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

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Form 10-Q

(Mark One)

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2025.**

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**FOR THE TRANSITION PERIOD FROM TO**

**Commission File Number: 001-33807**

**EchoStar Corporation**

(Exact name of registrant as specified in its charter)

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

**26-1232727**  
(I.R.S. Employer Identification No.)

**9601 South Meridian Boulevard  
Englewood, Colorado**  
(Address of principal executive offices)

**80112**  
(Zip code)

**(303) 723-1000**  
(Registrant's telephone number, including area code)

**Not Applicable**  
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock, \$0.001 par value	SATS	The Nasdaq Stock Market L.L.C.

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

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

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

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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

As of July 24, 2025, the registrant's outstanding common stock consisted of 156,367,964 shares of Class A common stock and 131,348,468 shares of Class B common stock.

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## **PART I — FINANCIAL INFORMATION**

### **DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS**

Unless otherwise required by the context, in this report, the words “EchoStar,” the “Company,” “we,” “our” and “us” refer to EchoStar Corporation and its subsidiaries, “DISH Network” refers to DISH Network Corporation, our wholly owned subsidiary, and its subsidiaries, and “DISH DBS” refers to DISH DBS Corporation, a wholly-owned, indirect subsidiary of DISH Network, and its subsidiaries.

This Quarterly Report on Form 10-Q contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, including, in particular, statements about our plans, objectives and strategies, growth opportunities in our industries and businesses, our expectations regarding future results, financial condition, liquidity and capital requirements, our estimates regarding the impact of regulatory developments and legal proceedings, and other trends and projections. Forward-looking statements are not historical facts and may be identified by words such as “future,” “anticipate,” “intend,” “plan,” “goal,” “seek,” “believe,” “estimate,” “expect,” “predict,” “will,” “would,” “could,” “can,” “may,” and similar terms. These forward-looking statements are based on information available to us as of the date of this Quarterly Report on Form 10-Q and represent management’s current views and assumptions. Forward-looking statements are not guarantees of future performance, events or results and involve known and unknown risks, uncertainties and other factors, which may be beyond our control. Accordingly, actual performance, events or results could differ materially from those expressed or implied in the forward-looking statements due to a number of factors, including, but not limited to, those summarized below:

#### **SUMMARY OF RISK FACTORS**

##### **Risks Relating to the Pending FCC Review**

- In response to the uncertainty created by the FCC inquiries, we may take one or more significant actions in order to protect our interest in our Wireless Licenses and other assets, which actions could negatively impact your investment.
- The FCC’s review of our compliance with network build-out requirements could lead to the loss or impairment of certain of our existing spectrum licenses.

##### **Competition and Economic Risks**

- We face intense and increasing competition from providers of video, broadband and/or wireless services. Changing consumer behavior and new technologies in our Pay-TV and/or Wireless business may reduce our subscriber activations and may cause our subscribers to purchase fewer services from us or to cancel our services altogether, resulting in less revenue to us.
- We face certain risks competing in the wireless services industry and operating a facilities-based wireless services business.
- Our pay-TV competitors may be able to leverage their relationships with programmers to reduce their programming costs and/or offer exclusive content that will place them at a competitive advantage to us.
- Through the MNSA and the NSA, we depend in part on T-Mobile and AT&T to provide network services to our Wireless subscribers. Our failure to effectively manage these relationships, including without limitation, our minimum commitments, any system failure in their wireless networks, interruption in the services provided to us and/or the termination of the MNSA or the NSA could have a material adverse effect on our business, financial condition and results of operations.

- We compete with the MNOs whose networks we partially rely on to provide wireless services to our customers, and they may seek to limit, reduce or terminate our network access to the extent that it becomes competitively advantageous to do so.
- If we are unable to take advantage of technological developments on a timely basis, or at all, we may experience a decline in demand for our services or face challenges in implementing or evolving our business strategy.

#### **Operational and Service Delivery Risks**

- Any deterioration in our operational performance, subscriber activations and churn rate and subscriber satisfaction could adversely affect our business, financial condition and results of operations.
- We depend on others to provide the programming that we offer to our Pay-TV subscribers and, if we fail to obtain or lose access to certain programming, our Pay-TV subscriber activations and our subscriber churn rate may be negatively impacted.
- We have limited satellite capacity and any failures or reduced capacity, caused by, among other things, operational and environmental risks, could adversely affect our business, financial condition and results of operations.
- Extreme weather may result in risk of damage to our infrastructure and therefore our ability to provide services, and may lead to changes in federal, state and foreign government regulation, all of which could materially and adversely affect our business, results of operations and financial condition.
- We rely on a single vendor or a limited number of vendors to provide certain key products or services to us, and the inability of these key vendors to meet our needs could have a material adverse effect on our business.
- Changes in trade policies, including, but not limited to, tariffs and other restrictions, could increase, among other things, our costs, disrupt our supply chain and negatively affect our business, operations and financial condition.
- We depend on independent third parties to solicit orders for our services that represent a meaningful percentage of our total gross new subscriber activations.

#### **Risks Related to our Human Capital**

- We rely on highly skilled personnel for our business, and any inability to hire and retain key personnel or to hire qualified personnel may negatively affect our business, financial condition and results of operations.
- Our business growth and customer retention strategies rely in part on the work of technically skilled employees.

#### **Risks Related to our Products and Technology**

- Our business depends on certain intellectual property rights and on not infringing the intellectual property rights of others.
- We are, and may become, party to various lawsuits which, if adversely decided, could have a significant adverse impact on our business, particularly lawsuits regarding intellectual property.

- If our products contain defects, we could be subject to significant costs to correct such defects and our product and network service contracts could be delayed or cancelled, which could adversely affect our revenue.

#### **Risks Related to Cybersecurity**

- We have experienced and may experience in the future consistent cyber-attacks and attempts to gain unauthorized access to our systems and any failure or inadequacy of our information technology infrastructure and communications systems or those of third parties that we use in our operations could disrupt or harm our business.
- The confidentiality, integrity and availability of our services and products depends on the continuing operation of our information technology and other enabling systems.

#### **Acquisition and Capital Structure Risks**

- We currently do not have the necessary cash on hand, projected future cash flows or committed financing to fund our obligations over the next twelve months, which raises substantial doubt about our ability to continue as a going concern.
- We have substantial debt outstanding and may incur additional debt and covenants in our Indentures could limit our ability to undertake certain types of activities and adversely affect our liquidity.
- We may pursue acquisitions, dispositions, capital expenditures, the development, acquisition and launch of new satellites and other strategic initiatives to complement or expand our business, which may not be successful and we may lose a portion or all of our investment in these acquisitions and transactions.
- We have made substantial investments to acquire certain wireless spectrum licenses and other related assets, and may be unable to realize a return on these assets.
- We will need additional capital, which may not be available on favorable terms or at all, to fund current obligations, to continue investing in our business and to finance acquisitions and other strategic transactions.
- We are controlled by one principal stockholder who is our Chairman.

#### **Risks Related to the Regulation of Our Business**

- Our services depend on FCC licenses that can expire or be revoked or modified and applications for FCC licenses that may not be granted.

Other factors that could cause or contribute to such differences include, but are not limited to, those discussed under the caption “Risk Factors” in Part II, Item 1A of this Quarterly Report on Form 10-Q and in Part I, Item 1A of our most recent Annual Report on Form 10-K (the “10-K”) filed with the Securities and Exchange Commission (“SEC”), those discussed in “Management’s Discussion and Analysis of Financial Condition and Results of Operations” herein and in the 10-K and those discussed in other documents we file with the SEC. All cautionary statements made or referred to herein should be read as being applicable to all forward-looking statements wherever they appear. Investors should consider the risks and uncertainties described or referred to herein and should not place undue reliance on any forward-looking statements. The forward-looking statements speak only as of the date made, and we expressly disclaim any obligation to update these forward-looking statements.

**Item 1. FINANCIAL STATEMENTS**

**ECHOSTAR CORPORATION**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(Dollars in thousands, except share amounts)  
(Unaudited)

	As of	
	June 30, 2025	December 31, 2024
<b>Assets</b>		
<i>Current Assets:</i>		
Cash and cash equivalents	\$ 2,345,085	\$ 4,305,393
Current restricted cash, cash equivalents and marketable investment securities	184,012	150,898
Marketable investment securities	1,988,001	1,242,036
Trade accounts receivable, net of allowance for credit losses of \$98,231 and \$82,628, respectively	1,158,592	1,198,731
Inventory	375,118	455,197
Prepays and other assets	771,171	655,233
Other current assets	94,247	88,255
<b>Total current assets</b>	<b>6,916,226</b>	<b>8,095,743</b>
<i>Noncurrent Assets:</i>		
Restricted cash, cash equivalents and marketable investment securities	176,004	169,627
Property and equipment, net	8,773,656	9,187,132
Regulatory authorizations, net	40,029,923	39,442,166
Other investments, net	191,792	202,327
Operating lease assets	3,218,062	3,260,768
Intangible assets, net	66,903	74,939
Other noncurrent assets, net	509,831	505,985
<b>Total noncurrent assets</b>	<b>52,966,171</b>	<b>52,842,944</b>
<b>Total assets</b>	<b>\$ 59,882,397</b>	<b>\$ 60,938,687</b>
<b>Liabilities and Stockholders' Equity (Deficit)</b>		
<i>Current Liabilities:</i>		
Trade accounts payable	\$ 745,587	\$ 740,984
Deferred revenue and other	638,989	650,940
Accrued programming	1,251,114	1,339,072
Accrued interest	308,917	352,499
Other accrued expenses and liabilities	1,675,958	1,804,516
Current portion of debt, finance lease and other obligations (Note 9)	1,053,230	943,029
<b>Total current liabilities</b>	<b>5,673,795</b>	<b>5,831,040</b>
<i>Long-Term Obligations, Net of Current Portion:</i>		
Long-term debt, finance lease and other obligations, net of current portion (Note 9)	25,401,688	25,660,288
Deferred tax liabilities, net	4,809,572	4,988,653
Operating lease liabilities	3,178,737	3,211,407
Long-term deferred revenue and other long-term liabilities	1,027,111	1,002,074
<b>Total long-term obligations, net of current portion</b>	<b>34,417,108</b>	<b>34,862,422</b>
<b>Total liabilities</b>	<b>40,090,903</b>	<b>40,693,462</b>
Commitments and Contingencies (Note 10)		
<i>Stockholders' Equity (Deficit):</i>		
Class A common stock, \$0.001 par value, 1,600,000,000 shares authorized, 156,299,276 and 155,048,676 shares issued and outstanding, respectively	156	155
Class B common stock, \$0.001 par value, 800,000,000 shares authorized, 131,348,468 shares issued and outstanding	131	131
Additional paid-in capital	8,809,264	8,768,360
Accumulated other comprehensive income (loss)	(183,181)	(195,711)
Accumulated earnings (deficit)	11,109,636	11,618,437
<b>Total EchoStar stockholders' equity (deficit)</b>	<b>19,736,006</b>	<b>20,191,372</b>
Noncontrolling interests	55,488	53,853
<b>Total stockholders' equity (deficit)</b>	<b>19,791,494</b>	<b>20,245,225</b>
<b>Total liabilities and stockholders' equity (deficit)</b>	<b>\$ 59,882,397</b>	<b>\$ 60,938,687</b>

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

**ECHOSTAR CORPORATION**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
**AND COMPREHENSIVE INCOME (LOSS)**  
(Dollars in thousands, except per share amounts)  
(Unaudited)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
<b>Revenue:</b>				
Service revenue	\$ 3,540,107	\$ 3,742,086	\$ 7,146,263	\$ 7,561,755
Equipment sales and other revenue	184,852	210,665	448,454	405,839
<b>Total revenue</b>	<b>3,724,959</b>	<b>3,952,751</b>	<b>7,594,717</b>	<b>7,967,594</b>
<b>Costs and Expenses (exclusive of depreciation and amortization):</b>				
Cost of services	2,461,631	2,507,478	4,893,829	5,064,660
Cost of sales - equipment and other	354,187	408,093	793,695	771,176
Selling, general and administrative expenses	629,494	595,024	1,227,345	1,219,446
Depreciation and amortization	493,055	507,525	981,388	992,925
<b>Total costs and expenses</b>	<b>3,938,367</b>	<b>4,018,120</b>	<b>7,896,257</b>	<b>8,048,207</b>
Operating income (loss)	(213,408)	(65,369)	(301,540)	(80,613)
<b>Other Income (Expense):</b>				
Interest income	65,369	13,929	130,898	44,391
Interest expense, net of amounts capitalized (Note 2)	(279,232)	(81,166)	(565,287)	(180,574)
Other, net (Note 5)	35,137	(91,498)	76,527	(117,608)
<b>Total other income (expense)</b>	<b>(178,726)</b>	<b>(158,735)</b>	<b>(357,862)</b>	<b>(253,791)</b>
Income (loss) before income taxes	(392,134)	(224,104)	(659,402)	(334,404)
Income tax (provision) benefit, net	85,290	16,646	149,277	18,571
<b>Net income (loss)</b>	<b>(306,844)</b>	<b>(207,458)</b>	<b>(510,125)</b>	<b>(315,833)</b>
Less: Net income (loss) attributable to noncontrolling interests, net of tax	(712)	(1,867)	(1,324)	(2,866)
<b>Net income (loss) attributable to EchoStar</b>	<b>\$ (306,132)</b>	<b>\$ (205,591)</b>	<b>\$ (508,801)</b>	<b>\$ (312,967)</b>
<b>Weighted-average common shares outstanding - Class A and B common stock:</b>				
Basic	287,505	271,592	287,012	271,555
Diluted	287,505	271,592	287,012	271,555
<b>Earnings per share - Class A and B common stock:</b>				
Basic net income (loss) per share attributable to EchoStar	\$ (1.06)	\$ (0.76)	\$ (1.77)	\$ (1.15)
Diluted net income (loss) per share attributable to EchoStar	\$ (1.06)	\$ (0.76)	\$ (1.77)	\$ (1.15)
<b>Comprehensive Income (Loss):</b>				
<b>Net income (loss)</b>	<b>\$ (306,844)</b>	<b>\$ (207,458)</b>	<b>\$ (510,125)</b>	<b>\$ (315,833)</b>
<b>Other comprehensive income (loss):</b>				
Foreign currency translation adjustments	6,221	(17,695)	15,485	(23,286)
Unrealized holding gains (losses) on available-for-sale debt securities	(236)	(20)	(1,282)	1,432
Recognition of previously unrealized (gains) losses on available-for-sale securities included in net income (loss)	(129)	—	1,128	(1,528)
Deferred income tax (expense) benefit, net	(15)	(29)	158	(29)
<b>Total other comprehensive income (loss), net of tax</b>	<b>5,841</b>	<b>(17,744)</b>	<b>15,489</b>	<b>(23,411)</b>
<b>Comprehensive income (loss)</b>	<b>(301,003)</b>	<b>(225,202)</b>	<b>(494,636)</b>	<b>(339,244)</b>
Less: Comprehensive income (loss) attributable to noncontrolling interests, net of tax	445	(5,089)	1,635	(7,207)
<b>Comprehensive income (loss) attributable to EchoStar</b>	<b>\$ (301,448)</b>	<b>\$ (220,113)</b>	<b>\$ (496,271)</b>	<b>\$ (332,037)</b>

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

**ECHOSTAR CORPORATION**  
**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (DEFICIT)**  
(In thousands)  
(Unaudited)

	Class A and B Common Stock	Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Earnings (Deficit)	Noncontrolling Interests	Total	Redeemable Noncontrolling Interests
<b>Balance, December 31, 2023</b>	\$ 271	\$ 8,301,979	\$ (160,056)	\$ 11,737,983	\$ 69,733	\$ 19,949,910	\$ 438,382
Issuance of Class A common stock	—	(160)	—	—	—	(160)	—
Non-cash, stock-based compensation	—	9,058	—	—	—	9,058	—
Other comprehensive income (loss)	—	—	(4,548)	—	(1,119)	(5,667)	—
Purchase of SNR Management's ownership interest in SNR HoldCo	—	—	—	—	—	—	(441,998)
Net income (loss) attributable to noncontrolling interests	—	—	—	—	(4,615)	(4,615)	3,616
Net income (loss) attributable to EchoStar	—	—	—	(107,376)	—	(107,376)	—
<b>Balance, March 31, 2024</b>	\$ 271	\$ 8,310,877	\$ (164,604)	\$ 11,630,607	\$ 63,999	\$ 19,841,150	\$ —
Issuance of Class A common stock	—	1,992	—	—	—	1,992	—
Sale of Assets to CONX, net of deferred taxes	—	3,376	—	—	—	3,376	—
Non-cash, stock-based compensation	—	10,635	—	—	—	10,635	—
Other comprehensive income (loss)	—	—	(14,522)	—	(3,222)	(17,744)	—
Net income (loss) attributable to noncontrolling interests	—	—	—	—	(1,867)	(1,867)	—
Net income (loss) attributable to EchoStar	—	—	—	(205,591)	—	(205,591)	—
<b>Balance, June 30, 2024</b>	\$ 271	\$ 8,326,880	\$ (179,126)	\$ 11,425,016	\$ 58,910	\$ 19,631,951	\$ —

	Class A and B Common Stock	Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Earnings (Deficit)	Noncontrolling Interests	Total
<b>Balance, December 31, 2024</b>	\$ 286	\$ 8,768,360	\$ (195,711)	\$ 11,618,437	\$ 53,853	\$ 20,245,225
Issuance of Class A common stock	—	2,534	—	—	—	2,534
Non-cash, stock-based compensation	—	7,609	—	—	—	7,609
Other comprehensive income (loss)	—	—	7,846	—	1,802	9,648
Net income (loss) attributable to noncontrolling interests	—	—	—	—	(612)	(612)
Net income (loss) attributable to EchoStar	—	—	—	(202,669)	—	(202,669)
Other	—	955	—	—	—	955
<b>Balance, March 31, 2025</b>	\$ 286	\$ 8,779,458	\$ (187,865)	\$ 11,415,768	\$ 55,043	\$ 20,062,690
Issuance of Class A common stock	1	21,292	—	—	—	21,293
Non-cash, stock-based compensation	—	8,514	—	—	—	8,514
Other comprehensive income (loss)	—	—	4,684	—	1,157	5,841
Net income (loss) attributable to noncontrolling interests	—	—	—	—	(712)	(712)
Net income (loss) attributable to EchoStar	—	—	—	(306,132)	—	(306,132)
<b>Balance, June 30, 2025</b>	\$ 287	\$ 8,809,264	\$ (183,181)	\$ 11,109,636	\$ 55,488	\$ 19,791,494

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

**ECHOSTAR CORPORATION**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(In thousands)  
(Unaudited)

	For the Six Months Ended June 30,	
	2025	2024
<b>Cash Flows From Operating Activities:</b>		
Net income (loss)	\$ (510,125)	\$ (315,833)
<i>Adjustments to reconcile net income (loss) to net cash flows from operating activities:</i>		
Depreciation and amortization	981,388	992,925
Realized and unrealized losses (gains) on investments, impairments and other	(64,831)	49,312
Non-cash, stock-based compensation	16,123	19,693
Deferred tax expense (benefit)	(174,719)	(35,300)
Changes in allowance for credit losses	15,603	33,108
Change in long-term deferred revenue and other long-term liabilities	420	8,139
Other, net	115,365	125,969
Changes in operating assets and operating liabilities, net	(164,957)	52,971
<b>Net cash flows from operating activities</b>	<b>214,267</b>	<b>930,984</b>
<b>Cash Flows From Investing Activities:</b>		
Purchases of marketable investment securities	(2,247,724)	(21,847)
Sales and maturities of marketable investment securities	1,526,245	501,512
Purchases of property and equipment (Note 7)	(551,600)	(866,922)
Capitalized interest related to regulatory authorizations (Note 2)	(573,785)	(481,807)
Purchases of regulatory authorizations, including deposits	—	(1,104)
Sale of assets to CONX (Note 13)	—	26,719
Sale of Fiber business	47,207	—
Other, net	(64)	(4,716)
<b>Net cash flows from investing activities</b>	<b>(1,799,721)</b>	<b>(848,165)</b>
<b>Cash Flows From Financing Activities:</b>		
Repayment of long-term debt, finance lease and other obligations	(46,272)	(52,758)
Redemption and repurchases of term loans, convertible and senior notes	(456,049)	(951,170)
Proceeds from issuance of convertible and senior notes	150,000	—
Debt issuance costs and debt (discount) premium	(946)	—
Early debt extinguishment gains (losses) of convertible and senior notes	11,465	—
Net proceeds from Class A common stock options exercised and stock issued under the Employee Stock Purchase Plan	6,994	1,832
Purchase of SNR Management's ownership interest in SNR HoldCo	—	(441,998)
Other, net	(31,189)	2
<b>Net cash flows from financing activities</b>	<b>(365,997)</b>	<b>(1,444,092)</b>
<b>Effect of exchange rates on cash and cash equivalents</b>	<b>2,965</b>	<b>(3,701)</b>
<b>Net increase (decrease) in cash, cash equivalents, restricted cash and cash equivalents</b>	<b>(1,948,486)</b>	<b>(1,364,974)</b>
Cash, cash equivalents, restricted cash and cash equivalents, beginning of period (Note 5)	4,593,804	1,911,601
Cash, cash equivalents, restricted cash and cash equivalents, end of period (Note 5)	<u>\$ 2,645,318</u>	<u>\$ 546,627</u>

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

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
(Unaudited)

**1. Organization and Business Activities**

**Principal Business**

EchoStar Corporation is a premier provider of technology, networking services, television entertainment and connectivity, offering consumer, enterprise, operator, and government solutions worldwide under its EchoStar®, Boost Mobile®, Sling TV®, DISH® TV, Hughes®, HughesNet®, HughesON™ and JUPITER™ brands. EchoStar Corporation is a holding company that was organized in October 2007 as a corporation under the laws of the State of Nevada. Its subsidiaries (which together with EchoStar Corporation are referred to as “EchoStar,” the “Company,” “we,” “us” and/or “our,” unless otherwise required by the context) currently operate three primary business segments.

**Recent Developments**

We received a letter from the Federal Communications Commission (the “FCC”) on May 9, 2025, indicating that the FCC was beginning a review of our compliance with certain obligations to provide 5G broadband service and raising certain questions regarding the September 2024 build-out extension granted by the FCC and mobile-satellite service (“MSS”) utilization in the 2 GHz band (the “Letter”). We responded to the FCC’s subsequent public notices with filings on May 27, 2025 and June 6, 2025. On June 11, 2025, our Chairman met with the FCC; during this meeting we explained that any reconsideration of the September 2024 grant of our construction deadline extensions, any after-the-fact change to the criteria upon which our build-out is judged, or any decision to upend the 2 GHz band’s sharing rules would threaten the viability of our current operations and future plans. While no resolution has been achieved yet, and it is possible that no such resolution will ultimately be achieved, we continue to explore an acceptable resolution of the FCC’s stated concerns in a manner that minimizes disruption to our businesses and lifts the regulatory uncertainty created by the inquiries. The FCC review has introduced the possibility of reversing prior FCC grants of authority to us. This uncertainty over our spectrum rights has effectively frozen our ability to make decisions regarding our 5G network buildout, has materially adversely impacted our ability to implement and adjust our overall business plan and has required us to re-evaluate the deployment of our resources. In light of the continued uncertainty related to the FCC inquiries, we elected not to make interest payments on a certain portion of our long-term senior notes on their respective scheduled due dates. We subsequently made such payments, including interest on the defaulted interest, within the applicable 30-day grace periods to make such interest payments. See Note 9 for further details. We remain focused on resolving the FCC’s stated concerns. We continue to progress wide-ranging efforts to explore alternative or complementary pathways that could, if successfully implemented, resolve the FCC’s stated concerns in a manner acceptable to us.

