone who is engaged in any of the above activities; and
- trading a security, which is the subject of an actual or impending tender offer when in possession of material nonpublic information relating to the offer.

This includes any confidential information that may be obtained by all employees, regarding the advisability of purchasing or selling specific securities for any investment vehicles or on behalf of clients. Additionally, this Policy includes any confidential information that may be obtained about the Company or any of its affiliated entities.

All employees, and particularly executives, managers and/or supervisors, have a responsibility for maintaining financial integrity within the Company, consistent with generally accepted accounting principles and both federal and state securities laws. Any employee who becomes aware of any incidents involving financial or accounting manipulation or irregularities, whether by witnessing the incident or being told of it, must report it to their immediate supervisor and to the chairman of the Company’s Audit and Risk Committee of the Board of Directors. For a more complete understanding of this issue, employees should seek the advice of the Company’s legal counsel.

SECTION II MATERIAL INFORMATION

Information is material when there is a substantial likelihood that a reasonable investor would consider it important in making his or her investment decisions. Generally, if disclosing certain information will have a substantial effect on the price of a company’s securities, on the perceived value of the company, or of a controlling interest in the company, the information is material, but information may be material even if it does not have any immediate direct effect on price or value. While it may be difficult to determine whether particular information is material, there are various categories of information that are particularly sensitive and, as a general rule, should always be considered material. Examples of such information may include:

- Financial results;
- Entry into a material agreement or discussions regarding entry into a material agreement;
- Projections of future earnings or losses;
- Major contract awards, cancellations or write-offs;
- Joint ventures or commercial ventures with third parties;
- News of a pending or proposed merger or acquisition;
- News of the disposition of material assets;
- Impending bankruptcy or financial liquidity problems;
- Gain or loss of a significant line of credit;
- New business or services announcements of a significant nature;
- Stock splits;
- New equity or debt offerings;
- Significant litigation exposure due to actual or threatened litigation;
- Changes in senior management or the Board of Directors;
- Capital investment plans; and
- Changes in dividend policy.

There is no simple “bright line” test to determine when information is material and assessments of materiality involve a highly fact-specific inquiry. For this reason, any question as to whether information is material should be directed to the Company’s designated Compliance Officer.

SECTION III NONPUBLIC INFORMATION

Information about a publicly traded security or issuer is “public” when it has been disseminated broadly to investors in the marketplace. Tangible evidence of such dissemination is the best indication that the information is public. For example, information is public after it has become available to the general public through a public filing with the Securities and Exchange Commission (the “SEC”) or some other governmental agency, the Dow Jones “tape,” the Wall Street Journal or some other publication of general circulation, and after sufficient time has passed so that the information has been disseminated widely.

Information about securities that are not publicly traded, or about the issuers of such securities, is not ordinarily disseminated broadly to the public. However, for purposes of this Policy, such private information may be considered “public” private information to the extent that the information has been disclosed generally to the issuer’s security holders and creditors. For example, information contained in a private placement memorandum to potential investors may be considered “public” private information with respect to the class of persons who received the memorandum, but may still be considered “nonpublic” information with respect to creditors who were not entitled to receive the memorandum. As another example, a controlling stockholder may have access to internal projections that are not disclosed to minority stockholders and such information would be considered “nonpublic” information.

Material nonpublic information relating to the Company is the property of the Company and the unauthorized disclosure of such information (including, without limitation, via email or by posting on Internet message boards or blogs, anonymously or otherwise) is strictly forbidden.

Before executing any securities transaction for your personal account or for others, you must consider and determine whether you have access to material nonpublic information. If you think that you might have access to material nonpublic information, you **must** take the following steps:

1. Report the information and proposed trade immediately to the designated Compliance Officer;
2. Do not purchase or sell the securities on behalf of yourself or others; and
3. Do not communicate the information inside or outside the Company, other than to the designated Compliance Officer.

These prohibitions remain in effect until the information becomes public or is deemed non-material.

Employees managing the work of consultants and temporary employees who have access to material nonpublic information are responsible for ensuring that consultants and temporary employees are aware of this Policy and the consequences of non-compliance.

SECTION IV INSIDER

Unlawful insider trading occurs when a person, who is considered an Insider, with a duty not to take advantage of material nonpublic information violates that duty. Whether a duty exists is a complex legal question. This section of the Policy is intended to provide an overview only, and should not be read as an exhaustive discussion of ways in which persons may become subject to insider trading prohibitions.