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
**(Unaudited)**

**Future Capital Requirements**

The condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business.

Our cash and cash equivalents and marketable investment securities totaled \$4.333 billion as of June 30, 2025 (“Cash on Hand”). As reflected in the condensed consolidated financial statements as of June 30, 2025, we have \$2.0 billion of debt maturing in July 2026 and \$1.377 billion of debt maturing in August 2026. In addition, the re-auction of certain AWS-3 licenses previously awarded to Northstar Wireless and SNR Wireless has been designated as Auction 113 and the FCC is required to initiate Auction 113 by June 23, 2026. We cannot predict with any degree of certainty the outcome of Auction 113, however, we may be required to make a maximum payment up to approximately \$2.921 billion for the Northstar Re-Auction Payment and SNR Re-Auction Payment. See Note 10 for definitions and further details.

Because we do not currently have the necessary Cash on Hand and/or projected future cash flows or committed financing to fund our obligations for at least twelve months from the issuance of these condensed consolidated financial statements, substantial doubt exists about our ability to continue as a going concern. To address our capital needs, we are in active discussions with funding sources to raise additional capital and/or restructure our outstanding debt. We cannot provide assurances that we will be successful in obtaining such new financing and/or restructuring the existing debt obligations necessary for us to have sufficient liquidity.

The condensed consolidated financial statements do not include any adjustments to the amount and classification of assets and liabilities that may be necessary should we not continue as a going concern.

**Segments**

We currently operate three primary business segments: (1) Pay-TV; (2) Wireless; and (3) Broadband and Satellite Services.

**Pay-TV**

We offer pay-TV services under the DISH® brand and the SLING® brand (collectively “Pay-TV” services). The DISH branded pay-TV service consists of, among other things, FCC licenses authorizing us to use direct broadcast satellite (“DBS”) and Fixed Satellite Service (“FSS”) spectrum, our owned and leased satellites, receiver systems, broadcast operations, a leased fiber optic network, in-home service and call center operations and certain other assets utilized in our operations (“DISH TV”). We also design, develop and distribute receiver systems and provide digital broadcast operations, including satellite uplinking/downlinking, transmission and other services to third-party pay-TV providers.

The SLING branded pay-TV services consist of, among other things, multichannel, live-linear and on-demand streaming over-the-top (“OTT”) Internet-based domestic, international, Latino and Freestream video programming services (“SLING TV”). As of June 30, 2025, we had 7.108 million Pay-TV subscribers in the United States, including 5.323 million DISH TV subscribers and 1.785 million SLING TV subscribers.

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
**(Unaudited)**

**Wireless**

Our Wireless segment provides wireless communication services (“Wireless” services) and products. We currently offer our Wireless services for 5G voice over new radio (“5G VoNR”) to over 223 million Americans and for 5G broadband service to over 269 million Americans, as well as a competitive portfolio of wireless devices. We offer nationwide Wireless services to subscribers primarily under our Boost Mobile® and Gen Mobile® brands.

We are currently operating primarily as a mobile virtual network operator (“MVNO”) as we continue to commercialize our Wireless spectrum licenses through the completion of the nation’s first cloud-native, Open Radio Access Network (“O-RAN”) based 5G VoNR and broadband network (our “5G Network”) and grow customer traffic on our 5G Network. We are transitioning to a mobile network operator (“MNO”) as our 5G Network has become commercially available and we grow customer traffic on our 5G Network.

We are currently activating Boost Mobile subscribers with compatible devices onto our 5G Network in markets where we have reached 5G VoNR. We currently offer a broad range of premium wireless devices on our 5G Network, including the Apple iPhone 15 and newer generation iPhones, as well as a wide selection of Samsung, Motorola and other premium devices. We have deployed 5G VoNR covering over 223 million Americans. Within our MVNO operations, today we depend in part on T-Mobile and AT&T to provide us with network services under the amended Master Network Services Agreement (“MNSA”) and Network Services Agreement (the “NSA”), respectively. As of June 30, 2025, we had 7.357 million Wireless subscribers.

We have invested a total of over \$30 billion in Wireless spectrum licenses. The \$30 billion of investments related to Wireless spectrum licenses does not include \$10 billion of capitalized interest related to the carrying value of such licenses. See Note 2 and Note 10 for further information. We continue to commercialize our Wireless spectrum licenses through the completion of our 5G Network. We have committed to the FCC to deploy a facilities-based 5G broadband network capable of serving increasingly larger portions of the U.S. population at different deadlines.

We will need to raise additional capital in the future, which may not be available on favorable terms or at all, to fund the efforts described below, as well as, among other things, make any potential Northstar Re-Auction Payment and SNR Re-Auction Payment for the AWS-3 licenses retained by the FCC. There can be no assurance that we will be able to complete all build-out requirements or profitably deploy our Wireless spectrum licenses, which may affect the carrying amount of these assets and our future financial condition or results of operations. See Note 10 for further information.

Our Wireless spectrum licenses are subject to certain interim and final build-out requirements, as well as certain renewal requirements. In September 2024, the FCC conditionally granted our requests to extend the 5G deployment deadlines for certain of our Wireless spectrum licenses based on several commitments and in a January 10, 2025 filing to the FCC, we certified to meeting the accelerated build-out (Commitments #2 and #3 of the Extension Request) and the nationwide 80% coverage obligations (Commitment #1 of the Extension Request) due by December 31, 2024. Thus, pursuant to the Extension Request, the final deployment deadlines for the licenses subject to the Extension Request (listed in Appendix G) shall be extended to December 14, 2026. While the FCC has not yet updated the build-out deadlines in the Universal Licensing System, the licenses remain in effect based upon the submission of our build-out certifications. In addition, the final deployment deadlines for the licenses subject to the Extension Request (listed in Appendix G) shall be further extended to June 14, 2028 as long as we satisfy the remaining Extension Request commitments. See Note 10 for definitions and further details. Also see Note 1 “Recent Developments” for additional information.

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
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We will need to make significant additional investments or partner with others to, among other things, continue our 5G Network deployment and further commercialize, build-out and integrate these licenses and related assets and any additional acquired licenses and related assets, as well as to comply with regulations applicable to such licenses. Depending on the nature and scope of such activities, any such investments or partnerships could vary significantly. In addition, as we continue our 5G Network deployment, we have and may continue to incur significant additional expenses related to, among other things, research and development, wireless testing and ongoing upgrades to the wireless network infrastructure, software and third-party integration. As a result of these investments, among other factors, we will need to raise additional capital, which may not be available on favorable terms or at all. We may also determine that additional wireless spectrum licenses may be required for our 5G Network deployment, which will enhance our ability to compete effectively with other wireless service providers.

***Broadband and Satellite Services***

We offer broadband satellite technologies and broadband internet products and services to consumer customers. We provide broadband network technologies, managed services, equipment, hardware, satellite services and communications solutions to government and enterprise customers. We also design, provide and install gateway and terminal equipment to customers for other satellite systems. In addition, we design, develop, construct and provide telecommunication networks comprising satellite ground segment systems and terminals to mobile system operators and our enterprise customers. We offer a robust suite of integrated, multi-transport solutions to enable airline and airline service providers to deliver reliable in-flight network connectivity serving both commercial and business aviation. Revenue in our satellite services business depends largely on our ability to make continuous use of our available satellite capacity on behalf of existing customers and our ability to enter into commercial relationships with new customers. As of June 30, 2025, we had 819,000 Broadband subscribers.

**2. Summary of Significant Accounting Policies**

***Basis of Presentation***

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States (“GAAP”) and with the instructions to Form 10-Q and Article 10 of Regulation S-X for interim financial information. Accordingly, these statements do not include all of the information and notes required for complete financial statements prepared under GAAP. In our opinion, all adjustments (consisting of normal recurring adjustments) considered necessary for a fair presentation have been included. Our results of operations for the interim periods presented are not necessarily indicative of the results that may be expected for the full year. For further information, refer to the consolidated financial statements and notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2024. Certain prior period amounts have been reclassified to conform to the current period presentation.

***Principles of Consolidation***

We consolidate all majority owned subsidiaries, investments in entities in which we have controlling influence and variable interest entities (“VIEs”) where we have been determined to be the primary beneficiary. The portion of equity in a subsidiary not attributable, directly or indirectly, to us are recorded as noncontrolling interests or redeemable noncontrolling interests. See below for further information.

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
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Non-consolidated investments are accounted for using the equity method when we have the ability to significantly influence the operating decisions of the investee. When we do not have the ability to significantly influence the operating decisions of an investee, these equity securities are classified as either marketable investment securities or other investments, which will be initially recorded at cost, and based on observable market prices, will be adjusted to their fair value. We record fair value adjustments in “Other, net” within “Other Income (Expense)” on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss). All significant intercompany accounts and transactions have been eliminated in consolidation.

***Redeemable Noncontrolling Interests***

**SNR Wireless.** SNR Wireless LicenseCo, LLC (“SNR Wireless”) is a wholly-owned subsidiary of SNR Wireless HoldCo, LLC (“SNR HoldCo”), which is an entity wholly-owned by us and, prior to February 16, 2024, by us and SNR Wireless Management, LLC (“SNR Management”). On February 16, 2024, the FCC consented to the sale of SNR Management’s ownership interests in SNR HoldCo, which was purchased by our direct wholly-owned subsidiary EchoStar SNR HoldCo L.L.C. for a total of approximately \$442 million. This purchase resulted in the elimination of all of our redeemable noncontrolling interest as it related to SNR HoldCo as of the purchase date and we continue to consolidate the SNR Entities as wholly-owned subsidiaries.

For further information, refer to the consolidated financial statements and notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2023.

***Use of Estimates***

The preparation of financial statements in conformity with GAAP requires us to make certain 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 revenue and expense for each reporting period. Estimates are based on historical experience, observable market inputs, and other reasonable assumptions in accounting for, among other things, allowances for credit losses (including those related to our installment billing programs), self-insurance obligations, deferred taxes and related valuation allowances, uncertain tax positions, loss contingencies, fair value of financial instruments including embedded derivatives, fair value of options granted under our stock-based compensation plans, fair value of assets and liabilities acquired in business combinations, inputs or outputs used to recognize revenue over time, including the relative standalone selling prices of performance obligations, finance leases, asset impairments, estimates of future cash flows used to evaluate and recognize impairments, useful lives of property, equipment and intangible assets, incremental borrowing rate (“IBR”) on lease right of use assets, estimates of the timing of future cash flows used to pay principal on certain debt obligations, estimated credit risk underlying installment receivables, nonrefundable upfront fees, independent third-party retailer incentives, programming expenses subscriber lives and likelihood of certain contingent events. Economic conditions may increase the inherent uncertainty in the estimates and assumptions indicated above. Actual results may differ from previously estimated amounts, and such differences may be material to our condensed consolidated financial statements. Estimates and assumptions are reviewed periodically, and the effects of revisions are reflected prospectively in the period they occur.

***Capitalized Interest***

We capitalize interest associated with the acquisition or construction of certain assets, including, among other things, our Wireless spectrum licenses, build-out costs associated with our 5G Network deployment and satellites. Capitalization of interest begins when, among other things, steps are taken to prepare the asset for its intended use and ceases when the asset is ready for its intended use or when substantially all activities related to the project are suspended.

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
**(Unaudited)**

We are currently commercializing our 5G Network. As a result, the interest expense is being capitalized based on the carrying amount of the 5G Network qualifying assets and the capitalization rate applied to those assets. As the qualifying assets, including markets within certain bands of wireless spectrum licenses, have been placed into service with the deployment of our 5G Network, we no longer capitalize interest on those assets.

Capitalized interest totaled \$309 million and \$267 million for the three months ended June 30, 2025 and 2024, respectively, and \$626 million and \$525 million for the six months ended June 30, 2025 and 2024, respectively, which reduced "Interest expense, net of amounts capitalized" on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss). The carrying amount of the 5G Network qualifying assets remained consistent during the three and six months ended June 30, 2025 and 2024. The change in capitalized interest primarily resulted from the increase in the capitalization rate as a result of our financing transactions during the third and fourth quarters of 2024.

***Fair Value Measurements***

We determine fair value based on the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants. Market or observable inputs are the preferred source of values, followed by unobservable inputs or assumptions based on hypothetical transactions in the absence of market inputs. We apply the following hierarchy in determining fair value:

- Level 1, defined as observable inputs being quoted prices in active markets for identical assets;
- Level 2, defined as observable inputs other than quoted prices included in Level 1, including quoted prices for similar assets and liabilities in active markets; and quoted prices for identical or similar instruments in markets that are not active and model-derived valuations in which significant inputs and significant value drivers are observable in active markets; and
- Level 3, defined as unobservable inputs for which little or no market data exists, consistent with reasonably available assumptions made by other participants therefore requiring assumptions based on the best information available.

As of June 30, 2025 and December 31, 2024, the carrying amount for cash and cash equivalents, trade accounts receivable (net of allowance for credit losses) and current liabilities (excluding the "Current portion of debt, finance lease and other obligations") was equal to or approximated fair value due to their short-term nature or proximity to current market rates.

Fair values of our marketable investment securities are measured on a recurring basis based on a variety of observable market inputs. For our investments in publicly traded equity securities and U.S. government securities, fair value ordinarily is determined based on Level 1 measurements that reflect quoted prices for identical securities in active markets. Fair values of our investments in other marketable debt securities are generally based on Level 2 measurements as the markets for such debt securities are less active. We consider trades of identical debt securities on or near the measurement date as a strong indication of fair value and matrix pricing techniques that consider par value, coupon rate, credit quality, maturity and other relevant features may also be used to determine fair value of our investments in marketable debt securities. Additionally, we use fair value measurements from time to time in connection with other investments, asset impairment testing and the assignment of purchase consideration to assets and liabilities of acquired companies. Those fair value measurements typically include significant unobservable inputs and are categorized within Level 3 of the fair value hierarchy. Transfers between levels in the fair value hierarchy are considered to occur at the beginning of the quarterly accounting period. See Note 5 for the fair value of our marketable investment securities and derivative instruments.

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
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Fair values for our publicly traded debt securities are based on quoted market prices, when available. The fair values of non-publicly traded debt are based on, among other things, available trade information, valuations performed by a third-party, and/or an analysis in which we evaluate market conditions, related securities, various public and private offerings, and other publicly available information. In performing this analysis, we make various assumptions regarding, among other things, credit spreads, and the impact of these factors on the value of the debt securities. The non-publicly traded debt is categorized within Level 3 of the fair value hierarchy. See Note 9 for the fair value of our debt.

***Assets Recognized Related to the Costs to Obtain a Contract with a Customer***

We recognize an asset for the incremental costs of obtaining a contract with a customer if we expect the benefit of those costs to be longer than one year. We have determined that certain sales incentive programs, including those with our independent third-party retailers, meet the requirements to be capitalized, and payments made under these programs are capitalized and amortized to expense over the estimated customer life or the contract term. These amounts are capitalized in "Prepays and other assets" and "Other noncurrent assets, net" on our Condensed Consolidated Balance Sheets, and then amortized in "Selling, general and administrative expenses" on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss).

***Advertising Costs***

We recognize advertising expense when incurred as a component of "Selling, general and administrative expenses" on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss). Advertising expenses totaled \$217 million and \$164 million for the three months ended June 30, 2025 and 2024, respectively. Advertising expenses totaled \$426 million and \$328 million for the six months ended June 30, 2025 and 2024, respectively.

***Research and Development***

Research and development costs, not incurred in connection with customer requirements, are expensed as incurred and are included as a component of "Selling, general and administrative expenses" on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss).

Additionally, customer-related research and development costs are incurred in connection with the specific requirements of a customer's order; in such instances, the amounts for these customer funded development efforts are also included in "Cost of sales—equipment and other" on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss). Research and development costs totaled \$16 million and \$29 million for the three months ended June 30, 2025 and 2024, respectively. Research and development costs totaled \$34 million and \$54 million for the six months ended June 30, 2025 and 2024, respectively.

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
**(Unaudited)**

***New Accounting Pronouncements***

*Not Yet Adopted*

*Income Taxes.* On December 14, 2023, the FASB issued ASU 2023-9, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures* (“ASU 2023-09”), which will enhance income tax disclosures. ASU 2023-09 requires among other items disaggregated information in a reporting entity’s rate reconciliation table, clarification on uncertain tax positions and the related financial statement impact as well as information on income taxes paid on a disaggregated basis. This standard is effective for fiscal years beginning after December 15, 2024. We plan to adopt the standard when it becomes effective for us beginning in our fiscal year 2025 annual financial statements, and the adoption of the standard will impact certain of our income tax disclosures.

*Disaggregation of Income Statement Expenses.* On November 5, 2024, the FASB issued ASU 2024-03, *Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40)* (“ASU 2024-03”), which will enhance financial statement reporting by providing additional information about specific expense categories, including purchases of inventory, employee compensation, depreciation, and amortization. This standard will be effective for fiscal years beginning after December 15, 2026, and interim periods beginning after December 15, 2027. Early adoption is permitted. We are evaluating the impact the adoption of ASU 2024-03 will have on our condensed consolidated financial statements, related disclosures and control environment.

**3. Basic and Diluted Net Income (Loss) Per Share**

We present both basic earnings per share (“EPS”) and diluted EPS. Basic EPS excludes potential dilution and is computed by dividing “Net income (loss) attributable to EchoStar” by the weighted-average number of common shares outstanding for the period. Diluted EPS reflects the potential dilution that could occur if stock awards were exercised and if, our Existing DISH Convertible Notes and EchoStar Convertible Notes, as defined in Note 9, (together the “Convertible Notes,”) were converted. The potential dilution from stock awards is accounted for using the treasury stock method based on the average market value of our Class A common stock for the reporting period. The potential dilution from conversion of the Convertible Notes is accounted for using the if-converted method, which requires that all of the shares of our Class A common stock issuable upon conversion of the Convertible Notes will be included in the calculation of diluted EPS assuming conversion of the Convertible Notes at the beginning of the reporting period (or at time of issuance, if later).

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
**(Unaudited)**

The following table presents EPS amounts for all periods and the basic and diluted weighted-average shares outstanding used in the calculation.

	<b>For the Three Months Ended</b>		<b>For the Six Months Ended</b>	
	<b>June 30,</b>		<b>June 30,</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	(In thousands, except per share amounts)			
Net income (loss)	\$ (306,844)	\$ (207,458)	\$ (510,125)	\$ (315,833)
Less: Net income (loss) attributable to noncontrolling interests, net of tax	(712)	(1,867)	(1,324)	(2,866)
<b>Net income (loss) attributable to EchoStar - Basic</b>	<b>(306,132)</b>	<b>(205,591)</b>	<b>(508,801)</b>	<b>(312,967)</b>
Interest on dilutive Convertible Notes, net of tax (1)	—	—	—	—
<b>Net income (loss) attributable to EchoStar - Diluted</b>	<b>\$ (306,132)</b>	<b>\$ (205,591)</b>	<b>\$ (508,801)</b>	<b>\$ (312,967)</b>
<b>Weighted-average common shares outstanding -</b>				
<b>Class A and B common stock:</b>				
<b>Basic (2)</b>	287,505	271,592	287,012	271,555
Dilutive impact of Convertible Notes (1)	—	—	—	—
Dilutive impact of stock awards outstanding (1)	—	—	—	—
<b>Diluted</b>	<b>287,505</b>	<b>271,592</b>	<b>287,012</b>	<b>271,555</b>
<b>Earnings per share - Class A and B common stock:</b>				
Basic net income (loss) per share attributable to EchoStar	\$ (1.06)	\$ (0.76)	\$ (1.77)	\$ (1.15)
Diluted net income (loss) per share attributable to EchoStar	\$ (1.06)	\$ (0.76)	\$ (1.77)	\$ (1.15)

- (1) For the three and six months ended June 30, 2025 and 2024, the interest on dilutive Convertible Notes and the dilutive impact of weighted-average shares of Class A common stock were excluded from the computation of "Diluted net income (loss) per share attributable to EchoStar" because the effect would have been anti-dilutive as a result of the net loss attributable to EchoStar in the period. As of June 30, 2025 and 2024, our Convertible Notes may be converted into 58 million shares and 33 million shares, respectively.
- (2) On November 12, 2024, we issued and sold 14.265 million shares of our Class A Common Stock to certain PIPE investors.

Certain stock awards to acquire our Class A common stock are not included in the weighted-average common shares outstanding above, as their effect is anti-dilutive. In addition, vesting of performance/market based options and rights to acquire shares of our Class A common stock granted pursuant to our performance based stock incentive plans ("Restricted Performance Units") are both contingent upon meeting certain goals, some of which are not yet probable of being achieved. Furthermore, the warrants that we issued to certain option counterparties in connection with the Convertible Notes due 2026 are only exercisable at their expiration if the market price per share of our Class A common stock is greater than the strike price of the warrants, which is at price ranges of approximately \$185.75 to \$245.33 per share, subject to certain adjustments. As a consequence, the following are not included in the diluted EPS calculation.

	<b>As of June 30,</b>	
	<b>2025</b>	<b>2024</b>
	(In thousands)	
Anti-dilutive stock awards	3,724	9,762
Performance/market based options	4,257	4,421
Common stock warrants	16,151	16,151
<b>Total</b>	<b>24,132</b>	<b>30,334</b>

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
**(Unaudited)**

**4. Supplemental Data - Statements of Cash Flows**

The following table presents certain supplemental cash flow and other non-cash data. See Note 8 for supplemental cash flow and non-cash data related to leases.

	<b>For the Six Months Ended</b>	
	<b>June 30,</b>	
	<b>2025</b>	<b>2024</b>
	(In thousands)	
Cash paid for interest (including capitalized interest)	\$ 1,012,699	\$ 681,737
Interest paid in kind on long-term debt (1)	125,559	—
Cash paid for income taxes, net of (refunds)	15,014	(22,843)
Total capitalized interest (2)	625,918	524,696
Accrued capital expenditures	113,152	147,464
Asset retirement obligation	4,885	8,959

(1) See Note 9 for further information.

(2) See Note 2 for further information.

**5. Marketable Investment Securities, Restricted Cash and Cash Equivalents, and Other Investments**

Our marketable investment securities, restricted cash and cash equivalents, and other investments consisted of the following:

	<b>As of</b>	
	<b>June 30,</b>	<b>December 31,</b>
	<b>2025</b>	<b>2024</b>
	(In thousands)	
<b>Marketable investment securities:</b>		
Current marketable investment securities:		
Strategic - available-for-sale	\$ 17,552	\$ 51
Strategic - trading/equity	52,113	26,454
Other	1,918,336	1,215,531
<b>Total current marketable investment securities</b>	<b>1,988,001</b>	<b>1,242,036</b>
Restricted marketable investment securities (1)	59,783	32,114
<b>Total marketable investment securities</b>	<b>2,047,784</b>	<b>1,274,150</b>
<b>Restricted cash and cash equivalents (1)</b>	<b>300,233</b>	<b>288,411</b>
<b>Other investments, net:</b>		
Equity method investments	84,843	83,423
Other investments	106,949	118,904
<b>Total other investments, net</b>	<b>191,792</b>	<b>202,327</b>
<b>Total marketable investment securities, restricted cash and cash equivalents, and other investments, net</b>	<b>\$ 2,539,809</b>	<b>\$ 1,764,888</b>

(1) Restricted marketable investment securities and restricted cash and cash equivalents are included in "Current restricted cash, cash equivalents and marketable investment securities" and "Restricted cash, cash equivalents and marketable investment securities" on our Condensed Consolidated Balance Sheets and discussed below.

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
**(Unaudited)**

***Marketable Investment Securities***

Our marketable investment securities portfolio may consist of debt and equity instruments. All equity securities are carried at fair value, with changes in fair value recognized in “Other, net” within “Other Income (Expense)” on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss). All debt securities are classified as available-for-sale and are recorded at fair value. We report the temporary unrealized gains and losses related to changes in market conditions of marketable debt securities as a separate component of “Accumulated other comprehensive income (loss)” within “Stockholders’ Equity (Deficit),” net of related deferred income tax on our Condensed Consolidated Balance Sheets. The corresponding changes in the fair value of marketable debt securities, which are determined to be company specific credit losses are recorded in “Other, net” within “Other Income (Expense)” on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss). See Note 2 for further information.

*Current Marketable Investment Securities – Strategic*

Our current strategic marketable investment securities portfolio includes and may include strategic and financial debt and/or equity investments in private and public companies that are highly speculative and have experienced and continue to experience volatility. As of June 30, 2025, this portfolio consisted of securities of a small number of issuers, and as a result the value of that portfolio depends, among other things, on the performance of those issuers. The fair value of certain of the debt and equity securities in this portfolio can be adversely impacted by, among other things, the issuers’ respective performance and ability to obtain any necessary additional financing on acceptable terms, or at all.

*Current Marketable Investment Securities – Other*

Our current other marketable investment securities portfolio includes investments in various debt instruments including, among others, commercial paper, corporate securities and United States treasury and/or agency securities. Commercial paper consists mainly of unsecured short-term, promissory notes issued primarily by corporations with maturities ranging up to 365 days. Corporate securities consist of debt instruments issued by corporations with various maturities normally less than 18 months. U.S. Treasury and agency securities consist of debt instruments issued by the federal government and other government agencies.

*Restricted Cash, Cash Equivalents and Marketable Investment Securities*

As of June 30, 2025 and December 31, 2024, our restricted marketable investment securities, together with our restricted cash and cash equivalents, included amounts required as collateral for our letters of credit, surety bonds and trusts.

*Current restricted cash, cash equivalents and marketable investment securities.* As of June 30, 2025 and December 31, 2024, we had \$184 million and \$151 million, respectively, included in “Current restricted cash, cash equivalents and marketable investment securities” on our Condensed Consolidated Balance Sheets that primarily consists of funds received by our subsidiary, DISH DBS Issuer LLC (“DBS SubscriberCo”), from subscriber payments and certain other revenue, which are required to be restricted per the terms of the debt issued by DBS SubscriberCo. DBS SubscriberCo holds certain DISH TV subscribers and their related subscription and equipment agreements which collateralizes certain debt obligations.

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
**(Unaudited)**

***Other Investments, net***

We have strategic investments in certain debt and/or equity securities that are included in noncurrent “Other investments, net” on our Condensed Consolidated Balance Sheets. Our debt securities are classified as available-for-sale and are recorded at fair value. Generally, our debt investments in non-publicly traded debt instruments without a readily determinable fair value are recorded at amortized cost. Our equity investments where we have the ability to exercise significant influence over the investee are accounted for using the equity method of accounting. Certain of our equity method investments are detailed below.

*NagraStar L.L.C.* We own a 50% interest in NagraStar L.L.C. (“NagraStar”), a joint venture that is our primary provider of encryption and related security systems intended to assure that only authorized customers have access to our programming. The three main technologies NagraStar provides to its customers are microchips, set-top box software and uplink computer systems. NagraStar also provides end-to-end platform security testing services.

*Invidi Technologies Corporation.* We own a 35% interest in Invidi Technologies Corporation (“Invidi”), an entity that provides proprietary software for the addressable advertising market. Invidi contracts with multichannel video programming distributors to include its software in their respective set-top boxes and DVRs in order to deliver targeted advertisements based on a variety of demographic attributes selected by the advertisers. Invidi has also developed a cloud-based solution for internet protocol-based platforms.

*TerreStar Solutions, Inc.* We own a 33% interest in TerreStar Solutions, Inc. (“TSI”), an entity that provides wireless mobile communication coverage in Canada using a satellite user terminal. TSI’s wireless communications system is based on a satellite and ground-based technology, which provides communication services in hard-to-reach areas and provides a nationwide interoperable, survivable and critical communications infrastructure. TSI also holds and leases certain 2 GHz wireless spectrum licenses in Canada.

*Deluxe/EchoStar LLC.* We own 50% of Deluxe/EchoStar LLC (“Deluxe”), a joint venture that we entered into in 2010 to build an advanced digital cinema satellite distribution network targeting delivery to digitally equipped theaters in the U.S. and Canada.

*Broadband Connectivity Solutions (Restricted) Limited.* We own 20% of Broadband Connectivity Solutions (Restricted) Limited (together with its subsidiaries, “BCS”), a joint venture that we entered into in 2018 to provide commercial Ka-band satellite broadband services across Africa, the Middle East and southwest Asia operating over Yahsat’s Al Yah 2 and Al Yah 3 Ka-band satellites. The Al Yah 3 Ka-band satellite is no longer in service.

We also hold investments that are not accounted for using the equity method of accounting, which are measured at fair value. Investments in equity securities without readily determinable fair values are accounted for at cost, less impairment, and adjusted for observable price changes for identical or similar investments of the same issuer.

Our ability to realize value from our strategic investments in securities that are not publicly traded depends on, among other things, the success of the issuers’ businesses and their ability to obtain sufficient capital, on acceptable terms or at all, and to execute their business plans. Because private markets are not as liquid as public markets, there is also increased risk that we will not be able to sell these investments, or that when we desire to sell them we will not be able to obtain fair value for them.

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
**(Unaudited)**

**Fair Value Measurements**

Our investments measured at fair value on a recurring basis were as follows:

	As of							
	June 30, 2025				December 31, 2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	(In thousands)							
<b>Cash and cash equivalents (including restricted):</b>								
Cash	\$ 588,499	\$ —	\$ —	\$ 588,499	\$ 594,654	\$ —	\$ —	\$ 594,654
Cash equivalents	261,837	1,794,982	—	2,056,819	255,118	3,744,032	—	3,999,150
<b>Total</b>	<b>\$ 850,336</b>	<b>\$ 1,794,982</b>	<b>\$ —</b>	<b>\$ 2,645,318</b>	<b>\$ 849,772</b>	<b>\$ 3,744,032</b>	<b>\$ —</b>	<b>\$ 4,593,804</b>
<b>Debt securities (including restricted):</b>								
U.S. Treasury and agency securities	\$ 10,466	\$ —	\$ —	\$ 10,466	\$ 8,163	\$ —	\$ —	\$ 8,163
Commercial paper	—	846,840	—	846,840	—	596,568	—	596,568
Corporate securities	—	1,119,826	—	1,119,826	—	629,115	—	629,115
Other	—	18,488	51	18,539	—	13,799	51	13,850
<b>Equity securities</b>	<b>52,113</b>	<b>—</b>	<b>—</b>	<b>52,113</b>	<b>26,454</b>	<b>—</b>	<b>—</b>	<b>26,454</b>
<b>Total</b>	<b>\$ 62,579</b>	<b>\$ 1,985,154</b>	<b>\$ 51</b>	<b>\$ 2,047,784</b>	<b>\$ 34,617</b>	<b>\$ 1,239,482</b>	<b>\$ 51</b>	<b>\$ 1,274,150</b>

As of June 30, 2025, restricted and non-restricted marketable investment securities included debt securities of \$1.061 billion with contractual maturities within one year and \$934 million with contractual maturities extending longer than one year through and including five years. Actual maturities may differ from contractual maturities as a result of our ability to sell these securities prior to maturity.

**Gains and Losses on Sales and Changes in Carrying Amounts of Investments and Other**

“Other, net” within “Other Income (Expense)” included on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss) is as follows:

	For the Three Months Ended		For the Six Months Ended	
	June 30,		June 30,	
Other, net:	2025	2024	2025	2024
	(In thousands)			
Marketable and non-marketable investment securities - realized and unrealized gains (losses) and impairments	\$ (8,377)	\$ (25,417)	\$ 15,925	\$ (49,312)
Gains (losses) related to early redemption of debt	—	—	11,465	—
Foreign currency transaction gains (losses)	3,429	(2,702)	5,678	(3,329)
Equity in earnings (losses) of affiliates	2,539	(66,397)	4,183	(69,183)
Sale of Fiber business gains (losses)	37,441	—	37,441	—
Other	105	3,018	1,835	4,216
<b>Total</b>	<b>\$ 35,137</b>	<b>\$ (91,498)</b>	<b>\$ 76,527</b>	<b>\$ (117,608)</b>

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
**(Unaudited)**

**6. Inventory**

Inventory consisted of the following:

	As of	
	June 30, 2025	December 31, 2024
	(In thousands)	
Finished goods	\$ 271,034	\$ 353,401
Work-in-process and service repairs	61,386	58,028
Consignment	4,127	10,110
Raw materials	38,571	33,658
<b>Total inventory</b>	<b>\$ 375,118</b>	<b>\$ 455,197</b>

**7. Property and Equipment and Intangible Assets**

***Property and Equipment***

Property and equipment consisted of the following:

	Depreciable Life (In Years)	As of	
		June 30, 2025	December 31, 2024
		(In thousands)	
Equipment leased to customers	2 - 5	\$ 1,700,328	\$ 1,784,801
Satellites	5 - 15	3,865,200	3,872,664
Satellites acquired under finance lease agreements	15	356,275	344,972
Furniture, fixtures, equipment and other	1 - 20	1,690,032	1,686,992
5G Network equipment (1)	3 - 15	5,672,959	5,382,706
Software and computer equipment	1 - 8	2,390,532	2,216,007
Buildings and improvements	1 - 40	517,014	513,419
Land	-	43,000	42,842
Construction in progress	-	1,535,975	1,570,275
<b>Total property and equipment</b>		<b>17,771,315</b>	<b>17,414,678</b>
Accumulated depreciation		<b>(8,997,659)</b>	<b>(8,227,546)</b>
<b>Property and equipment, net (2)</b>		<b>\$ 8,773,656</b>	<b>\$ 9,187,132</b>

(1) Includes 5G Network assets acquired under finance lease agreements.

(2) As of June 30, 2025 and December 31, 2024, there were no refunds and other receipts of purchases of property and equipment.

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
**(Unaudited)**

Depreciation and amortization expense consisted of the following:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
	(In thousands)			
Equipment leased to customers	\$ 57,810	\$ 59,178	\$ 121,022	\$ 130,945
Satellites	64,283	75,323	130,263	150,901
Buildings, furniture, fixtures, equipment and other	32,098	47,707	61,271	75,420
5G Network equipment	216,782	179,473	424,914	346,294
Software and computer equipment	108,187	95,866	216,160	184,553
Intangible assets and other amortization expense	13,895	49,978	27,758	104,812
<b>Total depreciation and amortization</b>	<b>\$ 493,055</b>	<b>\$ 507,525</b>	<b>\$ 981,388</b>	<b>\$ 992,925</b>

Cost of sales and operating expense categories included in our accompanying Condensed Consolidated Statements of Operations and Comprehensive Income (Loss) do not include depreciation and amortization expense related to satellites, equipment leased to customers, or our 5G Network equipment and software, and amortization of development costs of externally marketed software.

Activity relating to our asset retirement obligations, included in “Long-term deferred revenue and other long-term liabilities” on our Condensed Consolidated Balance Sheets, was as follows:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
	(In thousands)			
<b>Balance, beginning of period</b>	<b>\$ 338,506</b>	<b>\$ 289,059</b>	<b>\$ 327,031</b>	<b>\$ 278,287</b>
Liabilities incurred	1,188	4,651	4,885	8,959
Accretion expense	8,026	6,765	15,804	13,229
<b>Balance, end of period</b>	<b>\$ 347,720</b>	<b>\$ 300,475</b>	<b>\$ 347,720</b>	<b>\$ 300,475</b>

The corresponding assets, net of accumulated depreciation, related to asset retirement obligations were \$209 million and \$216 million as of June 30, 2025 and December 31, 2024, respectively.

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
**(Unaudited)**

**Satellites Pay-TV Segment**

Our Pay-TV segment currently utilizes eight satellites in geosynchronous orbit approximately 22,300 miles above the equator, seven of which we own and depreciate over their estimated useful life. We also lease one satellite from a third party, Nimiq 5, which is accounted for as an operating lease.

As of June 30, 2025, our Pay-TV segment satellite fleet consisted of the following:

<b>Satellites</b>	<b>Launch Date</b>	<b>Degree Orbital Location</b>	<b>Lease Termination Date</b>
<b>Owned:</b>			
EchoStar X	February 2006	110	N/A
EchoStar XI	July 2008	110	N/A
EchoStar XIV	March 2010	119	N/A
EchoStar XV (1)	July 2010	119	N/A
EchoStar XVI	November 2012	61.5	N/A
EchoStar XXVIII	June 2016	61.5	N/A
EchoStar XXIII	March 2017	110	N/A
<b>Under Construction:</b>			
EchoStar XXV	2026	110	N/A
EchoStar XXVI	2028	119	N/A
<b>Leased from Other Third-Party:</b>			
Nimiq 5	September 2009	72.7	October 2029

(1) During April 2025, the EchoStar XV satellite began the process of relocating from the 61.5 degree orbital location to the 119 degree orbital location. The relocation process was completed in July 2025.

As of April 2025, we no longer lease the Anik F3 satellite.

**Satellites Under Construction**

*EchoStar XXV.* On March 20, 2023, we entered into a contract with Maxar Space LLC for the construction of EchoStar XXV, a DBS satellite that is capable of providing service to the continental United States ("CONUS") and is intended to be used at the 110 degree orbital location. During the fourth quarter of 2023, we entered into an agreement with Space Exploration Technologies Corp ("SpaceX") for launch services for this satellite, which is expected to be launched during 2026.

*EchoStar XXVI.* On May 15, 2025, we entered into a contract with Maxar Space LLC for the construction of EchoStar XXVI, a DBS satellite that is capable of providing service to the CONUS and is intended to be used at the 119 degree orbital location. EchoStar XXVI is expected to be launched during 2028.

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
**(Unaudited)**

**Satellites - Broadband and Satellite Services Segment**

Our Broadband and Satellite Services segment currently utilizes seven satellites in geosynchronous orbit approximately 22,300 miles above the equator, four of which we own and depreciate over their estimated useful life. We also lease three satellites from third parties, which are accounted for as finance leases and are depreciated over their economic life.

As of June 30, 2025, our Broadband and Satellite Services segment satellite fleet consisted of the following:

<b>Satellites</b>	<b>Launch Date</b>	<b>Degree Orbital Location</b>	<b>Lease Termination Date</b>
<b>Owned:</b>			
EchoStar XVII	July 2012	107	N/A
EchoStar XIX	December 2016	97.1	N/A
EchoStar XXI	June 2017	10.25	N/A
EchoStar XXIV	July 2023	95.2	N/A
<b>Leased from Other Third-Party:</b>			
Eutelsat 65 West A	March 2016	65	July 2031
Telesat T19V	July 2018	63	August 2033
EchoStar 105/SES-11	October 2017	105	November 2030

In addition to the satellites listed above, during 2025 we have launched and will continue to launch, certain low earth orbit satellites in connection with additional business opportunities.

As of June 2025, all commercial traffic on the Al Yah 3 satellite had been transferred to other satellites in our fleet and the Al Yah 3 satellite is no longer operational and is no longer in service.

In addition, all commercial traffic on the EchoStar IX satellite has been transferred to other satellites in our fleet and the EchoStar IX satellite is no longer in service. During the second quarter of 2025, we began the disposal process for the EchoStar IX satellite and the disposal process is expected to be completed in the third quarter of 2025.

**8. Leases****Lessee Accounting**

We enter into non-cancelable operating and finance leases for, among other things, communication towers, satellites, satellite-related ground infrastructure, data centers, office space, dark fiber and transport equipment, warehouses and distribution centers, vehicles and other equipment. Substantially all of our leases have remaining lease terms from one to 13 years, with a weighted average remaining lease term of 1.3 to 9.3 years, some of which include renewal options, and some of which include options to terminate the leases within one year. For certain arrangements (generally communication towers), the lease term includes the non-cancelable period plus the renewal period that we are reasonably certain to exercise.

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
**(Unaudited)**

Our Eutelsat 65 West A, Telesat T19V and EchoStar 105/SES-11 satellites are accounted for as finance leases within our Broadband and Satellite Services segment. Through the third quarter of 2024, our Nimiq 5 satellite was accounted for as finance lease within our Pay-TV segment. However, during October 2024, we extended the Nimiq 5 lease and as a result it is currently accounted for as an operating lease. In addition, through the first quarter of 2025, our Anik F3 satellite was accounted for as an operating lease within our Pay-TV segment and as of April 2025 we no longer lease this satellite. Substantially all of our remaining leases are accounted for as operating leases.

The components of lease expense were as follows:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
	(In thousands)			
Operating lease cost	\$ 166,505	\$ 155,484	\$ 333,862	\$ 322,490
Short-term lease cost (1)	3,051	1,028	8,341	2,051
Finance lease cost:				
Amortization of right-of-use assets	13,238	14,210	26,469	32,678
Interest on lease liabilities	1,342	2,397	2,844	5,189
Total finance lease cost	14,580	16,607	29,313	37,867
Total lease costs	<u>\$ 184,136</u>	<u>\$ 173,119</u>	<u>\$ 371,516</u>	<u>\$ 362,408</u>

(1) Leases that have terms of 12 months or less.

Supplemental cash flow information related to leases was as follows:

	For the Six Months Ended June 30,	
	2025	2024
	(In thousands)	
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ 284,667	\$ 238,574
Operating cash flows from finance leases	\$ 2,314	\$ 5,299
Financing cash flows from finance leases	\$ 11,406	\$ 29,627
Right-of-use assets obtained in exchange for lease obligations:		
Operating leases	\$ 110,400	\$ 313,628
Finance leases	\$ —	\$ —

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
**(Unaudited)**

Supplemental balance sheet information related to leases was as follows:

	As of	
	June 30, 2025	December 31, 2024
	(In thousands)	
<b>Operating Leases:</b>		
Operating lease assets	\$ 3,218,062	\$ 3,260,768
Other current liabilities	\$ 565,684	\$ 528,542
Operating lease liabilities	3,178,737	3,211,407
Total operating lease liabilities	\$ 3,744,421	\$ 3,739,949
<b>Finance Leases:</b>		
Property and equipment, gross	\$ 477,377	\$ 466,074
Accumulated depreciation	(267,697)	(235,001)
Property and equipment, net	\$ 209,680	\$ 231,073
Other current liabilities	\$ 34,088	\$ 30,381
Other long-term liabilities	21,705	36,818
Total finance lease liabilities	\$ 55,793	\$ 67,199
<b>Weighted Average Remaining Lease Term:</b>		
Operating leases	9.3 years	9.7 years
Finance leases	1.3 years	1.7 years
<b>Weighted Average Discount Rate:</b>		
Operating leases	10.2%	10.2%
Finance leases	9.6%	9.3%

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
**(Unaudited)**

Maturities of lease liabilities as of June 30, 2025 were as follows:

<b>For the Years Ending December 31,</b>	<b>Maturities of Lease Liabilities</b>		
	<b>Operating Leases</b>	<b>Finance Leases</b>	<b>Total</b>
	(In thousands)		
2025 (remaining six months)	\$ 300,553	\$ 21,672	\$ 322,225
2026	617,416	36,588	654,004
2027	619,052	2,574	621,626
2028	577,897	—	577,897
2029	558,768	—	558,768
Thereafter	3,106,518	—	3,106,518
Total lease payments	5,780,204	60,834	5,841,038
Less: Imputed interest	(2,035,783)	(5,041)	(2,040,824)
Total	3,744,421	55,793	3,800,214
Less: Current portion	(565,684)	(34,088)	(599,772)
Long-term portion of lease obligations	<u>\$ 3,178,737</u>	<u>\$ 21,705</u>	<u>\$ 3,200,442</u>

**Lessor Accounting**

We lease satellite capacity, communications equipment and real estate to certain of our customers.

The following table presents our lease revenue by type of lease:

	<b>For the Three Months Ended June 30,</b>		<b>For the Six Months Ended June 30,</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	(In thousands)			
Lease revenue:				
Sales-type lease revenue	\$ 1,787	\$ 1,539	\$ 3,984	\$ 2,623
Operating lease revenue	2,014	3,830	4,415	9,484
Total lease revenue	<u>\$ 3,801</u>	<u>\$ 5,369</u>	<u>\$ 8,399</u>	<u>\$ 12,107</u>

Substantially all of our net investment in sales-type leases consisted of lease receivables totaling \$23 million and \$26 million as of June 30, 2025 and December 31, 2024, respectively.

The following table presents future operating lease payments to be received as of June 30, 2025:

<b>For the Years Ending December 31,</b>	<b>Total</b>
	(In thousands)
2025 (remaining six months)	\$ 5,515
2026	7,271
2027	5,839
2028	3,669
2029	3,128
Thereafter	2,028
Total lease payments to be received	<u>\$ 27,450</u>

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
**(Unaudited)**

**9. Debt and Finance Lease Obligations**

**Fair Value of our Debt**

The following table summarizes the carrying amount and fair value of our debt facilities as of June 30, 2025 and December 31, 2024:

	Issuer	As of			
		June 30, 2025		December 31, 2024	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
		(In thousands)			
0% Convertible Notes due 2025	DISH	\$ 138,403	\$ 125,717	\$ 138,403	\$ 124,916
Term Loan due 2025 (1)	DBS SubscriberCo	166,667	166,667	500,000	500,000
7 3/4% Senior Notes due 2026	DDBS	2,000,000	1,779,660	2,000,000	1,678,640
5 1/4% Senior Secured Notes due 2026 (2)	HSSC	627,283	560,063	750,000	686,475
6 5/8% Senior Notes due 2026	HSSC	750,000	548,625	750,000	595,725
3 3/8% Convertible Notes due 2026	DISH	45,209	37,987	45,209	38,495
5 1/4% Senior Secured Notes due 2026	DDBS	2,750,000	2,502,500	2,750,000	2,507,780
11 3/4% Senior Secured Notes due 2027	DISH	3,500,000	3,605,000	3,500,000	3,708,460
7 3/8% Senior Notes due 2028	DDBS	1,000,000	722,500	1,000,000	715,680
5 3/4% Senior Secured Notes due 2028	DDBS	2,500,000	2,175,000	2,500,000	2,143,350
5 1/8% Senior Notes due 2029	DDBS	1,500,000	987,480	1,500,000	959,610
Term Loan due 2029 (3)	DBS SubscriberCo	1,800,000	1,761,313	1,800,000	1,800,000
Mandatorily Redeemable Preferred Shares due 2029 (3) (4)	DBS SubscriberCo	200,000	193,519	200,000	200,000
10 3/4% Senior Secured Notes due 2029 (5)	SATS	5,506,000	5,664,298	5,356,000	5,763,110
3 7/8% Convertible Secured Notes due 2030 (6)	SATS	1,946,856	2,297,290	1,906,229	2,029,715
6 3/4% Senior Secured Notes due 2030 (7)	SATS	2,372,670	2,185,229	2,287,738	2,070,952
Other notes payable		80,201	80,201	108,072	108,072
<b>Subtotal</b>		<b>26,883,289</b>	<b>\$ 25,393,049</b>	<b>27,091,651</b>	<b>\$ 25,630,980</b>
Unamortized deferred financing costs and other debt discounts, net		(484,164)		(555,533)	
Finance lease obligations (8)		55,793		67,199	
<b>Total</b>		<b>26,454,918</b>		<b>26,603,317</b>	
Less: current portion (3)		(1,053,230)		(943,029)	
<b>Total debt, finance lease and other obligations, net of current portion</b>		<b>\$ 25,401,688</b>		<b>\$ 25,660,288</b>	

- (1) During the three and six months ended June 30, 2025, we redeemed approximately \$166 million and \$333 million, respectively, of our Term Loan due 2025. The remaining balance of approximately \$167 million is paid monthly and the final payment is due September 30, 2025.
- (2) During the six months ended June 30, 2025, we repurchased approximately \$123 million of our 5 1/4% Senior Secured Notes due 2026 in open market trades. The remaining balance of approximately \$627 million matures on August 1, 2026. See Note 5 for further information.
- (3) A portion of the principal balance of these instruments is classified as "Current portion of debt, finance lease and other obligations" due to payment terms upon which we will pay a portion of principal balance based on the variable cash flows for certain Pay-TV business metrics which are an estimate and could change significantly based on actual performance.
- (4) Due to the June 30, 2029 mandatory redemption feature of this instrument, it is considered a debt instrument.
- (5) On May 8, 2025, we issued an additional \$150 million aggregate principal amount of our 10 3/4% Senior Secured Notes due November 30, 2029.
- (6) During the three months ended June 30, 2025, we elected to make our semi-annual interest payment of approximately \$41 million in kind.
- (7) During the three months ended June 30, 2025, we elected to make our semi-annual interest payment of approximately \$85 million in kind.
- (8) Disclosure regarding fair value of finance leases is not required.