Insiders of a company include its officers, directors (or partners), and employees, and may also include a controlling stockholder or other controlling person (an “**Insider**”). A person who has access to information about the company because of some special position of trust or has some other confidential relationship with the company is considered a temporary Insider of that company. Investment advisers, lawyers, auditors, financial institutions, and certain consultants and all of their officers, directors or partners, and employees are all likely to be temporary Insiders of their clients.

Officers, directors or partners, and employees of a controlling stockholder may be temporary Insiders of the controlled company or may otherwise be subject to a duty not to take advantage of inside information.

SECTION V MISAPPROPRIATION

Misappropriation usually occurs when a person acquires inside information about company A in violation of a duty owed to company B. For example, an employee of company B may know that company B is negotiating a merger with company A; the employee has material nonpublic information about company A and must not trade in company A’s shares. For another example, employees who, because of their association with the Company, receive inside information as to the identity of the companies being considered for investment by the Company’s investment vehicles or by other clients, have a duty not to take advantage of that information and must refrain from trading in the securities of those companies.

SECTION VI TIPPING

Tipping is passing along inside information and the recipient of a tip (the “**Tippee**”) becomes subject to a duty not to trade while in possession of that information. A tip occurs when an Insider or misappropriator (the “**Tipper**”) discloses inside information to another person, who knows or should know that the Tipper was breaching a duty by disclosing the information and that the Tipper was providing the information for an improper purpose. Both Tippees and Tippers are subject to liability for insider trading.

Regulation FD (Fair Disclosure) is an issuer disclosure rule implemented by the SEC that addresses selective disclosure. The regulation provides that when the Company, or person acting on its behalf, discloses material nonpublic information to certain enumerated persons (in general, securities market professionals and holders of the Company’s securities who may well trade on the basis of the information), it must make public disclosure of that information. The timing of the required public disclosure depends on whether the selective disclosure was intentional or unintentional; for an intentional selective disclosure, the Company must make public disclosures simultaneously; for a non-intentional disclosure the Company must make public disclosure promptly.

Under the regulation, the required public disclosure may be made by filing or furnishing a Form 8-K, or by another method or combination of methods that is reasonably designed to effect broad, non-exclusionary distribution of the information to the public.

It is the Company's policy that all communications with the press be handled through our Co-CEOs, our CFO or investor/public relations firm. Please refer all press, analyst or similar requests for information to the Company's Co-CEOs and do not respond to any inquiries without prior authorization from the Company's Co-CEOs. If either of the Company's Co-CEOs is unavailable, the Company's CFO will fill this role.

SECTION VII TRADING IN THE COMPANY'S SECURITIES

This Policy applies to all Company employees with respect to trading in the securities of the Company's investments company, including shares held directly or indirectly in the Company's 401(k) plan. Employees, particularly "officers" (as defined in Rule 16(a)-1(f) in the Securities Exchange Act of 1934, as amended), of the Company should be aware of their fiduciary duties to the Company and should be sensitive to the appearance of impropriety with respect to any of their personal transactions in the Company's publicly traded securities. Thus, the following restrictions apply to all transactions in the Company's publicly traded securities occurring in an employee's account and in all other accounts in which the employee benefits directly or indirectly, or over which the employee exercises investment discretion.

- **Major Events** – All employees who have knowledge of any Company events or developments that may have a "material" impact on the Company's stock that have not been publicly announced are prohibited from buying or selling the Company's publicly traded securities before such announcements.
- **Short Selling and Derivatives Trading Prohibition** – All employees are prohibited from engaging in short sales and options trading of the Company's common stock.

SECTION VIII TRADING POLICIES AND PROCEDURES

Mandatory Pre-Clearance

All directors and officers of the Company and any other persons designated by the Company's legal counsel as being subject to the Company's pre-clearance requirement (which includes all accounting personnel), together with their family members, may not engage in any transaction involving the Company's securities (including a stock plan transaction such as an option exercise, a gift, a loan or pledge or hedge, a contribution to a trust, or any other transfer) without first obtaining pre-clearance of the transactions from the Company's designated Pre-Clearance Officer. A request for pre-clearance should be submitted to the Pre-Clearance Officer at least five days in advance of the proposed transaction. The Company Pre-Clearance Officer will then determine whether the transactions may proceed and, if so, assist in complying with the reporting requirements. Sales of the Company's securities by a director or officer or certain family members or entities related to any of them may require a filing with the SEC on a Form 3, 4 or 5. While the accurate and timely filing of these forms is the responsibility of the officer or director, the Company's legal counsel will provide such assistance as the director or officer requests.