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
**(Unaudited)**

We estimated the fair value of our publicly traded long-term debt using market prices in less active markets (Level 2). We estimated the fair value of our non-publicly traded debt based on, among other things, available trade information and/or valuations performed by a third-party (Level 3).

**Senior Notes and Convertible Notes**

The below summaries are not complete and are qualified in entirety by reference to the full and complete text of the applicable indentures.

**EchoStar Senior Secured Notes and Convertible Secured Notes**

The EchoStar Senior Secured Notes and Convertible Secured Notes are:

- senior unsecured obligations of EchoStar and guaranteed by the Spectrum Assets Guarantors (as defined below) and the Equity Pledge Guarantors (as defined below) on a senior secured basis;
- secured equally and ratably with certain other secured indebtedness on a first-priority basis, subject to permitted liens, certain exceptions, and the first lien intercreditor agreement, by: (i) a lien on all licenses, authorizations and permits issued from time to time by the FCC for use of the AWS-3 Spectrum and for the use of the AWS-4 Spectrum (the "Spectrum Assets") held by certain of our subsidiaries that hold any Spectrum Assets (each, a "Spectrum Assets Guarantor"); (ii) the proceeds of any Spectrum Assets sale; (iii) other wireless licenses (valued by third-party) of similar value which can be substituted for the Spectrum Assets; and (iv) a lien on the equity interests held by an entity that directly owns any equity interests in any Spectrum Assets Guarantor (each, a "Equity Pledge Guarantor");
- ranked equally in right of payment, without giving effect to collateral arrangements, with all of our and the Spectrum Assets Guarantors' or Equity Pledge Guarantors' existing and future senior indebtedness;
- ranked senior in right of payment to any of our and the Spectrum Assets Guarantors or Equity Pledge Guarantors' subordinated existing and future indebtedness and effectively senior to any of the Spectrum Assets Guarantors or Equity Pledge Guarantors unsecured indebtedness and indebtedness secured by junior liens on the collateral to the extent of the value of the collateral and effectively junior to all the existing and future obligations of any of our subsidiaries that are not Spectrum Assets Guarantors or Equity Pledge Guarantors.

The indentures related to our EchoStar Senior Secured Notes and Convertible Secured Notes contain restrictive covenants that, among other things, impose limitations on the ability of EchoStar and the Spectrum Assets Guarantors and the Equity Pledge Guarantors to:

- incur or guarantee additional debt;
- make certain investments and other restricted payments;
- create liens;
- enter into transactions with affiliates;
- merge or consolidate with another company;
- transfer or sell assets;
- allow to exist certain restrictions on paying dividends or other payments; and
- engage in new activities (applicable to guarantors).

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Pursuant to the related indenture, we were required to appoint independent appraisers to determine the aggregate Appraised Value (as defined in the related indenture) of the Spectrum Assets within 60 days following the issue date of the EchoStar Senior Secured Notes and Convertible Secured Notes. Based on the independent appraisals and in accordance with the definition of “Appraised Value” in the related indenture, the Initial Appraisal (as defined in the related indenture) was determined to be \$33.1 billion, with a LTV Ratio (as defined in the related indenture) of approximately 0.3 to 1.00.

We will also be required to obtain a forfeiture appraisal of the Spectrum Assets (the “Spectrum Assets Forfeiture Appraisal”) within 60 days of the forfeiture date if wireless spectrum licenses that form part of the Spectrum Assets accounting for more than 10% of the aggregate MHz-POPs of all such licenses constituting the Spectrum Assets are forfeited to the FCC as a result of our failure to meet its build-out milestones with respect to such forfeited licenses.

If the loan-to-value ratio with respect to the Spectrum Assets as of the date of the Spectrum Assets Forfeiture Appraisal is greater than 0.375 to 1.00, then within 60 days following the date of the delivery of the Spectrum Assets Forfeiture Appraisal, we will be required to add additional Spectrum Assets Guarantors and/or pledge (or cause to be pledged) cash or additional wireless spectrum licenses as Spectrum Assets to comply with the required loan-to-value ratio of 0.375 to 1.00.

*10 3/4% Senior Secured Notes due 2029*

On November 12, 2024 and on May 8, 2025, we issued \$5.356 billion and \$150 million, respectively, aggregate principal amount of our 10 3/4% Senior Secured Notes due November 30, 2029. Interest accrues at an annual rate of 10 3/4% and is payable semi-annually in cash, in arrears on May 30 and November 30 of each year, which commenced on May 30, 2025. We elected not to make the approximately \$326 million cash interest payment due on May 30, 2025 (the “10 3/4% Interest Payment”). Under the related indenture, such non-payment is a default and we had a 30-day grace period to make the 10 3/4% Interest Payment before such non-payment would have been an Event of Default, as defined in the related indenture. On June 27, 2025, we made the scheduled 10 3/4% Interest Payment originally due May 30, 2025, including interest on the defaulted interest, within the applicable 30-day grace period to make such interest payment.

*3 7/8% Convertible Secured Notes due 2030*

On November 12, 2024, we issued \$1.906 billion aggregate principal amount of our 3 7/8% Convertible Secured Notes due November 30, 2030 (“Convertible Notes due 2030”). Interest accrues at an annual rate of 3 7/8% and is payable semi-annually in arrears on May 30 and November 30 of each year, commencing on May 30, 2025. Interest payments are, at our option, payable in cash or in kind for the first four interest payment periods; provided that no payment in kind interest may be paid for any interest period if the payment of interest on the 6 3/4% Senior Secured Notes due 2030 or certain other indebtedness during such period is made in cash. Interest payments from and including the fifth interest payment period (which will be payable on May 30, 2027) and thereafter must be paid in cash.

We may not redeem the Convertible Notes due 2030 prior to November 30, 2027. The Convertible Notes due 2030 are redeemable, in whole or in part, at any time on or after November 30, 2027 at the redemption prices and subject to the conversion rights and other conditions specified in the related indenture.

If a “fundamental change” (as defined in the related indenture) occurs prior to the maturity date of the Convertible Notes due 2030, holders may require us to repurchase for cash all or part of their Convertible Notes due 2030 at a specified make-whole price equal to 100% of the principal amount of such Convertible Notes due 2030, plus accrued and unpaid interest to, but not including, the fundamental change repurchase date.

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Subject to the terms of the related indenture, the Convertible Notes due 2030 may be converted at an initial conversion rate of 29.73507 shares of our Class A common stock per \$1,000 principal amount of Convertible Notes due 2030 (equivalent to an initial conversion price of approximately \$33.63 per share of our Class A common stock) (the "Initial Conversion Rate"), at any time on or after May 30, 2030 through the second scheduled trading day preceding the maturity date. Holders of the Convertible Notes due 2030 will also have the right to convert the Convertible Notes due 2030 at the Initial Conversion Rate prior to May 30, 2030, but only upon the occurrence of specified events described in the related indenture.

The conversion rate is subject to anti-dilution adjustments if certain events occur. Upon any conversion, we will settle our conversion obligation in cash, shares of our Class A common stock or a combination of cash and shares of our Class A common stock, at our election.

**Existing DISH Convertible Notes**

*0% Convertible Notes due 2025*

On December 21, 2020, we issued \$2.0 billion aggregate principal amount of the Convertible Notes due December 15, 2025 in a private placement. A portion of these notes were tendered for exchange and cancelled and an aggregate principal amount of \$138 million remains outstanding. These notes will not bear interest, and the principal amount of the Notes will not increase over time.

The Convertible Notes due 2025 are:

- our general unsecured obligations;
- ranked senior in right of payment to any future indebtedness that is expressly subordinated in right of payment to the Convertible Notes due 2025;
- ranked equally in right of payment with all of our existing and future unsecured senior indebtedness;
- ranked effectively junior to any of our existing and future secured indebtedness to the extent of the value of the assets securing such indebtedness;
- ranked structurally junior to all indebtedness and other liabilities of our subsidiaries; and
- not guaranteed by our subsidiaries.

We may not redeem the Convertible Notes due 2025 prior to the maturity date. If a "fundamental change" (as defined in the related indenture) occurs prior to the maturity date of the Convertible Notes due 2025, holders may require us to repurchase for cash all or part of their Convertible Notes due 2025 at a repurchase price equal to 100% of the principal amount of such Convertible Notes due 2025, plus accrued and unpaid interest to, but not including, the fundamental change repurchase date.

The indenture related to the Convertible Notes due 2025 does not contain any financial covenants and does not restrict us from paying dividends, issuing or repurchasing our other securities, issuing new debt (including secured debt) or repaying or repurchasing our debt.

Subject to the terms of the related indenture, the Convertible Notes due 2025 may be converted at an initial conversion rate of 8.566 shares of our Class A common stock per \$1,000 principal amount of the Convertible Notes due 2025 (equivalent to an initial conversion price of approximately \$116.74 per share of our Class A common stock) (the "Initial Conversion Rate"), at any time on or after July 15, 2025 through the second scheduled trading day preceding the maturity date. Holders of the Convertible Notes due 2025 also had the right to convert the Convertible Notes due 2025 at the Initial Conversion Rate prior to July 15, 2025, but only upon the occurrence of specified events described in the related indenture.

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The conversion rate is subject to anti-dilution adjustments if certain events occur. Upon any conversion, we will settle our conversion obligation in cash, shares of our Class A common stock or a combination of cash and shares of our Class A common stock, at our election.

*3 3/8% Convertible Notes due 2026*

On August 8, 2016, we issued \$3.0 billion aggregate principal amount of the Convertible Notes due August 15, 2026 in a private offering. A portion of these notes were tendered for exchange and cancelled and an aggregate principal amount of \$45 million remains outstanding. Interest accrues at an annual rate of 3 3/8% and is payable semi-annually in cash, in arrears on February 15 and August 15 of each year.

The Convertible Notes due 2026 are:

- our general unsecured obligations;
- ranked senior in right of payment to any future indebtedness that is expressly subordinated in right of payment to the Convertible Notes due 2026;
- ranked equally in right of payment with all of our existing and future unsecured senior indebtedness;
- ranked effectively junior to any of our existing and future secured indebtedness to the extent of the value of the assets securing such indebtedness;
- ranked structurally junior to all indebtedness and other liabilities of our subsidiaries; and
- not guaranteed by our subsidiaries.

We may not redeem the Convertible Notes due 2026 prior to the maturity date. If a “fundamental change” (as defined in the related indenture) occurs prior to the maturity date of the Convertible Notes due 2026, holders may require us to repurchase for cash all or part of their Convertible Notes due 2026 at a specified make-whole price equal to 100% of the principal amount of such Convertible Notes due 2026, plus accrued and unpaid interest to, but not including, the fundamental change repurchase date.

The indenture related to the Convertible Notes due 2026 does not contain any financial covenants and does not restrict us from paying dividends, issuing or repurchasing our other securities, issuing new debt (including secured debt) or repaying or repurchasing our debt.

Subject to the terms of the related indenture, the Convertible Notes due 2026 may be converted at an initial conversion rate of 5.383 shares of our Class A common stock per \$1,000 principal amount of Convertible Notes due 2026 (equivalent to an initial conversion price of approximately \$185.76 per share of our Class A common stock) (the “Initial Conversion Rate”), at any time on or after March 15, 2026 through the second scheduled trading day preceding the maturity date. Holders of the Convertible Notes due 2026 will also have the right to convert the Convertible Notes due 2026 at the Initial Conversion Rate prior to March 15, 2026, but only upon the occurrence of specified events described in the related indenture.

The conversion rate is subject to anti-dilution adjustments if certain events occur. Upon any conversion, we will settle our conversion obligation in cash, shares of our Class A common stock or a combination of cash and shares of our Class A common stock, at our election.

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**DISH DBS Unsecured Senior Notes**

*7 3/4% Senior Notes due 2026*

On June 13, 2016, we issued \$2.0 billion aggregate principal amount of our ten-year 7 3/4% Senior Notes due July 1, 2026. Interest accrues at an annual rate of 7 3/4% and is payable semi-annually in cash, in arrears on January 1 and July 1 of each year. We elected not to make the approximately \$78 million cash interest payment due on July 1, 2025 (the "7 3/4% Interest Payment"). Under the related indenture, such non-payment is a default and we had a 30-day grace period to make the 7 3/4% Interest Payment before such non-payment would have been an Event of Default, as defined in the related indenture. On July 30, 2025, we made the scheduled 7 3/4% Interest Payment originally due July 1, 2025, including interest on the defaulted interest, within the applicable 30-day grace period to make such interest payment.

*7 3/8% Senior Notes due 2028*

On July 1, 2020, we issued \$1.0 billion aggregate principal amount of our 7 3/8% Senior Notes due July 1, 2028. Interest accrues at an annual rate of 7 3/8% and is payable semi-annually in cash, in arrears on January 1 and July 1 of each year. We elected not to make the approximately \$37 million cash interest payment due on July 1, 2025 (the "7 3/8% Interest Payment"). Under the related indenture, such non-payment is a default and we had a 30-day grace period to make the 7 3/8% Interest Payment before such non-payment would have been an Event of Default, as defined in the related indenture. On July 30, 2025, we made the scheduled 7 3/8% Interest Payment originally due July 1, 2025, including interest on the defaulted interest, within the applicable 30-day grace period to make such interest payment.

*5 1/8% Senior Notes due 2029*

On May 24, 2021, we issued \$1.5 billion aggregate principal amount of our 5 1/8% Senior Notes due June 1, 2029. Interest accrues at an annual rate of 5 1/8% and is payable semi-annually in cash, in arrears on June 1 and December 1 of each year. We elected not to make the approximately \$38 million cash interest payment due on June 2, 2025 (the "5 1/8% Interest Payment"). Under the related indenture, such non-payment is a default and we had a 30-day grace period to make the 5 1/8% Interest Payment before such non-payment would have been an Event of Default, as defined in the related indenture. On June 27, 2025, we made the scheduled 5 1/8% Interest Payment originally due June 2, 2025, including interest on the defaulted interest, within the applicable 30-day grace period to make such interest payment.

**DISH DBS Senior Secured Notes**

*5 1/4% Senior Secured Notes due 2026*

On November 26, 2021, we issued \$2.750 billion aggregate principal amount of our 5 1/4% Senior Secured Notes due December 1, 2026. Interest accrues at an annual rate of 5 1/4% and is payable semi-annually in cash, in arrears on June 1 and December 1 of each year. We elected not to make the approximately \$72 million cash interest payment due on June 2, 2025 (the "5 1/4% Interest Payment"). Under the related indenture, such non-payment is a default and we had a 30-day grace period to make the 5 1/4% Interest Payment before such non-payment would have been an Event of Default, as defined in the related indenture. On June 27, 2025, we made the scheduled 5 1/4% Interest Payment originally due June 2, 2025, including interest on the defaulted interest, within the applicable 30-day grace period to make such interest payment.

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*5 3/4% Senior Secured Notes due 2028*

On November 26, 2021, we issued \$2.5 billion aggregate principal amount of our 5 3/4% Senior Secured Notes due December 1, 2028. Interest accrues at an annual rate of 5 3/4% and is payable semi-annually in cash, in arrears on June 1 and December 1 of each year. We elected not to make the approximately \$72 million cash interest payment due on June 2, 2025 (the "5 3/4% Interest Payment"). Under the related indenture, such non-payment is a default and we had a 30-day grace period to make the 5 3/4% Interest Payment before such non-payment would have been an Event of Default, as defined in the related indenture. On June 27, 2025, we made the scheduled 5 3/4% Interest Payment originally due June 2, 2025, including interest on the defaulted interest, within the applicable 30-day grace period to make such interest payment.

**Intercompany Loans**

*DISH 2021 Intercompany Loan*

The net proceeds from the offering of our 5 1/4% Senior Secured Notes due 2026 and our 5 3/4% Senior Secured Notes due 2028 (the "DISH DBS Senior Secured Notes") issued on November 26, 2021 were used by DISH DBS to make an intercompany loan to DISH Network pursuant to a Loan and Security Agreement dated November 26, 2021 (together with potential future advances to DISH Network, the "DISH 2021 Intercompany Loan") between DISH DBS and DISH Network in order to finance the purchase of wireless spectrum licenses and for general corporate purposes, including our 5G Network deployment.

The DISH 2021 Intercompany Loan matures in two tranches, with the first tranche maturing on December 1, 2026 (the "DISH 2021 Intercompany Loan 2026 Tranche") and the second tranche maturing on December 1, 2028 (the "DISH 2021 Intercompany Loan 2028 Tranche"). DISH DBS may make additional advances to DISH Network under the DISH 2021 Intercompany Loan, and on February 11, 2022, DISH DBS advanced an additional \$1.5 billion to DISH Network under the DISH 2021 Intercompany Loan 2026 Tranche.

Interest accrues and is payable semiannually, and interest payments with respect to the DISH 2021 Intercompany Loan were, at our option, payable in kind for the first two years from the issuance date of November 2021. In the third year post issuance date, a minimum of 50% of each interest payment due with respect to each tranche of the DISH 2021 Intercompany Loan were required to be paid in cash. Currently and prospectively, interest payments must be paid in cash. Interest accrues: (a) when paid in cash, at a fixed rate of 0.25% per annum in excess of the interest rate applicable to, in the case of the DISH 2021 Intercompany Loan 2026 Tranche, the 5 1/4% Senior Secured Notes due 2026, and in the case of the DISH 2021 Intercompany Loan 2028 Tranche, the 5 3/4% Senior Secured Notes due 2028 (each, the "Cash Accrual Rate" with respect to the applicable tranche); and (b) when paid in kind, at a rate of 0.50% per annum in excess of the Cash Accrual Rate for the applicable tranche.

As of June 30, 2025, the total DISH 2021 Intercompany Loan amount outstanding plus interest paid in kind was \$7.612 billion.

*DISH 2021 Intercompany Loan 2026 Tranche.* In January 2024, we completed a series of assignments resulting in the transfer of the receivable in respect to the DISH 2021 Intercompany Loan 2026 Tranche of \$4.7 billion from DISH DBS to EchoStar Intercompany Receivable Company L.L.C., our direct wholly-owned subsidiary, such that amounts owed in respect of the DISH 2021 Intercompany Loan 2026 Tranche will now be paid by DISH Network to EchoStar Intercompany Receivable Company L.L.C. As of June 30, 2025, the total DISH 2021 Intercompany Loan 2026 Tranche amount outstanding plus interest paid in kind was \$4.767 billion.

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The DISH 2021 Intercompany Loan was initially secured by interest in the wireless spectrum licenses for the 3.45-3.55 GHz Licenses up to the total loan amount outstanding including interest paid in kind. Pursuant to the terms of the DISH 2021 Intercompany Loan, under certain circumstances, DISH Network wireless spectrum licenses (valued based upon a third-party valuation) may be substituted for the collateral. During the first quarter of 2025, we exercised our right to exchange certain of the 3.45-3.55 GHz Licenses for certain other previously unencumbered wireless spectrum licenses of equal or greater value based upon the most recent third-party valuation. The DISH 2021 Intercompany Loan is not included as collateral for the DISH DBS Senior Secured Notes, and the DISH DBS Senior Secured Notes are subordinated to DISH DBS's existing and certain future unsecured notes with respect to certain realizations under the DISH 2021 Intercompany Loan and any collateral pledged as security for the DISH 2021 Intercompany Loan.

***DISH Q2 2024 Intercompany Loan***

In June 2024, DISH Network entered into an intercompany loan with DISH DBS (the "DISH Q2 2024 Intercompany Loan") for an initial principal amount of \$1.508 billion. The DISH Q2 2024 Intercompany Loan matures on August 13, 2028. Interest accrues and is payable monthly and interest payments are payable in kind. The interest rate with respect to the DISH Q2 2024 Intercompany Loan is at a variable rate. As of June 30, 2025, the total DISH Q2 2024 Intercompany Loan amount outstanding plus interest paid in kind was \$1.631 billion.

***DISH Q3 2024 Intercompany Loan***

In September 2024, DISH Network entered into an intercompany loan with DISH DBS (the "DISH Q3 2024 Intercompany Loan") for an initial principal amount of \$481 million. The DISH Q3 2024 Intercompany Loan matures on November 13, 2028. Interest accrues and is payable monthly and interest payments are payable in kind. The interest rate with respect to the DISH Q3 2024 Intercompany Loan is at a variable rate. As of June 30, 2025, the total DISH Q3 2024 Intercompany Loan amount outstanding plus interest paid in kind was \$510 million.

***EchoStar 2024 Intercompany Loan***

In November 2024, EchoStar Financing L.L.C., our subsidiary, entered into an intercompany loan with DISH Wireless L.L.C., a subsidiary of DISH Network, for a borrowing principal amount of up to \$4.500 billion (the "EchoStar 2024 Intercompany Loan"). The EchoStar 2024 Intercompany Loan matures on November 30, 2030. Interest accrues at an annual rate of 11.50% and is payable monthly. Interest payments are payable in kind. DISH Wireless L.L.C., at its option, may elect to repay the EchoStar 2024 Intercompany Loan amount outstanding prior to maturity in cash or assets at a redemption price equal to 100% of the principal amount. As of June 30, 2025, the total EchoStar 2024 Intercompany Loan amount outstanding plus interest paid in kind was \$2.666 billion.

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**10. Commitments and Contingencies**

**Commitments**

**5G Network**

We have invested a total of over \$30 billion in Wireless spectrum licenses. The \$30 billion of investments related to Wireless spectrum licenses does not include \$10 billion of capitalized interest related to the carrying value of such licenses. See Note 2 for further information. We continue to commercialize our Wireless spectrum licenses through the completion of our 5G Network. We have committed to the FCC to deploy a facilities-based 5G broadband network capable of serving increasingly larger portions of the U.S. population at different deadlines. There can be no assurance that we will be able to complete all build-out requirements or profitably deploy our Wireless spectrum licenses, which may affect the carrying amount of these assets and our future financial condition or results of operations.

**Wireless Spectrum Licenses**

Our Wireless spectrum licenses are subject to certain build-out requirements, as well as certain renewal requirements that are summarized in the table below:

	Carrying Amount (in thousands)	Build-Out Deadlines			Expiration Date
		Interim	Final		
			Accelerated License Areas	Extension License Areas	
<b>Owned:</b>					
DBS Licenses (1)	\$ 677,409				
700 MHz Licenses (2)	701,803		December 31, 2024 (3)	June 14, 2025 (5)	June 2033
AWS-4 Licenses (2)	1,928,688		December 31, 2024 (3)	June 14, 2025 (5)	June 2033
H Block Licenses (2)	1,671,506		December 31, 2024 (3)	June 14, 2025 (6)	June 2033
600 MHz Licenses	6,192,575		December 31, 2024 (4)	June 14, 2025 (7)	June 2029
MVDDS Licenses (1)	24,000				July, August, September 2034
LMDS Licenses (1)	—				September 2028
28 GHz Licenses	2,883			October 2, 2029 (8)	October 2029
24 GHz Licenses	11,772			December 11, 2029 (8)	December 2029
37 GHz, 39 GHz and 47 GHz Licenses	202,392			June 4, 2030 (8)	June 2030
3550-3650 MHz Licenses	912,200			March 12, 2031 (8)	March 2031
3.7-3.98 GHz Licenses	2,969	July 23, 2029 (8)		July 23, 2033 (8)	July 2036
3.45-3.55 GHz Licenses	7,329,093	May 4, 2026 (9)		May 4, 2030 (9)	May 2037
1695-1710 MHz, 1755-1780 MHz and 2155-2180 MHz (2)	972				March 2026
AWS-3	9,829,287		December 31, 2024 (10)	October 25, 2025 (11)	October 2025 (11)
<b>Subtotal</b>	<b>29,487,549</b>				
Capitalized Interest (12)	10,091,371				
<b>Total as of June 30, 2025</b>	<b>\$ 39,578,920</b>				

- (1) The build-out deadlines for these licenses have been met.  
(2) The interim build-out deadlines for these licenses are in the past.

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- (3) In a January 10, 2025 filing to the FCC, we certified that we were offering 5G broadband service for certain of these license areas to at least 85% of the population in each Economic Area (which is a service area established by the FCC), and offering 5G broadband service for certain other licenses to at least 80% of the population in each Economic Area by this date (part of Commitments #2 and #3 of the September 2024 FCC Extension Request "Extension Request"). These licenses are set forth in Appendices A and D of the Extension Request. Under the Extension Request, if we successfully fulfill Commitments #2 and #3, the final construction deadline for the AWS-4 licenses, the AWS H Block licenses, and the Lower 700 MHz E Block licenses listed in Appendix G-1 of the Extension Request shall be extended from June 14, 2025 to December 14, 2026. While the FCC has not yet updated the build-out deadlines in the Universal Licensing System, the licenses remain in effect based upon the submission of our build-out certifications. See Note 1 "*Recent Developments*" for additional information.
- (4) In a January 10, 2025 filing to the FCC, we certified that we were offering 5G broadband service for certain of these license areas to at least 85% of the population in each Partial Economic Area (which is a service area established by the FCC), and offering 5G broadband service for certain other licenses to at least 80% of the population in each Partial Economic Area by this date (part of Commitments #2 and #3 of the Extension Request). These licenses are set forth in Appendices B and E of the Extension Request. Under the Extension Request, if we successfully fulfill Commitments #2 and #3, the final construction deadline for the 600 MHz licenses listed in Appendix G-2 of the Extension Request shall be extended from June 14, 2025 to December 14, 2026. While the FCC has not yet updated the build-out deadlines in the Universal Licensing System, the licenses remain in effect based upon the submission of our build-out certifications. See Note 1 "*Recent Developments*" for additional information.
- (5) For the 700 MHz and AWS-4 licenses set forth in Appendix G-1 of the Extension Request, we have certified to meeting the accelerated build-out obligations described in footnotes 3, 4 and 10 herein (thus fulfilling Commitments #2 and #3 of the Extension Request), and as a result the final deadline for us to offer 5G broadband service to at least 70% of the population in each Economic Area (which is a service area established by the FCC) with respect to these licenses shall be extended to December 14, 2026. While the FCC has not yet updated the build-out deadlines in the Universal Licensing System, the licenses remain in effect based upon the submission of our build-out certifications. Under the Extension Request, the final construction deadline shall be further extended to June 14, 2028, if: by December 31, 2024, we have offered 5G broadband service to, at least, 80% of the U.S. population; and, by June 14, 2025 (a) we have offered a low-cost 5G broadband plan and device to consumers nationwide; (b) we have deployed at least 24,000 5G sites; (c) we have upgraded our deployed 5G sites to 3GPP Release 17; and (d) we have provisioned at least 75% of new subscribers with an EchoStar-certified 5G device on our MNO network if the subscriber is within the accelerated markets as set forth in Appendices A-F of the Extension Request. In a January 10, 2025 filing to the FCC, we certified that, as of December 31, 2024: (i) we were offering 5G broadband service to, at least, 80% of the U.S. population and (ii) we were offering a low-cost 5G broadband plan and device to consumers nationwide. In a March 17, 2025 filing to the FCC, we certified that we have upgraded our deployed 5G sites to 3GPP Release 17. In a May 5, 2025 filing to the FCC, we certified that we have deployed at least 24,000 5G sites. In a June 17, 2025 filing to the FCC, we certified that we have provisioned at least 75% of new subscribers with an EchoStar-certified 5G device on our MNO network if the subscriber is within the accelerated markets as set forth in Appendices A-F of the Extension Request. See Note 1 "*Recent Developments*" for additional information.

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- (6) For the H-Block licenses set forth in Appendix G-1 of the Extension Request, we have certified to meeting the accelerated build-out obligations described in footnotes 3, 4 and 10 herein (thus fulfilling Commitments #2 and #3 of the Extension Request), and as a result the final deadline for us to offer 5G broadband service to at least 75% of the population in each Economic Area (which is a service area established by the FCC) with respect to these licenses shall be extended to December 14, 2026. While the FCC has not yet updated the build-out deadlines in the Universal Licensing System, the licenses remain in effect based upon the submission of our build-out certifications. Under the Extension Request, the final construction deadline shall be further extended to June 14, 2028, if: by December 31, 2024, we have offered 5G broadband service to, at least, 80% of the U.S. population; and, by June 14, 2025 (a) we have offered a low-cost 5G broadband plan and device to consumers nationwide; (b) we have deployed at least 24,000 5G sites; (c) we have upgraded our deployed 5G sites to 3GPP Release 17; and (d) we have provisioned at least 75% of new subscribers with an EchoStar-certified 5G device on our MNO network if the subscriber is within the accelerated markets as set forth in Appendices A-F of the Extension Request. In a January 10, 2025 filing to the FCC, we certified that, as of December 31, 2024: (i) we were offering 5G broadband service to, at least, 80% of the U.S. population and (ii) we were offering a low-cost 5G broadband plan and device to consumers nationwide. In a March 17, 2025 filing to the FCC, we certified that we have upgraded our deployed 5G sites to 3GPP Release 17. In a May 5, 2025 filing to the FCC, we certified that we have deployed at least 24,000 5G sites. In a June 17, 2025 filing to the FCC, we certified that we have provisioned at least 75% of new subscribers with an EchoStar-certified 5G device on our MNO network if the subscriber is within the accelerated markets as set forth in Appendices A-F of the Extension Request. See Note 1 “*Recent Developments*” for additional information.
- (7) For the 600 MHz licenses set forth in Appendix G-2 of the Extension Request, we have certified to meeting the accelerated build-out obligations described in footnotes 3, 4 and 10 herein (thus fulfilling Commitments #2 and #3 of the Extension Request), and as a result the final deadline for us to offer 5G broadband service to at least 75% of the population in each Partial Economic Area (which is a service area established by the FCC) with respect to these licenses shall be extended to December 14, 2026. While the FCC has not yet updated the build-out deadlines in the Universal Licensing System, the licenses remain in effect based upon the submission of our build-out certifications. Under the Extension Request, the final construction deadline shall be further extended to June 14, 2028, if: by December 31, 2024, we have offered 5G broadband service to, at least, 80% of the U.S. population; and, by June 14, 2025 (a) we have offered a low-cost 5G broadband plan and device to consumers nationwide; (b) we have deployed at least 24,000 5G sites; (c) we have upgraded our deployed 5G sites to 3GPP Release 17; and (d) we have provisioned at least 75% of new subscribers with an EchoStar-certified 5G device on our MNO network if the subscriber is within the accelerated markets as set forth in Appendices A-F of the Extension Request. In a January 10, 2025 filing to the FCC, we certified that, as of December 31, 2024: (i) we were offering 5G broadband service to, at least, 80% of the U.S. population and (ii) we were offering a low-cost 5G broadband plan and device to consumers nationwide. In a March 17, 2025 filing to the FCC, we certified that we have upgraded our deployed 5G sites to 3GPP Release 17. In a May 5, 2025 filing to the FCC, we certified that we have deployed at least 24,000 5G sites. In a June 17, 2025 filing to the FCC, we certified that we have provisioned at least 75% of new subscribers with an EchoStar-certified 5G device on our MNO network if the subscriber is within the accelerated markets as set forth in Appendices A-F of the Extension Request. See Note 1 “*Recent Developments*” for additional information.
- (8) There are a variety of build-out options and associated build-out metrics associated with these licenses.
- (9) There are a variety of build-out options and associated build-out metrics associated with these licenses. If the interim build-out requirement is not met, the final build-out requirement may be accelerated by one year from May 2030 to May 2029.

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
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- (10) In a January 10, 2025 filing to the FCC, we certified that we were offering reliable signal coverage for certain of these license areas and offering service for certain accelerated licenses to at least 85% of the population of each license area and for certain other accelerated licenses to at least 80% of the population of each license area by this date (part of Commitments #2 and #3 the Extension Request). These accelerated licenses are set forth in Appendices C and F of the Extension Request. Under the Extension Request, if we successfully fulfill Commitment #2 and Commitment #3, the final construction deadlines for the AWS-3 licenses listed in Appendix G-3 of the Extension Request shall be extended from June 14, 2025 to December 14, 2026. See Note 1 “Recent Developments” for additional information.
- (11) For the AWS-3 licenses set forth in Appendix G-3 of the Extension Request, we have certified to meeting the accelerated build-out obligations described in footnotes 3, 4 and 10 herein (thus fulfilling Commitments #2 and #3 of the Extension Request), and as a result the final deadline for us to offer reliable signal coverage to at least 75% of the population in each license area with respect to these licenses shall be extended to December 14, 2026. While the FCC has not yet updated the build-out deadlines in the Universal Licensing System, the licenses remain in effect based upon the submission of our build-out certifications. Under the Extension Request, the final construction deadline shall be further extended to June 14, 2028, if: by December 31, 2024, we have offered reliable signal coverage to, at least, 80% of the U.S. population; and, by June 14, 2025 (a) we have offered a low-cost 5G broadband plan and device to consumers nationwide; (b) we have deployed at least 24,000 5G sites; (c) we have upgraded our deployed 5G sites to 3GPP Release 17; and (d) we have provisioned at least 75% of new subscribers with an EchoStar-certified 5G device on our MNO network if the subscriber is within the accelerated markets as set forth in Appendices A-F of the Extension Request. In a January 10, 2025 filing to the FCC, we certified that, as of December 31, 2024: (i) we were offering reliable signal coverage to, at least, 80% of the U.S. population and (ii) we were offering a low-cost 5G broadband plan and device to consumers nationwide. In a March 17, 2025 filing to the FCC, we certified that we have upgraded our deployed 5G sites to 3GPP Release 17. In a May 5, 2025 filing to the FCC, we certified that we have deployed at least 24,000 5G sites. In a June 17, 2025 filing to the FCC, we certified that we have provisioned at least 75% of new subscribers with an EchoStar-certified 5G device on our MNO network if the subscriber is within the accelerated markets as set forth in Appendices A-F of the Extension Request. See Note 1 “Recent Developments” for additional information.
- (12) See Note 2 for further information.

*Commercialization of Our Wireless Spectrum Licenses and Related Assets.* We currently offer our Wireless services for 5G VoNR to over 223 million Americans and 5G broadband service covering over 269 million Americans. We currently expect capital expenditures, excluding capitalized interest, for our 5G Network to be approximately \$10 billion, including amounts incurred to date since 2021. See Note 2 for further information.

In September 2024, the FCC conditionally granted our requests to extend the 5G deployment deadlines for certain of our Wireless spectrum licenses based on several commitments and in a January 10, 2025 filing to the FCC, we certified to meeting the accelerated build-out (Commitments #2 and #3 of the Extension Request) and the nationwide 80% coverage obligations (Commitment #1 of the Extension Request) due by December 31, 2024, as defined and detailed in the footnotes to the table above. Thus, pursuant to the Extension Request, the final deployment deadlines for the licenses subject to the Extension Request (listed in Appendix G) shall be extended to December 14, 2026. While the FCC has not yet updated the build-out deadlines in the Universal Licensing System, the licenses remain in effect based upon the submission of our build-out certifications. In addition, the final deployment deadlines for the licenses subject to the Extension Request (listed in Appendix G) shall be further extended to June 14, 2028 as long as we satisfy the remaining Extension Request commitments, as defined and detailed in the footnotes to the table above. See Note 1 “Recent Developments” for additional information.

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
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*AWS-3 Auction*

Northstar Wireless is a wholly-owned subsidiary of Northstar Spectrum, which is an entity owned by us and, prior to October 12, 2023, by us and Northstar Manager. SNR Wireless is a wholly-owned subsidiary of SNR HoldCo, which is an entity owned by us and, prior to February 16, 2024, by us and SNR Management. See Note 2 for further information.

Northstar Wireless and SNR Wireless each filed applications with the FCC to participate in Auction 97 (the “AWS-3 Auction”) for the purpose of acquiring certain AWS-3 Licenses. Each of Northstar Wireless and SNR Wireless applied to receive bidding credits of 25% as designated entities under applicable FCC rules.

*FCC Order and October 2015 Arrangements.* On August 18, 2015, the FCC released a Memorandum Opinion and Order, FCC 15-104 (the “Order”) in which the FCC determined, among other things, that DISH Network has a controlling interest in, and is an affiliate of, Northstar Wireless and SNR Wireless, and therefore DISH Network’s revenues should be attributed to them, which in turn makes Northstar Wireless and SNR Wireless ineligible to receive the 25% bidding credits (approximately \$1.961 billion for Northstar Wireless and \$1.370 billion for SNR Wireless). On November 23, 2020, the FCC released a Memorandum Opinion and Order on Remand, FCC 20-160, that found that Northstar Wireless and SNR Wireless are not eligible for bidding credits based on the FCC’s determination that they remain under DISH Network’s de facto control. Northstar Wireless and SNR Wireless appealed the FCC’s order to the D.C. Circuit Court of Appeals. On June 21, 2022, the United States Court of Appeals for the District of Columbia issued an Opinion rejecting this challenge. On January 17, 2023, Northstar Wireless filed a petition for a writ of certiorari asking the United States Supreme Court to hear a further appeal, but that petition was denied on June 30, 2023.

*Letters Exchanged between Northstar Wireless and the FCC Wireless Bureau.* As outlined in letters exchanged between Northstar Wireless and the Wireless Telecommunications Bureau of the FCC (the “FCC Wireless Bureau”), Northstar Wireless paid the gross winning bid amounts for 261 AWS-3 Licenses and notified the FCC that it would not be paying the gross winning bid amounts for 84 AWS-3 Licenses. As a result of the nonpayment of those gross winning bid amounts, the FCC retained those licenses. In addition, we will be subject to a default payment with respect to the licenses for which Northstar Wireless did not pay the gross winning bids (the “Northstar Re-Auction Payment”). The Northstar Re-Auction Payment has two components. First, if the winning bids at re-auction are less than the winning bids of Northstar Wireless, we will be responsible for the difference between the two bids. The second component is an additional payment in the amount of fifteen percent (15%) of Northstar Wireless’s bid or the subsequent winning bids, whichever is less. The amount of the Northstar Re-Auction Payment will be offset by the \$334 million interim payment Northstar Wireless has already made. For example, if the winning bids in a re-auction are \$1, the Northstar Re-Auction Payment would be approximately \$2.226 billion, which is calculated as the difference between \$2.226 billion (the Northstar winning bid amounts) and \$1 (the winning bids from re-auction), plus 15% of the \$1 (the winning bids from re-auction). If the winning bids from re-auction or other award of the AWS-3 licenses retained by the FCC are greater than or equal to the winning bids of Northstar Wireless, the Northstar Re-Auction Payment would be approximately \$334 million, calculated as fifteen percent (15%) of \$2.226 billion (Northstar Wireless’s defaulted bids). In each case, the amount of the Northstar Re-Auction Payment would be offset by the \$334 million interim payment Northstar already made, resulting in a maximum exposure of \$1.892 billion. We cannot predict with any degree of certainty the outcome of any re-auction or the amount of any Northstar Re-Auction Payment. The re-auction of the AWS-3 licenses has been designated as Auction 113 and the FCC is required to initiate Auction 113 by June 23, 2026.

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**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
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*Letters Exchanged between SNR Wireless and the FCC Wireless Bureau.* As outlined in letters exchanged between SNR Wireless and the FCC Wireless Bureau, SNR Wireless paid the gross winning bid amounts for 244 AWS-3 Licenses and notified the FCC that it would not be paying the gross winning bid amounts for 113 AWS-3 Licenses. As a result of the nonpayment of those gross winning bid amounts, the FCC retained those licenses. In addition, we will be subject to a default payment with respect to the licenses for which SNR Wireless did not pay the gross winning bids (the “SNR Re-Auction Payment”). The SNR Re-Auction Payment has two components. First, if the winning bids at re-auction are less than the winning bids of SNR Wireless, we will be responsible for the difference between the two bids. The second component is an additional payment in the amount of fifteen percent (15%) of SNR Wireless’s bid or the subsequent winning bids, whichever is less. The amount of the SNR Re-Auction Payment will be offset by the \$182 million interim payment SNR Wireless has already made. For example, if the winning bids in a re-auction are \$1, the SNR Re-Auction Payment would be approximately \$1.211 billion, which is calculated as the difference between \$1.211 billion (the SNR winning bid amounts) and \$1 (the winning bids from re-auction), plus 15% of the \$1 (the winning bids from re-auction). If the winning bids from re-auction of the AWS-3 licenses retained by the FCC are greater than or equal to the winning bids of SNR Wireless, the SNR Re-Auction Payment would be approximately \$182 million, calculated as fifteen percent (15%) of \$1.211 billion (SNR Wireless’s defaulted bids). In each case, the amount of the SNR Re-Auction Payment would be offset by the \$182 million interim payment SNR already made, resulting in a maximum exposure of \$1.029 billion. We cannot predict with any degree of certainty the outcome of any re-auction or the amount of any SNR Re-Auction Payment. The re-auction of the AWS-3 licenses has been designated as Auction 113 and the FCC is required to initiate Auction 113 by June 23, 2026.

*D.C. Circuit Court Opinion.* On August 29, 2017, the United States Court of Appeals for the District of Columbia Circuit (the “D.C. Circuit”) in *SNR Wireless LicenseCo, LLC, et al. v. Federal Communications Commission*, 868 F.3d 1021 (D.C. Cir. 2017) (the “Appellate Decision”) affirmed the Order in part, and remanded the matter to the FCC to give Northstar Wireless and SNR Wireless an opportunity to seek to negotiate a cure of the issues identified by the FCC in the Order (a “Cure”). On January 26, 2018, SNR Wireless and Northstar Wireless filed a petition for a writ of certiorari, asking the United States Supreme Court to hear an appeal from the Appellate Decision, which the United States Supreme Court denied on June 25, 2018.

*Order on Remand.* On January 24, 2018, the FCC released an Order on Remand, DA 18-70 (the “Order on Remand”) purporting to establish a procedure to afford Northstar Wireless and SNR Wireless the opportunity to implement a Cure pursuant to the Appellate Decision. On June 8, 2018, Northstar Wireless and SNR Wireless each filed amended agreements to demonstrate that, in light of such changes, each of Northstar Wireless and SNR Wireless qualified for the very small business bidding credit that it sought in the AWS-3 Auction. Northstar Wireless and SNR Wireless filed a Joint Application for Review of the Order on Remand requesting, among other things, an iterative negotiation process with the FCC regarding a Cure, which was denied on July 12, 2018. The pleading cycle established in the Order on Remand concluded in October 2018. On November 23, 2020, the FCC issued a Memorandum Opinion and Order that concluded, among other things, that DISH Network retained de facto control over Northstar Wireless and SNR Wireless and denied the very small business bidding credit sought by Northstar Wireless and SNR Wireless, even though the parties had eliminated or significantly modified every provision previously deemed to have been disqualifying by the FCC. Northstar Wireless and SNR Wireless timely filed an appeal of the FCC’s 2020 decision. On June 21, 2022, the United States Court of Appeals for the District of Columbia issued an Opinion rejecting this challenge. On January 17, 2023, Northstar Wireless filed a petition for a writ of certiorari asking the United States Supreme Court to hear a further appeal, but that petition was denied on June 30, 2023.

For further information, refer to the consolidated financial statements and notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2023.

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**Contingencies**

*Litigation*

We are involved in a number of legal proceedings (including those described below) concerning matters arising in connection with the conduct of our business activities. Many of these proceedings are at preliminary stages, and many of these proceedings seek an indeterminate amount of damages. We regularly evaluate the status of the legal proceedings in which we are involved to assess whether a loss is probable or there is a reasonable possibility that a loss or an additional loss may have been incurred and to determine if accruals are appropriate. If accruals are not appropriate, we further evaluate each legal proceeding to assess whether an estimate of the possible loss or range of possible loss can be made.

For certain cases described on the following pages, management is unable to provide a meaningful estimate of the possible loss or range of possible loss because, among other reasons, (i) the proceedings are in various stages; (ii) damages have not been sought; (iii) damages are unsupported and/or exaggerated; (iv) there is uncertainty as to the outcome of pending appeals or motions; (v) there are significant factual issues to be resolved; and/or (vi) there are novel legal issues or unsettled legal theories to be presented or a large number of parties. For these cases, however, management does not believe, based on currently available information, that the outcomes of these proceedings will have a material adverse effect on our financial condition, though the outcomes could be material to our operating results for any particular period, depending, in part, upon the operating results for such period.

*ClearPlay, Inc.*

On March 13, 2014, ClearPlay, Inc. ("ClearPlay") filed a complaint against us and our wholly-owned subsidiaries DISH Network and DISH Network L.L.C., and our then wholly-owned subsidiary EchoStar Technologies L.L.C., in the United States District Court for the District of Utah. The complaint alleges willful infringement of United States Patent Nos. 6,898,799 (the "799 patent"), entitled "Multimedia Content Navigation and Playback"; 7,526,784 (the "784 patent"), entitled "Delivery of Navigation Data for Playback of Audio and Video Content"; 7,543,318 (the "318 patent"), entitled "Delivery of Navigation Data for Playback of Audio and Video Content"; 7,577,970 (the "970 patent"), entitled "Multimedia Content Navigation and Playback"; and 8,117,282 (the "282 patent"), entitled "Media Player Configured to Receive Playback Filters From Alternative Storage Mediums." ClearPlay alleges that the AutoHop™ feature of our Hopper® set-top box infringes the asserted patents. On February 11, 2015, the case was stayed pending various third-party challenges before the United States Patent and Trademark Office regarding the validity of certain of the patents asserted in the action.

In those third-party challenges, the United States Patent and Trademark Office found that all claims of the 282 patent are unpatentable, and that certain claims of the 784 patent and 318 patent are unpatentable. ClearPlay appealed as to the 784 patent and the 318 patent, and on August 23, 2016, the United States Court of Appeals for the Federal Circuit affirmed the findings of the United States Patent and Trademark Office. On October 31, 2016, the stay was lifted, and in May 2017, ClearPlay agreed to dismiss us and DISH Network as defendants, leaving DISH Network L.L.C. and DISH Technologies L.L.C. as the sole defendants.

On October 16, October 21, November 2, 2020 and November 9, 2020, DISH Network L.L.C. filed petitions with the United States Patent and Trademark Office requesting ex parte reexamination of the validity of the asserted claims of, respectively, the 784 patent, the 799 patent, the 318 patent and the 970 patent; and on November 2, November 20, December 14 and December 15, 2020, the United States Patent and Trademark Office granted each request for reexamination. On May 7, 2021, May 25, 2021, June 25, 2021 and July 7, 2021, the United States Patent and Trademark Office issued Ex Parte Reexamination Certificates confirming the patentability of the challenged claims of, respectively, the 799 patent, the 784 patent, the 318 patent and the 970 patent.