Black-Out Period

Directors and officers are prohibited from buying or selling the Company's publicly traded securities during "black-out periods." All securities trading during these black-out periods may only be conducted with the approval of the Company's legal counsel or the Chief Financial Officer. In no event may securities trading in the Company's stock be conducted while a director or officer of the Company is in possession of material nonpublic information regarding the Company. The black-out periods are as follows:

- For the annual, first, second and third quarterly financial reports – begins on March 15, June 15, September 15 or December 15, as applicable, and ends two trading days after the Company publicly announces the financial results for that quarter.

From time to time, the Company may also require that directors, officers, selected employees and others suspend trading because of developments known to the Company and not yet disclosed to the public. In such event, such persons may not engage in any transaction involving the purchase or sale of the Company's securities during such period and may not disclose to others the fact of such suspension of trading.

Short Swing Profits

Purchases and sales (or sales and purchases) of Company common stock occurring within any six-month period in which a mathematical profit is realized result in illegal "short-swing profits." The prohibition against short-swing profits is found in Section 16 of the Exchange Act. Section 16 was drafted as a rather arbitrary prohibition against profitable "insider trading" in a company's securities within any six-month period regardless of the presence or absence of material nonpublic information that may affect the market price of those securities. Each executive officer, director and 10% or greater stockholder of the Company is subject to the prohibition against short-swing profits under Section 16. Such persons are required to file Forms 3, 4 and 5 reports reporting his or her initial ownership of the Company's common stock and any subsequent changes in such ownership. The Sarbanes-Oxley Act of 2002 requires officers and directors who must report transactions on Form 4 to do so by the end of the second business day following the transaction date. Profit realized, for the purposes of Section 16, is calculated generally to provide maximum recovery by the Company. The measure of damages is the profit computed from any purchase and sale or any sale and purchase within the short-swing (i.e., six-month) period, without regard to any setoffs for losses, any first-in or first-out rules, or the identity of the shares of common stock. This approach sometimes has been called the "lowest price in, highest price out" rule and can result in a realization of "profits" for Section 16 purposes even when the Insider has suffered a net loss on his or her trades.

Trading According to a Pre-Established Plan or by Delegation

Trading which is not "on the basis of" material non-public information may not give rise to insider trading liability. The SEC has adopted Rule 10b5-1 under which insider trading liability can be avoided if Insiders follow very specific procedures. In general, such procedures involve trading according to pre-established instructions (a "Pre-Established Trade"). Prior to implementing a pre-established plan for trading, all officers and directors must receive the

approval for such plan from the Compliance Officer. Pre-Established Trades must:

- **Be documented by a contract, written plan, or formal instruction which provides that the trade take place in the future.** For example, an Insider can contract to sell his or her shares on a specific date, or simply delegate such decisions to an investment manager, 401(k) plan administrator or similar third party. This documentation must be provided to the Compliance Officer;
- **Include in its documentation the specific amount, price and timing of the trade, or the formula for determining the amount, price and timing.** For example, the Insider can buy or sell shares in a specific amount and on a specific date each month, or according to a pre-established percentage (of the Insider's salary, for example) each time that the share price falls or rises to pre-established levels. In the case where trading decisions have been delegated, the specific amount, price and timing need not be provided;
- **Be implemented at a time when the Insider does not possess material non-public information.** As a practical matter, this means that the Insider may set up Pre-Established Trades, or delegate trading discretion, only during non-black-out periods (discussed in Section 8, above); and,
- **Remain beyond the scope of the Insider's influence after implementation.** In general, the Insider must allow the Pre-Established Trade to be executed without changes to the accompanying instructions, and the Insider cannot later execute a hedge transaction that modifies the effect of the Pre-Established Trade. An Insider wishing to change the amount, price or timing of a Pre-Established Trade, or terminate a Pre-Established Trade, can do so only during non-black-out periods (discussed in Section 8, above). If the Insider has delegated decision-making authority to a third party, the Insider cannot subsequently influence the third party in any way and such third party must not possess material non-public information at the time of any of the trades.

SECTION IX VIOLATIONS OF POLICY

As Insiders, every person subject to this Policy has the individual responsibility to comply with this Policy against insider trading. Each individual, and not necessarily the Company, is responsible for his or her own actions and will be individually responsible for the consequences of their actions. Therefore, appropriate judgment, diligence and caution should be exercised in connection with any trade in the Company's securities. An Insider may, from time to time, have to forego a proposed transaction in the Company's securities even if he or she planned to make the transaction before learning of the material nonpublic information and even though the Insider believes he or she may suffer an economic loss or forego anticipated profit by waiting.