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In October and November 2021, DISH Network L.L.C. filed petitions with the United States Patent and Trademark Office requesting ex parte reexamination of the validity of certain asserted claims of the 784 patent, the 799 patent and the 970 patent. In November and December, 2021, the United States Patent and Trademark Office granted review of the challenged claims of the 799 patent and the 970 patent, but denied review of the challenged claims of the 784 patent. On January 24, 2022, an examiner of the United States Patent and Trademark Office affirmed the challenged claims of the 799 patent, and on January 19, 2023, an examiner of the United States Patent and Trademark Office affirmed the challenged claims of the 970 patent.

In an order dated January 31, 2023, the Court granted in part and denied in part DISH Network L.L.C.'s and DISH Technologies L.L.C.'s motion for summary judgment. Thereafter, ClearPlay narrowed its case to three asserted claims: one under the 799 patent and two under the 970 patent. Following a two-week trial, on March 10, 2023, the jury returned a verdict that DISH Network L.L.C. and DISH Technologies L.L.C. infringed each of the asserted patent claims (though not willfully), and awarded damages of \$469 million. That verdict became moot on March 21, 2023, when the trial court indicated that it would grant DISH Network L.L.C.'s and DISH Technologies L.L.C.'s motion for judgment as a matter of law, thus effectively vacating the jury award. On June 2, 2023, the Court entered its formal order granting judgment as a matter of law. On December 12, 2023, the Court denied ClearPlay's motion to alter or amend the judgment. ClearPlay has filed a notice of appeal to the United States Court of Appeals for the Federal Circuit, and briefing was completed on November 27, 2024.

We intend to vigorously defend this case. In the event that a court ultimately determines that we infringe the asserted patents, we may be subject to substantial damages, which may include treble damages, and/or an injunction that could require us to materially modify certain features that we currently offer to consumers. We cannot predict with any degree of certainty the outcome of the suit or determine the extent of any potential liability or damages.

*Data Breach Class Actions*

On May 9, 2023, Susan Owen-Brooks, an alleged customer, filed a putative class action complaint against our wholly-owned subsidiary DISH Network in the United States District Court for the District of Colorado. She purports to represent a nationwide class of all individuals in the United States who allegedly had private information stolen as a result of the February 23, 2023 Cyber-security Incident (and a North Carolina statewide subclass of the same individuals). Since that filing, ten additional putative class action complaints have been filed in the United States District Court for the District of Colorado, purporting to represent the same nationwide class of people, and Owen-Brooks has filed an amended complaint. On August 2, 2023, the Court issued an order consolidating the first ten cases (the eleventh was dismissed) and, on November 16, 2023 and January 16, 2024, the plaintiffs filed consolidated amended class action complaints. On September 27, 2024, the Court granted DISH Network's motion to dismiss the First Amended Consolidated Class Action Complaint as to eight of the eleven named plaintiffs and as to certain causes of action. On October 29, 2024, the Plaintiffs filed the operative Second Amended Consolidated Class Action Complaint, which deletes the allegations as to the dismissed plaintiffs and causes of action, leaving three named plaintiffs and causes of action for negligence, negligence per se, breach of implied contract, and declaratory judgment.

We intend to vigorously defend this case. We cannot predict with any degree of certainty the outcome of the suit or determine the extent of any potential liability or damages.

**ECHOSTAR CORPORATION**  
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*Digital Broadcasting Solutions, LLC*

On August 29, 2022, Digital Broadcasting Solutions, LLC filed a complaint against our wholly-owned subsidiaries DISH Network L.L.C. and DISH Technologies L.L.C. in the United States District Court for the Eastern District of Texas. The complaint alleges infringement of U.S. Patent No. 8,929,710 (the “710 patent”) and U.S. Patent No. 9,538,122 (the “122 patent”), each entitled “System and method for time shifting at least a portion of a video program.” Generally, the plaintiff contends that the AutoHop feature of our Hopper® set-top boxes infringes the asserted patents. On June 21, 2023, the Court granted the motion of DISH Network L.L.C. and DISH Technologies L.L.C. to have the case transferred to the United States District Court for the District of Colorado.

In May 2023, DISH Network L.L.C. and DISH Technologies L.L.C. filed petitions with the United States Patent and Trademark Office challenging the validity of all claims of the 710 patent and the 122 patent and, on December 9, 2024, the United States Patent and Trademark Office issued final written decisions invalidating 38 of the 39 challenged claims. On January 13, 2025, Digital Broadcasting Solutions filed a notice of appeal of those final written decisions, and on February 7, 2025, DISH Network L.L.C. and DISH Technologies L.L.C. cross-appealed as to the single patent claim that wasn’t invalidated. Briefing is underway. The underlying case has been stayed since May 9, 2024, pending resolution of the petitions before the United States Patent and Trademark Office and any related appeals.

We intend to vigorously defend this case. In the event that a court ultimately determines that we infringe the asserted patents, we may be subject to substantial damages, which may include treble damages, and/or an injunction that could require us to materially modify certain features that we currently offer to consumers. We cannot predict with any degree of certainty the outcome of the suit or determine the extent of any potential liability or damages.

*Entropic Communications, LLC (first action)*

On March 9, 2022, Entropic Communications, LLC (“Entropic”) filed a complaint against our wholly-owned subsidiaries DISH Network, DISH Network L.L.C. and Dish Network Service L.L.C. in the United States District Court for the Eastern District of Texas. The complaint alleges infringement of U.S. Patent No. 7,130,576 (the “576 patent”), entitled “Signal Selector and Combiner for Broadband Content Distribution”; U.S. Patent No. 7,542,715 (the “715 Patent”), entitled “Signal Selector and Combiner for Broadband Content Distribution”; and U.S. Patent No. 8,792,008 (the “008 Patent”), entitled “Method and Apparatus for Spectrum Monitoring.” On March 30, 2022, Entropic filed an amended complaint alleging infringement of the same patents. Generally, the plaintiff accuses satellite antennas, low-noise block converters, signal selector and combiners, and set-top boxes and the manner in which they process signals for satellite television customers of infringing the asserted patents. The plaintiff is an entity that seeks to license a patent portfolio without itself practicing any of the claims recited therein.

On October 24, 2022, this case was ordered to be transferred to the United States District Court for the Central District of California. A companion case against DirecTV was also ordered transferred to the United States District Court for the Central District of California. In January and February of 2023, DISH Network L.L.C. and Dish Network Service L.L.C. filed petitions with the United States Patent and Trademark Office challenging the validity of all claims of the 715 patent, all claims of the 008 patent, and 25 claims of the 576 patent, which includes all of its asserted claims.

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In August and September 2023, the Patent Office denied institution on the petitions challenging the 715 patent and the 576 patent. In September 2023, at the parties' joint request, the Patent Office dismissed the petition challenging the 008 patent, as Entropic agreed to drop its claims against DISH Network on that patent. On July 12, 2024, the United States Patent and Trademark Office granted a request for reexamination of the 715 patent, but on May 20, 2025, it affirmed the patent's validity.

We intend to vigorously defend this case. In the event that a court ultimately determines that we infringe the asserted patents, we may be subject to substantial damages, which may include treble damages, and/or an injunction that could require us to materially modify certain features that we currently offer to consumers. We cannot predict with any degree of certainty the outcome of the suit or determine the extent of any potential liability or damages.

*Entropic Communications, LLC (second action)*

On February 10, 2023, Entropic filed a second lawsuit against our wholly-owned subsidiaries DISH Network, DISH Network L.L.C., Dish Network Service L.L.C. and Dish Network California Service Corporation in the United States District Court for the Central District of California. The complaint alleges infringement of U.S. Patent No. 7,295,518 (the "518 patent"), entitled "Broadband network for coaxial cable using multi-carrier modulation"; U.S. Patent No. 7,594,249 (the "249 patent"), entitled "Network interface device and broadband local area network using coaxial cable"; U.S. Patent Nos. 7,889,759 (the "759 patent"), entitled "Broadband cable network utilizing common bit-loading"; U.S. Patent No. 8,085,802 (the "802 Patent"), entitled "Multimedia over coaxial cable access protocol"; U.S. Patent No. 9,838,213 (the "213 patent"), entitled "Parameterized quality of service architecture in a network"; U.S. Patent No. 10,432,422 (the "422 patent"), entitled "Parameterized quality of service architecture in a network"; U.S. Patent No. 8,631,450 (the "450 patent"), entitled "Broadband local area network"; U.S. Patent No. 8,621,539 (the "539 patent"), entitled "Physical layer transmitter for use in a broadband local area network"; U.S. Patent No. 8,320,566 (the "0,566 patent"), entitled "Method and apparatus for performing constellation scrambling in a multimedia home network"; U.S. Patent No. 10,257,566 (the "7,566 patent"), entitled "Broadband local area network"; U.S. Patent No. 8,228,910 (the "910 Patent"), entitled "Aggregating network packets for transmission to a destination mode"; and U.S. Patent No. 8,363,681 (the "681 patent"), entitled "Method and apparatus for using ranging measurements in a multimedia home network." Generally, the patents relate to Multimedia over Coax Alliance standards and the manner in which we provide a whole-home DVR network over an on-premises coaxial cable network.

Entropic has asserted the same patents in the same court against Comcast, Cox and DirecTV. On September 7, 2023, the Court granted the motion of DISH Network L.L.C., Dish Network Service L.L.C. and Dish Network California Service Corporation to dismiss the claims arising from the 7,566 patent and the 910 patent on the grounds that they claimed in eligible subject matter. On February 24, 2025, the Court granted other defendants' motions to dismiss the claims arising from the 213 patent, the 422 patent, the 681 patent and the 802 patent on the grounds that they claimed in eligible subject matter. In a claim construction order issued on April 18, 2025, the Court found that the asserted claim of the 539 patent is invalid as indefinite.

In January and February 2024, DISH Network L.L.C. filed petitions with the United States Patent and Trademark Office challenging the validity of the 249 patent, the 518 patent, the 759 patent, the 450 patent, the 539 patent, the 0,566 patent, and the 681 patent. In July and August 2024, the United States Patent and Trademark Office agreed to institute proceedings on the petitions challenging the 249 patent and the 518 patent, but denied institution on the remaining petitions. On July 22, 2025, the United States Patent and Trademark Office issued final written decisions invalidating the asserted claims of the 249 patent and the 518 patent.

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**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
**(Unaudited)**

We intend to vigorously defend this case. In the event that a court ultimately determines that we infringe the asserted patents, we may be subject to substantial damages, which may include treble damages, and/or an injunction that could require us to materially modify certain features that we currently offer to consumers. We cannot predict with any degree of certainty the outcome of the suit or determine the extent of any potential liability or damages.

*Hughes Telecomunicações do Brasil v. State of São Paulo Treasury Department*

On December 12, 2019, Hughes Telecomunicações do Brasil (“HTB”) filed a tax annulment claim in the Judicial Court of São Paulo, claiming that a tax assessment from the State Treasury of São Paulo, for the period from January 2013 to December 2014, was based on an erroneous interpretation of an exemption to the ICMS (a state tax on, among other things, communications).

In June 2022, a judicial expert determined that HTB’s interpretation of the exemption was correct. Nonetheless, in July 2023, the Court entered judgment against HTB, and in October 2023, rejected HTB’s request for clarification. In November 2023, HTB filed an appeal to the Court of Justice, but on February 25, 2025, the Court of Justice ruled against HTB. On March 14, 2025, HTB filed a motion seeking clarification.

We intend to vigorously defend this case. We cannot predict with any degree of certainty the outcome of the suit.

*Jones 401(k) Litigation*

On December 20, 2021, four former employees filed a class action complaint in the United States District Court for the District of Colorado against our wholly-owned subsidiary DISH Network, its Board of Directors, and its Retirement Plan Committee alleging fiduciary breaches arising from the management of our 401(k) Plan. The putative class, comprised of all participants in the Plan on or after January 20, 2016, alleges that the Plan had excessive recordkeeping and administrative expenses and that it maintained underperforming funds. On February 1, 2023, a Magistrate Judge issued a recommendation that the defendants’ motion to dismiss the complaint be granted, and on March 27, 2023, the district court judge granted the motion. As permitted by the Court’s order, the plaintiffs filed an amended complaint on April 10, 2023, which is limited to allegations regarding the alleged underperformance of the Fidelity Freedom Funds. On November 7, 2023, a Magistrate Judge issued a recommendation that the defendants’ motion to dismiss the amended complaint be denied as to the duty to prudently monitor fund performance, but be granted as to the duty of loyalty and, on November 27, 2023, the district court judge entered an order adopting the recommendation. On March 1, 2024, by stipulation, the plaintiffs dismissed their claims against the Board of Directors and the Retirement Plan Committee, leaving DISH Network as the sole defendant. On April 30, 2024, pursuant to the parties’ stipulation, the Court certified the proposed plaintiff class. Pursuant to the parties’ stipulation, the case was stayed from October 30, 2024 through May 29, 2025 to facilitate a mediation, but the parties did not reach a settlement.

We intend to vigorously defend this case. We cannot predict with any degree of certainty the outcome of the suit or determine the extent of any potential liability or damages.

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
**(Unaudited)**

*License Fee Dispute with Government of India, Department of Telecommunications*

In 1994, the Government of India promulgated a “National Telecommunications Policy” under which the government liberalized the telecommunications sector and required telecommunications service providers to pay fixed license fees. Pursuant to this policy, our subsidiary Hughes Communications India Private Limited (“HCIPL”), formerly known as Hughes Escorts Communications Limited, obtained a license to operate a data network over satellite using VSAT systems. In 2002, HCIPL’s license was amended pursuant to a 1999 government policy that eliminated fixed license fees and replaced them with license fees based on service providers’ adjusted gross revenue (“AGR”). In March 2005, the Indian Department of Telecommunications (“DOT”) notified HCIPL that, based on its review of HCIPL’s audited accounts and AGR statements, HCIPL must pay additional license fees and penalties and interest on such fees and penalties. HCIPL responded that the DOT had improperly calculated its AGR by including revenue from both licensed and unlicensed activities.

The DOT rejected this explanation and in 2006, HCIPL filed a petition with an administrative tribunal (the “Tribunal”), challenging the DOT’s calculation of its AGR. The DOT also issued license fee assessments to other telecommunications service providers and those other providers filed similar petitions with the Tribunal. These petitions were amended, consolidated, remanded and re-appealed several times. On April 23, 2015, the Tribunal issued a judgment affirming the DOT’s calculation of AGR for the telecommunications service providers but reversing the DOT’s imposition of interest, penalties and interest on such penalties as excessive.

Over subsequent years, the DOT and HCIPL and other telecommunications service providers, respectively, filed several appeals of the Tribunal’s ruling. On October 24, 2019, the Supreme Court of India (“Supreme Court”) issued an order (the “October 2019 Order”) affirming the license fee assessments imposed by the DOT, including its imposition of interest, penalties and interest on the penalties, but without indicating the amount HCIPL was required to pay the DOT, and ordering payment by January 23, 2020. On November 23, 2019, HCIPL and other telecommunication service providers filed a petition asking the Supreme Court to reconsider the October 2019 Order.

The petition was denied on January 20, 2020. On January 22, 2020, HCIPL and other telecommunication service providers filed an application requesting that the Supreme Court modify the October 2019 Order to permit the DOT to calculate the final amount due and extend HCIPL’s and the other telecommunication service providers’ payment deadline. On February 14, 2020, the Supreme Court directed HCIPL and the other telecommunication service providers to explain why the Supreme Court should not initiate contempt proceedings for failure to pay the amounts due.

During a hearing on March 18, 2020, the Supreme Court ordered that all amounts that were due before the October 2019 Order must be paid, including interest, penalties and interest on the penalties. The Supreme Court also ordered that the parties appear for a further hearing addressing, among other things, a proposal by the DOT to allow for extended or deferred payments of amounts due. On June 11, 2020, the Supreme Court ordered HCIPL and the other telecommunication service providers to submit affidavits addressing the proposal made by the DOT to extend the time frame for payment of the amounts owed and for HCIPL and the other telecommunication providers to provide security for such payments.

On September 1, 2020, the Supreme Court issued a judgment permitting a 10-year payment schedule. Under this payment schedule, HCIPL is required to make an annual payment every March 31, through 2031. Following the Supreme Court of India’s October 2019 judgment, HCIPL made payments during the first quarter of 2020, and additional payments on each March 31 thereafter. As of June 30, 2025, the gross amount of fees, penalties and interest owed was approximately \$93 million with \$46 million remaining outstanding as a result of historical payments.

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
**(Unaudited)**

Pursuant to the Contribution and Membership Interest Purchase Agreement (the “Purchase Agreement”) dated December 3, 2004 between The DirecTV Group, Inc. (“DirecTV”) and certain other entities relating to DirecTV’s spinoff of certain of its subsidiaries, including HCIPL, DirecTV undertook to indemnify HCIPL for certain pre-closing tax liabilities. On March 27, 2020, HCIPL filed an indemnification complaint against DirecTV in the United States District Court for the Southern District of New York, seeking to recover certain license fees, penalties and interest owed to the Indian government as a result of the aforementioned proceedings. On November 16, 2021, the New York court granted summary judgment in favor of DirecTV, but on June 22, 2023, the United States Court of Appeals for the Second Circuit reversed, holding that, under the Purchase Agreement, HCIPL is entitled to indemnification from DirecTV. The Second Circuit remanded the case back to the trial court to determine the amount of indemnification owed.

The parties reached a conditional agreement to settle the matter, but the conditions were not met, so the stay entered on October 3, 2024 was lifted on November 22, 2024. On July 8, 2025, a magistrate judge issued a report and recommendation that DirecTV should have to indemnify HCIPL only for license fees, penalties and interest that would have been owing to the DOT as of the April 22, 2005 closing date of the spinoff, but not the penalties and interest that compounded on such pre-closing amounts during the course of the litigation in India.

*Lingam Securities Class Action (formerly Jaramillo)*

On March 23, 2023, a securities fraud class action complaint was filed against our wholly-owned subsidiary DISH Network and Messrs. Ergen, Carlson and Orban in the United States District Court for the District of Colorado. The complaint was brought on behalf of a putative class of purchasers of our securities during the February 22, 2021 to February 27, 2023 class period.

In general, the complaint alleged that DISH Network’s public statements during that period were false and misleading and contained material omissions, because they did not disclose that DISH Network allegedly maintained a deficient cyber-security and information technology infrastructure, were unable to properly secure customer data and DISH Network’s operations were susceptible to widespread service outages.

In August 2023, the Court appointed a new lead plaintiff and lead plaintiff’s counsel, and, on October 20, 2023, they filed a First Amended Complaint that abandoned the original allegations. In their First Amended Complaint, plaintiffs alleged that, during the class period, the defendants concealed problems concerning the 5G network build-out that prevented scaling and commercializing the network to obtain enterprise customers. The amended complaint added as individual defendants James S. Allen, DISH Network’s Senior Vice President and Chief Accounting Officer; John Swieringa, our President, Technology and Chief Operating Officer; Dave Mayo, DISH Network’s former Executive Vice President of Network Development; Marc Rouanne, DISH Network’s former Executive Vice President and Chief Network Officer; and Stephen Bye, DISH Network’s former Executive Vice President and Chief Commercial Officer.

After the defendants filed a motion to dismiss the First Amended Complaint, the plaintiffs filed a Second Amended Complaint, asserting the same theory, on February 23, 2024. The new complaint drops Erik Carlson, John Swieringa, Paul Orban and James Allen as individual defendants. The defendants filed a motion to dismiss the Second Amended Complaint, and on March 20, 2025, the Court granted the motion without granting plaintiffs permission to further amend. On April 18, 2025, the plaintiffs filed a notice of appeal, and briefing is underway.

We intend to vigorously defend this case. We cannot predict with any degree of certainty the outcome of the suit or determine the extent of any potential liability or damages.

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
**(Unaudited)**

*Mesa Digital*

On November 27, 2024, Mesa Digital, LLC filed a complaint in the United States District Court for the Western District of Texas against our wholly-owned subsidiary DISH Wireless alleging infringement of United States Patent No. 9,031,537, entitled “Electronic Wireless Hand Held Multimedia Device.” Generally, it relates to an electronic handheld device with a touch-sensitive display. On March 31, 2025, the case was dismissed pursuant to a stipulation under which Mesa Digital gave DISH Wireless a covenant not to sue on any of its patents, without any payment from DISH Wireless. This matter is now concluded.

*Mobility Workx*

On December 3, 2024, Mobility Workx, LLC filed a complaint in the United States District Court for the Eastern District of Texas against our wholly-owned subsidiary DISH Wireless alleging infringement of United States Patent No. 7,697,508, entitled “System, Apparatus and Methods for Proactive Allocation of Wireless Communication Resources.” Generally, it relates to hand-offs in a mobile network. On July 7, 2025, the case was dismissed under the terms of a non-material confidential settlement.

*Peninsula Technologies, LLC*

On April 15, 2025, Peninsula Technologies filed two lawsuits against our wholly-owned subsidiary DISH Wireless L.L.C. in the United States District Court for the Eastern District of Texas. In the first lawsuit, Peninsula Technologies alleges infringement of U.S. Patent Nos. 9,844,009 (the “009 patent”), entitled “Power Headroom Report In A Wireless Device With Carrier Aggregation”; 11,792,743 (the “743 patent”), entitled “Transmit Power Priority Based On Cell Types In Wireless Devices”; 11,824,810 (the “4,810 patent”), entitled “Restarting A Deactivation Timer Of A Secondary Cell In A Wireless Network”; and 11,917,549 (the “549 patent”), entitled “Scaling Transmission Power Of Uplink Signals Of A Wireless Device.” In the second lawsuit, Peninsula Technologies alleges infringement of U.S. Patent Nos. 11,438,810 (the “8,810 patent”), entitled “Communication Of Configuration Parameters Of Radio Resources Of An Unlicensed Cell”; 11,570,844 (the “844 patent”), entitled “Release Message In Small Data Transmission Procedure”; 11,723,109 (the “109 patent”), entitled “Downlink Data Of Small Data Transmission Procedure”; and 12,144,057 (the “057 patent”), entitled “Release Message In Small Data Transmission Procedure.” Generally, the asserted patents relate to 5G network operations. On July 16, 2025, Peninsula Technologies filed a First Amended Complaint in the second action, which dropped the 8,810 Patent.

We intend to vigorously defend this case. In the event that a court ultimately determines that we infringe the asserted patents, we may be subject to substantial damages, which may include treble damages, and/or an injunction that could require us to materially modify certain features that we currently offer to consumers. We cannot predict with any degree of certainty the outcome of the suit or determine the extent of any potential liability or damages.

*Realtime Data LLC and Realtime Adaptive Streaming LLC*

On June 6, 2017, Realtime Data LLC d/b/a IXO (“Realtime”) filed an amended complaint in the United States District Court for the Eastern District of Texas (the “Original Texas Action”) against us and our wholly-owned subsidiaries DISH Network, DISH Network L.L.C., DISH Technologies L.L.C. (then known as EchoStar Technologies L.L.C.), Sling TV L.L.C., Sling Media L.L.C. and Hughes Network Systems, L.L.C. (“HNS”); and Arris Group, Inc. Realtime’s initial complaint in the Original Texas Action, filed on February 14, 2017, had named only us and our wholly-owned subsidiary HNS as defendants.

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
**(Unaudited)**

The amended complaint in the Original Texas Action alleges infringement of United States Patent No. 8,717,204 (the “204 patent”), entitled “Methods for encoding and decoding data”; United States Patent No. 9,054,728 (the “728 patent”), entitled “Data compression systems and methods”; United States Patent No. 7,358,867 (the “867 patent”), entitled “Content independent data compression method and system”; United States Patent No. 8,502,707 (the “707 patent”), entitled “Data compression systems and methods”; United States Patent No. 8,275,897 (the “897 patent”), entitled “System and methods for accelerated data storage and retrieval”; United States Patent No. 8,867,610 (the “610 patent”), entitled “System and methods for video and audio data distribution”; United States Patent No. 8,934,535 (the “535 patent”), entitled “Systems and methods for video and audio data storage and distribution”; and United States Patent No. 8,553,759 (the “759 patent”), entitled “Bandwidth sensitive data compression and decompression.”

Realtime alleges that our, Sling TV L.L.C.’s, Sling Media L.L.C.’s and Arris Group, Inc.’s streaming video products and services compliant with various versions of the H.264 video compression standard infringe the 897 patent, the 610 patent and the 535 patent, and that the data compression system in HNS’ products and services infringes the 204 patent, the 728 patent, the 867 patent, the 707 patent and the 759 patent.

On July 19, 2017, the Court severed Realtime’s claims against DISH Network, DISH Network L.L.C., Sling TV L.L.C., Sling Media L.L.C. and Arris Group, Inc. (alleging infringement of the 897 patent, the 610 patent and the 535 patent) from the Original Texas Action into a separate action in the United States District Court for the Eastern District of Texas (the “Second Texas Action”). On August 31, 2017, Realtime dismissed the claims against DISH Network, Sling TV L.L.C., Sling Media Inc., and Sling Media L.L.C. from the Second Texas Action and refiled these claims (alleging infringement of the 897 patent, the 610 patent and the 535 patent) against Sling TV L.L.C., Sling Media Inc., and Sling Media L.L.C. in a new action in the United States District Court for the District of Colorado (the “Colorado Action”). Also on August 31, 2017, Realtime dismissed DISH Technologies L.L.C. from the Original Texas Action, and on September 12, 2017, added it as a defendant in an amended complaint in the Second Texas Action. On November 6, 2017, Realtime filed a joint motion to dismiss the Second Texas Action without prejudice, which the Court entered on November 8, 2017.

On October 10, 2017, Realtime Adaptive Streaming LLC (“Realtime Adaptive Streaming”) filed suit against our wholly-owned subsidiaries DISH Network L.L.C. and DISH Technologies L.L.C., as well as Arris Group, Inc., in a new action in the United States District Court for the Eastern District of Texas (the “Third Texas Action”), alleging infringement of the 610 patent and the 535 patent. Also on October 10, 2017, an amended complaint was filed in the Colorado Action, substituting Realtime Adaptive Streaming as the plaintiff instead of Realtime, and alleging infringement of only the 610 patent and the 535 patent, but not the 897 patent. On November 6, 2017, Realtime Adaptive Streaming filed a joint motion to dismiss the Third Texas Action without prejudice, which the court entered on November 8, 2017. Also on November 6, 2017, Realtime Adaptive Streaming filed a second amended complaint in the Colorado Action, adding our wholly-owned subsidiaries DISH Network L.L.C. and DISH Technologies L.L.C., as well as Arris Group, Inc., as defendants.

As a result, neither DISH Network nor any of its subsidiaries is a defendant in the Original Texas Action; the Court has dismissed without prejudice the Second Texas Action and the Third Texas Action; and our wholly-owned subsidiaries DISH Network L.L.C., DISH Technologies L.L.C., Sling TV L.L.C. and Sling Media L.L.C. as well as Arris Group, Inc., are defendants in the Colorado Action, which now has Realtime Adaptive Streaming as the named plaintiff. Following settlements with the plaintiff, we and HNS were dismissed from the Original Texas Action in February 2019, and Arris Group, Inc. was dismissed from the Colorado Action in March 2021.

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
**(Unaudited)**

On July 3, 2018, Sling TV L.L.C., Sling Media L.L.C., DISH Network L.L.C., and DISH Technologies L.L.C. filed petitions with the United States Patent and Trademark Office challenging the validity of each of the asserted patents. On January 31, 2019, the United States Patent and Trademark Office agreed to institute proceedings on DISH Network's petitions, and it held trial on the petitions on December 5, 2019. On January 17, 2020, the United States Patent and Trademark Office terminated the petitions as time-barred, but issued a final written decision invalidating the 535 patent to third parties that had timely joined in DISH Network's petition (and, on January 10, 2020, issued a final written decision invalidating the 535 patent in connection with a third party's independent petition). On March 16, 2020, Sling TV L.L.C., Sling Media L.L.C., DISH Network L.L.C., and DISH Technologies L.L.C. filed a notice of appeal from the terminated petitions to the United States Court of Appeals for the Federal Circuit. On June 29, 2020, the United States Patent and Trademark Office filed a notice of intervention in the appeal. On March 16, 2021, the Court of Appeals dismissed the appeal for lack of jurisdiction. On April 29, 2021, Sling TV L.L.C., Sling Media L.L.C., DISH Network L.L.C., and DISH Technologies L.L.C. filed a petition for rehearing, which was denied on June 28, 2021. On January 12, 2021, Realtime Adaptive Streaming filed a notice of dismissal of its claims on the 535 patent.

On July 30, 2021, the District Court granted summary judgment in favor of DISH Network L.L.C., DISH Technologies L.L.C., Sling TV L.L.C. and Sling Media L.L.C., holding that the remaining asserted patent, the 610 patent, is invalid because it claims patent-ineligible abstract subject matter. Realtime Adaptive Streaming appealed that ruling to the United States Court of Appeals for the Federal Circuit, and on May 11, 2023, that Court affirmed the District Court's summary judgment order. Independently, on September 21, 2021, in connection with an ex parte reexamination of the validity of the 610 patent, an examiner at the United States Patent and Trademark Office issued a final office action rejecting each asserted claim of the 610 patent as invalid over the cited prior art. On April 19, 2023, the Patent Trial and Appeal Board rejected Realtime Adaptive Streaming's appeal and affirmed the examiner's rejection of the asserted claims of the 610 patent. Realtime did not further appeal the Patent Trial and Appeal Board's determination and, thus, the asserted claims of the 610 patent were canceled. As a result, DISH Network L.L.C., DISH Technologies L.L.C., Sling TV L.L.C. and Sling Media L.L.C. no longer face any possible exposure from this matter, and the liability phase of this case is concluded.

On January 21, 2022, the District Court granted the motion by DISH Network L.L.C., DISH Technologies L.L.C., Sling TV L.L.C. and Sling Media L.L.C. to have the case declared "exceptional," and on September 20, 2022, awarded them \$3.9 million in attorneys' fees. Realtime Adaptive Streaming filed a notice of appeal to the United States Court of Appeals for the Federal Circuit from the exceptionality and fee award orders, and on August 23, 2024, that Court vacated the exceptionality finding and remanded for further consideration of the issue. On November 26, 2024, the United States Court of Appeals for the Federal Circuit denied DISH Network L.L.C., DISH Technologies L.L.C., Sling TV L.L.C. and Sling Media L.L.C.'s petition seeking rehearing en banc. On February 5, 2025, on remand, the District Court denied the motion to declare the case exceptional. On March 6, 2025, DISH Network L.L.C., DISH Technologies L.L.C., Sling TV L.L.C. and Sling Media L.L.C. filed a notice of appeal of that order, but dismissed the appeal on July 3, 2025. This matter is now concluded.

*SafeCast Limited*

On June 27, 2022, SafeCast Limited filed a complaint against our wholly-owned subsidiary DISH Network in the United States District Court for the Western District of Texas. The complaint alleges that DISH Network infringes U.S. Patent No. 9,392,302, entitled "System for providing improved facilities in time-shifted broadcasts" (the "302 patent"). On the same day, it brought complaints in the same court asserting infringement of the same patent against AT&T, Google, HBO, NBCUniversal, Paramount and Verizon. On October 24, 2022, in response to the parties' joint motion, the Court ordered the case against DISH Network transferred to the United States District Court for the District of Colorado.

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
**(Unaudited)**

On December 1, 2022, SafeCast filed an amended complaint naming our wholly-owned subsidiaries DISH Network L.L.C. and DISH Technologies L.L.C. as defendants and withdrawing the allegations as to DISH Network. The plaintiff is an entity that seeks to license a patent portfolio without itself practicing any of the claims recited therein.

On June 22, 2023, DISH Network L.L.C. and DISH Technologies L.L.C. filed a petition with the United States Patent and Trademark Office challenging the validity of the asserted claims of the 302 patent, and on June 26, 2024, the United States Patent and Trademark Office agreed to institute proceedings on that petition. On August 28, 2023, the Court stayed the case pending resolution of the petition. On October 3, 2024, in connection with a third-party's petition citing different prior art, the United States Patent and Trademark Office invalidated all claims asserted against DISH Network L.L.C. and DISH Technologies L.L.C. Because SafeCast Limited did not appeal that decision, on January 27, 2025, the United States Patent and Trademark Office issued a certificate canceling the challenged claims. As a result, DISH Network L.L.C. and DISH Technologies L.L.C. filed a motion to terminate their petition before the United States Patent and Trademark Office, which was granted on June 5, 2025. On July 28, 2025, the District Court dismissed the litigation. This matter is now concluded.

*Sound View Innovations, LLC*

On December 30, 2019, Sound View Innovations, LLC filed one complaint against our wholly-owned subsidiaries DISH Network L.L.C. and DISH Technologies L.L.C. and a second complaint against our wholly-owned subsidiary Sling TV L.L.C. in the United States District Court for the District of Colorado. The complaint against DISH Network L.L.C. and DISH Technologies L.L.C. alleges infringement of United States Patent No. 6,502,133 (the "133 patent"), entitled "Real-Time Event Processing System with Analysis Engine Using Recovery Information" and both complaints allege infringement of United States Patent No. 6,708,213 (the "213 patent"), entitled "Method for Streaming Multimedia Information Over Public Networks"; United States Patent No. 6,757,796 (the "796 patent"), entitled "Method and System for Caching Streaming Live Broadcasts transmitted Over a Network"; and United States Patent No. 6,725,456 (the "456 patent"), entitled "Methods and Apparatus for Ensuring Quality of Service in an Operating System." All but the 133 patent are also asserted in the complaint against Sling TV L.L.C. The plaintiff is an entity that seeks to license a patent portfolio without itself practicing any of the claims recited therein.

On May 21, 2020, June 3, 2020, June 5, 2020 and July 10, 2020, DISH Network L.L.C., DISH Technologies L.L.C. and Sling TV L.L.C. filed petitions with the United States Patent and Trademark Office challenging the validity of, respectively, the 213 patent, the 133 patent, the 456 patent and the 796 patent. On November 25, 2020, the United States Patent and Trademark Office declined to review the validity of the 213 patent, and on September 29, 2021, denied a request for rehearing of that decision. On January 19, 2021, the United States Patent and Trademark Office agreed to institute proceedings on the 456 patent but declined to review the 133 patent. On February 24, 2021, the United States Patent and Trademark Office agreed to institute proceedings on the 796 patent.

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
**(Unaudited)**

On January 18, 2022, the United States Patent and Trademark Office issued a final written decision holding that the challenged claim of the 456 patent is patentable, and on February 8, 2022, it issued a final written decision holding that the challenged claims of the 796 patent are patentable. On March 22, 2022, DISH Network L.L.C., DISH Technologies L.L.C. and Sling TV L.L.C. filed a notice of appeal to the United States Court of Appeals for the Federal Circuit from the adverse final written decision regarding the 456 patent, and on April 8, 2022, they filed a notice of appeal to the same court from the adverse final written decision regarding the 796 patent. The appeal on the 456 patent was voluntarily dismissed on December 6, 2022.

The Federal Circuit heard oral argument on the 796 patent appeal on October 3, 2023, and affirmed the United States Patent and Trademark Office's adverse final written decision on October 5, 2023.

On April 20, 2022, DISH Network L.L.C., DISH Technologies L.L.C. and Sling TV L.L.C. filed a petition with the United States Patent and Trademark Office requesting ex parte reexamination of the validity of one of the asserted claims of the 213 patent, and reexamination was ordered on June 16, 2022. On November 13, 2023, the United States Patent and Trademark Office confirmed the patentability of the challenged claim. On January 18, 2023, DISH Network L.L.C., DISH Technologies L.L.C. and Sling TV L.L.C. filed a second petition requesting ex parte reexamination of the validity of the four other asserted claims of the 213 patent, reexamination was ordered on April 17, 2023, and it remains pending. On October 17, 2024, the Court ordered that the stay of the case, which had been entered for the pendency of the original petitions before the United States Patent and Trademark Office, would remain in place pending the outcome of Sound View's appeal in a parallel action against Hulu.

We intend to vigorously defend these cases. In the event that a court ultimately determines that we infringe the asserted patents, we may be subject to substantial damages, which may include treble damages, and/or an injunction that could require us to materially modify certain features that we currently offer to consumers. We cannot predict with any degree of certainty the outcome of the suit or determine the extent of any potential liability or damages.

*State of Illinois ex rel. Rodriguez*

In March 2020, two private "relators" filed this case in the Circuit Court of Cook County Illinois, County Department, Law Division, under the Illinois False Claims Act against DISH Wireless, Sprint and more than 60 Boost Mobile retailers in Illinois. The defendants only became aware of the lawsuit after it was unsealed in March 2022. The operative Second Amended Complaint alleges that the retailer defendants should have collected sales tax under the Retailers' Occupation Tax Act on any amounts that Sprint or DISH Network rebated them to facilitate handset price discounts to Illinois consumers ("Prepaid Phone Rebates") and on any phone activation fees the retailers charged to customers ("Device Setup Charges"). It further alleges that DISH Wireless and Sprint are liable for the alleged violations arising from the Device Setup Charges because of the way they allegedly managed the point-of-sale system that the retailer defendants used.

The Plaintiffs seek to recover triple the amount of allegedly unpaid taxes, fines for each alleged violation, and attorneys' fees and costs. On June 13, 2023, the Court denied the defendants' motions to dismiss the complaint, but on January 2, 2024, it granted reconsideration and dismissed the complaint as to DISH Wireless and Sprint, with leave to amend. The Plaintiffs filed a Third Amended Complaint on February 2, 2024. On September 20, 2024, the Court granted DISH Wireless's and Sprint's motion to dismiss the Third Amended Complaint, without further leave to amend, but the case is continuing against the retailers.

We intend to vigorously defend this case. We cannot predict with any degree of certainty the outcome of the suit or determine the extent of any potential liability or damages.

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
**(Unaudited)**

*TQ Delta, LLC*

On July 17, 2015, TQ Delta, LLC (“TQ Delta”) filed a complaint against our wholly-owned subsidiaries DISH Network, DISH DBS Corporation and DISH Network L.L.C. in the United States District Court for the District of Delaware. The Complaint alleges infringement of United States Patent No. 6,961,369 (the “369 patent”), which is entitled “System and Method for Scrambling the Phase of the Carriers in a Multicarrier Communications System”; United States Patent No. 8,718,158 (the “158 patent”), which is entitled “System and Method for Scrambling the Phase of the Carriers in a Multicarrier Communications System”; United States Patent No. 9,014,243 (the “243 patent”), which is entitled “System and Method for Scrambling Using a Bit Scrambler and a Phase Scrambler”; United States Patent No. 7,835,430 (the “430 patent”), which is entitled “Multicarrier Modulation Messaging for Frequency Domain Received Idle Channel Noise Information”; United States Patent No. 8,238,412 (the “412 patent”), which is entitled “Multicarrier Modulation Messaging for Power Level per Subchannel Information”; United States Patent No. 8,432,956 (the “956 patent”), which is entitled “Multicarrier Modulation Messaging for Power Level per Subchannel Information”; and United States Patent No. 8,611,404 (the “404 patent”), which is entitled “Multicarrier Transmission System with Low Power Sleep Mode and Rapid-On Capability.” On September 9, 2015, TQ Delta filed a first amended complaint that added allegations of infringement of United States Patent No. 9,094,268 (the “268 patent”), which is entitled “Multicarrier Transmission System With Low Power Sleep Mode and Rapid-On Capability.”

On May 16, 2016, TQ Delta filed a second amended complaint that added us, and our then wholly-owned subsidiary EchoStar Technologies L.L.C. as defendants. TQ Delta alleges that our satellite TV service, Internet service, set-top boxes, gateways, routers, modems, adapters and networks that operate in accordance with one or more Multimedia over Coax Alliance Standards infringe the asserted patents. TQ Delta has filed actions in the same court alleging infringement of the same patents against Comcast Corp., Cox Communications, Inc., DirecTV, Time Warner Cable Inc. and Verizon Communications, Inc. TQ Delta is an entity that seeks to license an acquired patent portfolio without itself practicing any of the claims recited therein.

On July 14, 2016, TQ Delta stipulated to dismiss with prejudice all claims related to the 369 patent and the 956 patent. On July 20, 2016, DISH Network filed petitions with the United States Patent and Trademark Office challenging the validity of all of the patent claims of the 404 patent and the 268 patent that have been asserted against DISH Network. Third parties filed petitions with the United States Patent and Trademark Office challenging the validity of all of the patent claims that have been asserted against us in the action. On November 4, 2016, the United States Patent and Trademark Office agreed to institute proceedings on the third-party petitions related to the 158 patent, the 243 patent, the 412 patent and the 430 patent. On December 20, 2016, pursuant to a stipulation of the parties, the Court stayed the case until the resolution of all petitions to the United States Patent and Trademark Office challenging the validity of all of the patent claims at issue. On January 19, 2017, the United States Patent and Trademark Office granted DISH Network’s motions to join the instituted petitions on the 430 and 158 patents.

On February 9, 2017, the United States Patent and Trademark Office agreed to institute proceedings on DISH Network’s petition related to the 404 patent, and on February 13, 2017, the United States Patent and Trademark Office agreed to institute proceedings on our petition related to the 268 patent. On February 27, 2017, the United States Patent and Trademark Office granted DISH Network’s motions to join the instituted petitions on the 243 and 412 patents. On October 26, 2017, the United States Patent and Trademark Office issued final written decisions on the petitions challenging the 158 patent, the 243 patent, the 412 patent and the 430 patent, and it invalidated all of the asserted claims of those patents.

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
**(Unaudited)**

On February 7, 2018, the United States Patent and Trademark Office issued final written decisions on the petitions challenging the 404 patent, and it invalidated all of the asserted claims of that patent on the basis of DISH Network's petition. On February 10, 2018, the United States Patent and Trademark Office issued a final written decision on DISH Network's petition challenging the 268 patent, and it invalidated all of the asserted claims.

On March 12, 2018, the United States Patent and Trademark Office issued a final written decision on a third-party petition challenging the 268 patent, and it invalidated all of the asserted claims. TQ Delta filed notices of appeal from the final written decisions adverse to it. On May 9, 2019, the United States Court of Appeals for the Federal Circuit affirmed the invalidity of the 430 patent and the 412 patent. On July 10, 2019, the United States Court of Appeals for the Federal Circuit affirmed the invalidity of the asserted claims of the 404 patent. On July 15, 2019, the United States Court of Appeals for the Federal Circuit affirmed the invalidity of the asserted claims of the 268 patent. On November 22, 2019, the United States Court of Appeals for the Federal Circuit reversed the invalidity finding on the 243 patent and the 158 patent, and then, on March 29, 2020, denied a petition for panel rehearing as to those findings. On April 13, 2021, the Court lifted the stay, and the case is proceeding on the 243 patent and the 158 patent. On April 23 and April 26, 2021, the United States Patent and Trademark Office issued orders granting requests for ex parte reexamination of, respectively, the 243 patent and the 158 patent, but on July 27, 2023 and October 11, 2023, respectively, the United States Patent and Trademark Office confirmed the challenged claims of the 243 patent and the 158 patent. In a proposed supplemental report, TQ Delta's damages expert contends that TQ Delta is entitled to \$251 million in damages. The Court has set a trial date of November 8, 2027.

We intend to vigorously defend this case. In the event that a court ultimately determines that we infringe the asserted patents, we may be subject to substantial damages, which may include treble damages, and/or an injunction that could require us to materially modify certain features that we currently offer to consumers. We cannot predict with any degree of certainty the outcome of the suit or determine the extent of any potential liability or damages.

*Uniloc 2017 LLC*

On January 31, 2019, Uniloc 2017 LLC ("Uniloc") filed a complaint against our wholly-owned subsidiary Sling TV L.L.C. in the United States District Court for the District of Colorado. The Complaint alleges infringement of United States Patent No. 6,519,005 (the "005 patent"), which is entitled "Method of Concurrent Multiple-Mode Motion Estimation for Digital Video"; United States Patent No. 6,895,118 (the "118 patent"), which is entitled "Method of Coding Digital Image Based on Error Concealment"; United States Patent No. 9,721,273 (the "273 patent"), which is entitled "System and Method for Aggregating and Providing Audio and Visual Presentations Via a Computer Network"; and United States Patent No. 8,407,609 (the "609 patent"), which is entitled "System and Method for Providing and Tracking the Provision of Audio and Visual Presentations Via a Computer Network." Uniloc is an entity that seeks to license an acquired patent portfolio without itself practicing any of the claims recited therein.

On June 25, 2019, Sling TV L.L.C. filed a petition with the United States Patent and Trademark Office challenging the validity of all of the asserted claims of the 005 patent. On July 19, 2019 and July 22, 2019, respectively, Sling TV L.L.C. filed petitions with the United States Patent and Trademark Office challenging the validity of all asserted claims of the 273 patent and the 609 patent. On August 12, 2019, Sling TV L.L.C. filed a petition with the United States Patent and Trademark Office challenging the validity of all of the asserted claims of the 118 patent. On October 18, 2019, pursuant to a stipulation of the parties, the Court entered a stay of the trial proceedings.

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
**(Unaudited)**

On January 9, 2020, the United States Patent and Trademark Office agreed to institute proceedings on the petition challenging the 005 patent. On January 15, 2020, the United States Patent and Trademark Office agreed to institute proceedings on the petition challenging the 273 patent. On February 4, 2020, the United States Patent and Trademark Office agreed to institute proceedings on the petition challenging the 609 patent. On February 25, 2020, the United States Patent and Trademark Office declined to institute proceedings on the petition challenging the 118 patent.

On December 28, 2020, the United States Patent and Trademark Office issued a final written decision upholding the validity of the challenged claims of the 273 patent. Sling TV L.L.C. appealed that decision to the United States Court of Appeals for the Federal Circuit, and on February 2, 2022, the Federal Circuit vacated the final written decision and remanded to the United States Patent and Trademark Office to reconsider its ruling. On remand, on September 7, 2022, the United States Patent and Trademark Office issued a revised final written decision finding all challenged claims of the 273 patent invalid. Uniloc filed a notice of appeal of that revised final written decision to the United States Court of Appeals for the Federal Circuit, and on September 4, 2024, that court affirmed the United States Patent and Trademark Office's invalidity finding.

On January 5, 2021, the United States Patent and Trademark Office issued a final written decision invalidating all challenged claims of the 005 patent. On January 19, 2021, the United States Patent and Trademark Office issued a final written decision invalidating all challenged claims of the 609 patent (and a second final written decision invalidating all challenged claims of the 609 patent based on a third party's petition). Uniloc did not appeal those decisions. Thus, the sole remaining asserted patent is the 118 patent.

We intend to vigorously defend this case. In the event that a court ultimately determines that we infringe the asserted patents, we may be subject to substantial damages, which may include treble damages, and/or an injunction that could require us to materially modify certain features that we currently offer to consumers. We cannot predict with any degree of certainty the outcome of the suit or determine the extent of any potential liability or damages.

*Universal Service Administrative Company*

On April 3, 2023, the Universal Service Administrative Company ("USAC") notified our wholly-owned subsidiary DISH Wireless that it intended to seek to recover funds in the amount of \$13.9 million disbursed under the Emergency Broadband Benefit Program ("EBBP") and Affordable Connectivity Program ("ACP") rules. We appealed this action and the USAC denied our appeal in October 2023. We appealed USAC's action to the FCC's Wireline Competition Bureau, which denied our appeal on January 17, 2025.