Unlawful trading of securities while in possession of material nonpublic information, or improperly communicating that information to others, is a violation of federal securities laws and may expose violators to stringent penalties. Violators may be sued by investors seeking to recover damages for insider trading violations. In addition, violations by an employee of the Company may expose the Company to liability. The Company views seriously any violation of this Policy, even if the conduct does not, by itself, constitute a violation of the federal securities laws. Examples of potential liability for violating this Policy are as follows:

1. **Liability for Insider Trading.** Insiders may be subject to penalties of up to \$1,000,000 and up to ten (10) years in jail for engaging in transactions in the Company's securities at a time when they possess material nonpublic information regarding the Company, regardless of whether such transactions were profitable. In addition, the SEC has the authority to seek a civil monetary penalty of up to three times the amount of profit gained or loss avoided by illegal insider trading. "Profit gained" or "loss avoided" generally means the difference between the purchase or sale price of the Company's stock and its value as measured by the trading price of the stock a reasonable period after public dissemination of the nonpublic information.
2. **Liability for Tipping.** Insiders may also be liable for improper transactions by any person to whom they have disclosed material nonpublic information regarding the Company or to whom they have made recommendations or expressed opinions on the basis of such information as to trading in the Company's securities. The SEC has imposed large penalties even when the disclosing person did not profit from the trading. The SEC, the stock exchanges and the Financial Industry Regulatory Authority, Inc. use sophisticated electronic surveillance techniques to monitor *all trades* and uncover insider trading.
3. **Possible Disciplinary Actions.** Individuals subject to the Policy who violate this Policy shall also be subject to disciplinary action by the Company, which may include suspension, forfeiture of perquisites, ineligibility for future participation in the Company's equity incentive plans and/or termination of employment.

LIST OF SUBSIDIARIES
BOSTON OMAHA CORPORATION

a Delaware corporation

<u>Subsidiary</u>	<u>Jurisdiction</u>
24th Street Asset Management LLC	Nevada
24th Street Fund I, LLC	Nevada
24th Street Fund II, LLC	Nevada
BOAM BFR, LLC	Delaware
BOC Business Services, LLC	Delaware
BOC Yellowstone, LLC	Delaware
BOC Yellowstone II, LLC	Delaware
BOSS Bonds Insurance Agency, LLC, formerly known as South Coast Surety Insurance Services, LLC	Delaware
Boston Omaha Asset Management, LLC	Delaware
Boston Omaha Investments, LLC	Delaware
Boston Omaha Broadband, LLC	Delaware
Fiber Fast Homes, LLC	Delaware
FIF AireBeam, LLC	Delaware
FIF St George, LLC	Delaware
FIF Utah, LLC	Delaware
Fund One Boston Omaha Build for Rent LP	Delaware
General Indemnity Group, LLC	Delaware
Link Billboards Oklahoma, LLC	Delaware
Link Media Alabama, LLC	Alabama
Link Media Florida, LLC	Florida
Link Media Georgia, LLC	Georgia
Link Media Holdings, LLC	Delaware
Link Media Midwest, LLC	Delaware
Link Media Omaha, LLC	Delaware
Link Media Properties, LLC	Delaware
Link Media Services, LLC	Delaware
Link Media Southeast, LLC	Delaware
Link Media Wisconsin, LLC	Wisconsin
United Casualty and Surety Insurance Company	Nebraska

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the inclusion in this 10-K and the incorporation by reference in the registration statements (No. 333-267259 and 333-264470) on Form S-3 of Boston Omaha Corporation of our report dated March 27, 2025, with respect to the consolidated balance sheets of Sky Harbour Group Corporation as of December 31, 2024 and 2023, and the related consolidated statements of operations, comprehensive income (loss), stockholders' equity, and cash flows for each of the years then ended, which report is included in the Form 10-K of Sky Harbour Group Corporation for the year ended December 31, 2024.

/s/ EisnerAmper LLP

EISNERAMPER LLP
New York, New York
March 27, 2025



KPMG LLP
Suite 300
1212 N. 96th Street
Omaha, NE 68114-2274

Suite 1120
1248 O Street
Lincoln, NE 68508-1493

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the registration statements (No. 333-264470 and 333-267259) on Form S-3 of our report dated March 28, 2025, with respect to the consolidated financial statements of Boston Omaha Corporation and subsidiaries.

/s/ KPMG LLP

Omaha, Nebraska
March 28, 2025

CERTIFICATIONS

I, Adam K. Peterson, certify that:

1. I have reviewed this annual report on Form 10-K 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: March 28, 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 annual report on Form 10-K 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: March 28, 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 Annual Report of Boston Omaha Corporation (the "Company") on Form 10-K for the year ended December 31, 2024 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.

Dated: March 28, 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 Annual Report of Boston Omaha Corporation (the "Company") on Form 10-K for the year ended December 31, 2024 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.

Dated: March 28, 2025

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