We will continue to appeal USAC's action. We cannot predict with any degree of certainty the outcome of our appeals or determine the extent of any potential liability or damages.

*U.S. Bank Trust Company*

On April 26, 2024, U.S. Bank Trust Company, in its capacity as Trustee under the Indentures for DISH DBS Corporation's 5.75% Senior Secured Notes due 2028 and 7.75% Senior Notes due 2026, filed an action in state court in New York City against DISH DBS Corporation, DISH Network L.L.C., EchoStar Intercompany Receivable Company L.L.C., DISH DBS Issuer LLC, and DBS Intercompany Receivable L.L.C. In its complaint, the Trustee contends that certain intracompany asset transfers in January 2024 breached the Indentures for those Notes, and that the transfers were intentional and constructive fraudulent transfers under the Colorado Uniform Fraudulent Transfer Act. The Trustee seeks a declaratory judgment that DISH DBS Corporation breached the Indentures and that an Event of Default occurred under the DBS Indentures. It further asks the Court to unwind certain intracompany asset transfers and to award damages.

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
**(Unaudited)**

On May 13, 2024, the defendants removed the case to the United States District Court for the Southern District of New York and, on June 28, 2024, filed a motion to dismiss the complaint. Rather than opposing the motion, on July 18, 2024, the Trustee filed a first amended complaint, which added a new declaratory judgment claim challenging certain intercompany advances and new factual allegations challenging a certification of compliance with the DBS Indentures. On January 22, 2025, with permission from the Court, the Trustee filed a second amended complaint, which added allegations regarding the debt issued by DBS SubscriberCo, a related intercompany loan, and the DIRECTV transaction.

We intend to vigorously defend this case. We cannot predict with any degree of certainty the outcome of the suit or determine the extent of any potential liability or damages.

*Vermont National Telephone Company*

On September 23, 2016, the United States District Court for the District of Columbia unsealed a qui tam complaint that, on May 13, 2015, Vermont National filed against our wholly-owned subsidiaries, DISH Network, American AWS-3 Wireless I L.L.C., American II, American III, and DISH Wireless Holding L.L.C.; Charles W. Ergen (our Chairman) and Cantey M. Ergen (a member of our Board of Directors); Northstar Wireless; Northstar Spectrum; Northstar Manager; SNR Wireless; SNR HoldCo; SNR Management; and certain other parties. The complaint alleges violations of the federal civil False Claims Act (the "FCA") based on, among other things, allegations that Northstar Wireless and SNR Wireless falsely claimed bidding credits of 25% in the AWS-3 Auction when they were allegedly under the de facto control of DISH Network and, therefore, were not entitled to the bidding credits as designated entities under applicable FCC rules. Vermont National participated in the AWS-3 Auction through its wholly-owned subsidiary, VTel Wireless. The complaint was unsealed after the United States Department of Justice notified the District Court that it had declined to intervene in the action. Vermont National seeks to recover on behalf of the United States government approximately \$10 billion, which reflects the \$3.3 billion in bidding credits that Northstar Wireless and SNR Wireless claimed in the AWS-3 Auction, trebled under the FCA. Vermont National also seeks civil penalties of not less than \$5,500 and not more than \$11,000 for each violation of the FCA. On March 2, 2017, the United States District Court for the District of Columbia entered a stay of the litigation until such time as the United States Court of Appeals for the District of Columbia (the "D.C. Circuit") issued its opinion in *SNR Wireless LicenseCo, LLC, et al. v. F.C.C.* The D.C. Circuit issued its opinion on August 29, 2017 and remanded the matter to the FCC for further proceedings.

Thereafter, the District Court maintained the stay until October 26, 2018. On February 11, 2019, the District Court granted Vermont National's unopposed motion for leave to file an amended complaint. On March 28, 2019, the defendants filed a motion to dismiss Vermont National's amended complaint, and on March 23, 2021, the District Court granted the motion to dismiss. On April 21, 2021, Vermont National filed a notice of appeal to the United States Court of Appeals for the DC Circuit and, on May 17, 2022, that court reversed the District Court's dismissal of the complaint. On June 16, 2022, the Defendants-Appellees filed a petition for rehearing or rehearing en banc, but on August 17, 2022, that petition was denied.

On August 25, 2023, the FCC provided a sworn declaration stating that "the FCC considers ... SNR and Northstar to have fully and timely satisfied their obligations to pay money to the Government arising from the AWS-3 Auction." On that basis, on September 22, 2023, the Defendants filed a motion seeking partial summary judgment of no damages. On September 26, 2023, the Court denied the motion as premature. On March 8, 2024, the United States filed a motion to exercise its statutory prerogative to intervene in the case for the purpose of moving to dismiss it with prejudice, stating that the case is "unlikely to vindicate the United States' interests and would needlessly expend the Government's and this Court's resources." In a report and recommendation issued on April 7, 2025, a magistrate judge recommended that the government's motion be granted. Vermont National's objections to that recommendation have been fully briefed to the Court.

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
**(Unaudited)**

We intend to vigorously defend this case. We cannot predict with any degree of certainty the outcome of this proceeding or determine the extent of any potential liability or damages.

*Other*

In addition to the above actions, we are subject to various other legal proceedings and claims that arise in the ordinary course of business, including, among other things, disputes with programmers regarding fees. In our opinion, the amount of ultimate liability with respect to any of these actions is unlikely to materially affect our financial condition, results of operations or liquidity, though the outcomes could be material to our operating results for any particular period, depending, in part, upon the operating results for such period.

**11. Segment Reporting**

Our reportable segments are strategic business units managed separately based on different business strategies, services and products.

Our chief operating decision maker ("CODM") is our President and Chief Executive Officer. "OIBDA," defined as "Operating income (loss)" plus "Depreciation and amortization," is the primary measure used by our CODM to evaluate segment operating performance. The CODM regularly reviews budget-to-actual variances of OIBDA when evaluating segment performance and allocating resources to each segment.

We currently operate three primary business segments: (1) Pay-TV; (2) Wireless; and (3) Broadband and Satellite Services. See Note 1 for further information. Our Pay-TV segment revenue is primarily derived from Pay-TV subscriber revenue. Our Wireless segment revenue is primarily derived from Wireless subscriber revenue and selling wireless devices to subscribers. Our Broadband and Satellite Services segment revenue is primarily derived from Broadband subscriber revenue, broadband services revenue and communications equipment sales and leases.

All other and eliminations primarily include intersegment eliminations related to intercompany revenue and the related expense, which are eliminated in consolidation.

The CODM is not regularly provided assets on a segment basis; therefore, such information is not presented.

The revenue, expense, operating income (loss) and OIBDA by segment were as follows:

The significant expense categories and amounts align with the segment-level information that is regularly provided to the CODM. Intersegment expenses are included within the amounts presented.

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
**(Unaudited)**

	<u>Pay-TV</u>	<u>Wireless</u>	<u>Broadband and Satellite Services</u>	<u>Eliminations</u>	<u>Consolidated Total</u>
					(In thousands)
<b>For the Three Months Ended June 30, 2025</b>					
<b>Revenue</b>					
<i>Revenue from external customers:</i>					
Service revenue	\$ 2,444,851	\$ 823,721	\$ 271,535	\$ —	\$ 3,540,107
Equipment sales and other revenue	13,638	110,647	60,567	—	184,852
Intersegment revenue	3,760	263	7,678	(11,701)	—
Total revenue	<u>2,462,249</u>	<u>934,631</u>	<u>339,780</u>	<u>(11,701)</u>	<u>3,724,959</u>
<b>Operating Expenses</b>					
<i>Cost of services:</i>					
Programming	1,179,987	—	—	—	1,179,987
Connectivity services (1)	52,652	636,680	50,180	(2,315)	737,197
Other (2)	316,332	164,501	65,052	(1,438)	544,447
Total cost of services	<u>1,548,971</u>	<u>801,181</u>	<u>115,232</u>	<u>(3,753)</u>	<u>2,461,631</u>
Cost of sales - equipment and other	9,446	282,045	63,551	(855)	354,187
<i>Selling, general and administrative expenses:</i>					
Subscriber acquisition costs	87,606	204,810	44,924	(1,389)	335,951
Selling, general and administrative expenses	152,849	98,575	48,374	(6,255)	293,543
Total selling, general and administrative expenses	<u>240,455</u>	<u>303,385</u>	<u>93,298</u>	<u>(7,644)</u>	<u>629,494</u>
<b>OIBDA (3)</b>	<b><u>663,377</u></b>	<b><u>(451,980)</u></b>	<b><u>67,699</u></b>	<b><u>551</u></b>	<b><u>279,647</u></b>
Depreciation and amortization	67,825	320,968	104,437	(175)	493,055
Total costs and expenses	<u>1,866,697</u>	<u>1,707,579</u>	<u>376,518</u>	<u>(12,427)</u>	<u>3,938,367</u>
Operating income (loss)	<u>\$ 595,552</u>	<u>\$ (772,948)</u>	<u>\$ (36,738)</u>	<u>\$ 726</u>	<u>(213,408)</u>
<b>Unallocated Amounts</b>					
Interest income					65,369
Interest expense, net of amounts capitalized					(279,232)
Other, net					35,137
Income (loss) before income taxes					<u>\$ (392,134)</u>

- (1) "Connectivity services" is the cost to deliver our services and products to customers, which includes, among other things, network, transport and data, cloud-based service, satellite and transmission, and other related costs.
- (2) "Other" primarily consists of variable costs including call center, manufacturing, dealer incentive, bad debt, billing and other variable costs, as well as costs to retain our subscribers.
- (3) OIBDA is a non-GAAP measure and does not purport to be an alternative to operating income (loss) as a measure of operating performance. We believe this measure is useful to management, investors and other users of our financial information in evaluating operating profitability of our business segments on a more variable cost basis as it excludes the depreciation and amortization expenses related primarily to capital expenditures and acquisitions for those business segments, as well as in evaluating operating performance in relation to our competitors.

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
**(Unaudited)**

	<u>Pay-TV</u>	<u>Wireless</u>	<u>Broadband and Satellite Services</u>	<u>Eliminations</u>	<u>Consolidated Total</u>
	(In thousands)				
<b>For the Three Months Ended June 30, 2024</b>					
<b>Revenue</b>					
<i>Revenue from external customers:</i>					
Service revenue	\$ 2,656,580	\$ 785,140	\$ 300,366	\$ —	\$ 3,742,086
Equipment sales and other revenue	17,379	107,452	85,834	—	210,665
Intersegment revenue	2,325	136	7,811	(10,272)	—
Total revenue	<u>2,676,284</u>	<u>892,728</u>	<u>394,011</u>	<u>(10,272)</u>	<u>3,952,751</u>
<b>Operating Expenses</b>					
<i>Cost of services:</i>					
Programming	1,259,042	—	—	—	1,259,042
Connectivity services	54,504	619,855	52,760	(2,144)	724,975
Other	325,137	125,649	73,490	(815)	523,461
Total cost of services	<u>1,638,683</u>	<u>745,504</u>	<u>126,250</u>	<u>(2,959)</u>	<u>2,507,478</u>
Cost of sales - equipment and other	17,837	312,983	78,409	(1,136)	408,093
<i>Selling, general and administrative expenses:</i>					
Subscriber acquisition costs	102,635	147,308	48,690	(583)	298,050
Selling, general and administrative expenses	164,128	81,372	58,270	(6,796)	296,974
Total selling, general and administrative expenses	<u>266,763</u>	<u>228,680</u>	<u>106,960</u>	<u>(7,379)</u>	<u>595,024</u>
<b>OIBDA</b>	<b><u>753,001</u></b>	<b><u>(394,439)</u></b>	<b><u>82,392</u></b>	<b><u>1,202</u></b>	<b><u>442,156</u></b>
Depreciation and amortization	85,249	305,863	116,978	(565)	507,525
Total costs and expenses	<u>2,008,532</u>	<u>1,593,030</u>	<u>428,597</u>	<u>(12,039)</u>	<u>4,018,120</u>
Operating income (loss)	<u>\$ 667,752</u>	<u>\$ (700,302)</u>	<u>\$ (34,586)</u>	<u>\$ 1,767</u>	<u>(65,369)</u>
<b>Unallocated Amounts</b>					
Interest income					13,929
Interest expense, net of amounts capitalized					(81,166)
Other, net					(91,498)
Income (loss) before income taxes					<u>\$ (224,104)</u>

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
**(Unaudited)**

	<u>Pay-TV</u>	<u>Wireless</u>	<u>Broadband and Satellite Services</u>	<u>Eliminations</u>	<u>Consolidated Total</u>
	(In thousands)				
<b>For the Six Months Ended June 30, 2025</b>					
<b>Revenue</b>					
<i>Revenue from external customers:</i>					
Service revenue	\$ 4,966,403	\$ 1,633,328	\$ 546,532	\$ —	\$ 7,146,263
Equipment sales and other revenue	26,593	272,771	149,090	—	448,454
Intersegment revenue	7,980	1,307	14,816	(24,103)	—
Total revenue	<u>5,000,976</u>	<u>1,907,406</u>	<u>710,438</u>	<u>(24,103)</u>	<u>7,594,717</u>
<b>Operating Expenses</b>					
<i>Cost of services:</i>					
Programming	2,396,409	—	—	—	2,396,409
Connectivity services	106,786	1,258,748	99,339	(4,498)	1,460,375
Other	602,412	308,633	129,018	(3,018)	1,037,045
Total cost of services	<u>3,105,607</u>	<u>1,567,381</u>	<u>228,357</u>	<u>(7,516)</u>	<u>4,893,829</u>
Cost of sales - equipment and other	19,118	631,290	145,285	(1,998)	793,695
<i>Selling, general and administrative expenses:</i>					
Subscriber acquisition costs	174,119	395,295	91,356	(2,278)	658,492
Selling, general and administrative expenses	308,882	180,484	92,038	(12,551)	568,853
Total selling, general and administrative expenses	<u>483,001</u>	<u>575,779</u>	<u>183,394</u>	<u>(14,829)</u>	<u>1,227,345</u>
<b>OIBDA</b>	<b><u>1,393,250</u></b>	<b><u>(867,044)</u></b>	<b><u>153,402</u></b>	<b><u>240</u></b>	<b><u>679,848</u></b>
Depreciation and amortization	144,268	628,206	209,335	(421)	981,388
Total costs and expenses	<u>3,751,994</u>	<u>3,402,656</u>	<u>766,371</u>	<u>(24,764)</u>	<u>7,896,257</u>
Operating income (loss)	<u>\$ 1,248,982</u>	<u>\$ (1,495,250)</u>	<u>\$ (55,933)</u>	<u>\$ 661</u>	<u>(301,540)</u>
<b>Unallocated Amounts</b>					
Interest income					130,898
Interest expense, net of amounts capitalized					(565,287)
Other, net					76,527
Income (loss) before income taxes					<u>\$ (659,402)</u>

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
**(Unaudited)**

	<u>Pay-TV</u>	<u>Wireless</u>	<u>Broadband and Satellite Services</u>	<u>Eliminations</u>	<u>Consolidated Total</u>
	(In thousands)				
<b>For the Six Months Ended June 30, 2024</b>					
<b>Revenue</b>					
<i>Revenue from external customers:</i>					
Service revenue	\$ 5,356,105	\$ 1,589,401	\$ 616,249	\$ —	\$ 7,561,755
Equipment sales and other revenue	42,240	217,003	146,596	—	405,839
Intersegment revenue	4,517	330	13,752	(18,599)	—
Total revenue	<u>5,402,862</u>	<u>1,806,734</u>	<u>776,597</u>	<u>(18,599)</u>	<u>7,967,594</u>
<b>Operating Expenses</b>					
<i>Cost of services:</i>					
Programming	2,543,872	—	—	—	2,543,872
Connectivity services	111,701	1,261,497	102,118	(2,957)	1,472,359
Other	647,555	248,115	154,312	(1,553)	1,048,429
Total cost of services	<u>3,303,128</u>	<u>1,509,612</u>	<u>256,430</u>	<u>(4,510)</u>	<u>5,064,660</u>
Cost of sales - equipment and other	34,829	602,525	135,043	(1,221)	771,176
<i>Selling, general and administrative expenses:</i>					
Subscriber acquisition costs	223,388	289,046	102,124	(1,359)	613,199
Selling, general and administrative expenses	333,006	163,486	121,321	(11,566)	606,247
Total selling, general and administrative expenses	<u>556,394</u>	<u>452,532</u>	<u>223,445</u>	<u>(12,925)</u>	<u>1,219,446</u>
<b>OIBDA</b>	<b><u>1,508,511</u></b>	<b><u>(757,935)</u></b>	<b><u>161,679</u></b>	<b><u>57</u></b>	<b><u>912,312</u></b>
Depreciation and amortization	170,651	587,535	235,819	(1,080)	992,925
Total costs and expenses	<u>4,065,002</u>	<u>3,152,204</u>	<u>850,737</u>	<u>(19,736)</u>	<u>8,048,207</u>
Operating income (loss)	<u>\$ 1,337,860</u>	<u>\$ (1,345,470)</u>	<u>\$ (74,140)</u>	<u>\$ 1,137</u>	<u>(80,613)</u>
<b>Unallocated Amounts</b>					
Interest income					44,391
Interest expense, net of amounts capitalized					(180,574)
Other, net					(117,608)
Income (loss) before income taxes					<u>\$ (334,404)</u>

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
**(Unaudited)**

The purchases of property and equipment, net of refunds, (including capitalized interest related to regulatory authorizations) by segment were as follows:

	<b>Pay-TV</b>	<b>Wireless</b>	<b>Broadband and Satellite Services</b>	<b>Total</b>
	(In thousands)			
<b>For the Three Months Ended June 30, 2025</b>				
Purchases of property and equipment, net of refunds, (including capitalized interest related to regulatory authorizations)	\$ 78,580	\$ 625,203	\$ 43,118	\$ 746,901
<b>For the Three Months Ended June 30, 2024</b>				
Purchases of property and equipment, net of refunds, (including capitalized interest related to regulatory authorizations)	\$ 54,006	\$ 560,468	\$ 56,559	\$ 671,033
	<b>Pay-TV</b>	<b>Wireless</b>	<b>Broadband and Satellite Services</b>	<b>Total</b>
	(In thousands)			
<b>For the Six Months Ended June 30, 2025</b>				
Purchases of property and equipment, net of refunds, (including capitalized interest related to regulatory authorizations)	\$ 140,968	\$ 909,196	\$ 75,221	\$ 1,125,385
<b>For the Six Months Ended June 30, 2024</b>				
Purchases of property and equipment, net of refunds, (including capitalized interest related to regulatory authorizations)	\$ 111,918	\$ 1,109,641	\$ 127,170	\$ 1,348,729

The revenue from external customers disaggregated by major revenue source was as follows:

<b>Category:</b>	<b>For the Three Months Ended June 30,</b>		<b>For the Six Months Ended June 30,</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	(In thousands)			
Pay-TV subscriber and related revenue	\$ 2,446,844	\$ 2,658,381	\$ 4,971,196	\$ 5,359,560
Wireless services and related revenue	823,722	785,135	1,633,329	1,589,401
Broadband and satellite services and other revenue	273,441	302,527	550,385	619,647
Pay-TV equipment sales and other revenue	15,405	17,903	29,780	43,302
Wireless equipment sales and other revenue	110,909	107,593	274,077	217,333
Broadband equipment and other revenue	66,339	91,484	160,053	156,950
Eliminations	(11,701)	(10,272)	(24,103)	(18,599)
<b>Total</b>	<b>\$ 3,724,959</b>	<b>\$ 3,952,751</b>	<b>\$ 7,594,717</b>	<b>\$ 7,967,594</b>

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
**(Unaudited)**

**12. Revenue Recognition**

**Contract Balances**

Our allowance for credit losses were as follows:

	<u>Pay-TV</u>	<u>Wireless</u>	<u>Broadband and Satellite Services</u>	<u>Total</u>
	(In thousands)			
<b>Balance, December 31, 2024</b>	\$ 42,575	\$ 28,739	\$ 11,314	\$ 82,628
Current period provision for expected credit losses	37,059	13,851	8,485	59,395
Write-offs charged against allowance	(18,316)	(17,771)	(7,929)	(44,016)
Foreign currency translation	—	—	224	224
<b>Balance, June 30, 2025</b>	<u>\$ 61,318</u>	<u>\$ 24,819</u>	<u>\$ 12,094</u>	<u>\$ 98,231</u>

	<u>Pay-TV</u>	<u>Wireless</u>	<u>Broadband and Satellite Services</u>	<u>Total</u>
	(In thousands)			
<b>Balance, December 31, 2023</b>	\$ 35,320	\$ 18,671	\$ 20,399	\$ 74,390
Current period provision for expected credit losses	29,780	28,888	16,784	75,452
Write-offs charged against allowance	(22,713)	(6,411)	(12,979)	(42,103)
Foreign currency translation	—	—	(241)	(241)
<b>Balance, June 30, 2024</b>	<u>\$ 42,387</u>	<u>\$ 41,148</u>	<u>\$ 23,963</u>	<u>\$ 107,498</u>

Contract assets arise when we recognize revenue for providing a service in advance of billing our customers. Our contract assets typically relate to our long-term contracts where we recognize revenue using the cost-based input method and the revenue recognized exceeds the amount billed to the customer.

Our contract assets also include receivables related to sales-type leases recognized over the lease term as the customer is billed. Contract assets are amortized as the customer is billed for services. Contract assets are recorded in "Trade accounts receivable, net" on our Condensed Consolidated Balance Sheets.

The following table summarizes our contract asset balances:

	<u>As of</u>	
	<u>June 30, 2025</u>	<u>December 31, 2024</u>
	(In thousands)	
<b>Contract assets</b>	\$ 149,329	\$ 108,092

Contract liabilities arise when we bill our customers and receive consideration in advance of providing the service. Contract liabilities are recognized as revenue when the service has been provided to the customer. Contract liabilities are recorded in "Deferred revenue and other" and "Long-term deferred revenue and other long-term liabilities" on our Condensed Consolidated Balance Sheets.

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
**(Unaudited)**

The following table summarizes our contract liability balances:

	As of	
	June 30, 2025	December 31, 2024
	(In thousands)	
<b>Contract liabilities</b>	\$ 628,671	\$ 649,054

Our beginning of period contract liability recorded as customer contract revenue during 2025 was \$593 million.

**Performance Obligations**

*Pay-TV and Wireless Segments*

We apply a practical expedient and do not disclose the value of the remaining performance obligations for contracts that are less than one year in duration, which represent a substantial majority of our revenue. As such, the amount of revenue related to unsatisfied performance obligations is not necessarily indicative of our future revenue.

*Broadband and Satellite Services Segment*

As of June 30, 2025, the remaining performance obligations for our customer contracts was approximately \$1.6 billion. Performance obligations expected to be satisfied within one year and greater than one year are 28% and 72%, respectively. This amount and percentages exclude leasing arrangements and agreements with consumer customers.

**Contract Acquisition Costs**

The following table presents the activity in our contract acquisition costs, net:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
	(In thousands)			
<b>Balance, beginning of period</b>	\$ 280,984	\$ 322,813	\$ 289,200	\$ 352,114
Additions	68,519	70,138	125,116	135,242
Amortization expense	(67,623)	(84,837)	(132,842)	(179,103)
Foreign currency translation	367	(769)	773	(908)
<b>Balance, end of period</b>	\$ 282,247	\$ 307,345	\$ 282,247	\$ 307,345

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
**(Unaudited)**

**13. Related Party Transactions**

**CONX**

CONX Corp. is a special purpose acquisition company partially owned by Charles W. Ergen, our Chairman (“CONX”). On May 1, 2024, we and CONX entered into a definitive purchase and sale agreement, which provides for CONX’s purchase from us of the commercial real estate property in Littleton, Colorado, comprising the corporate headquarters of DISH Wireless. Concurrently with the transaction closing on May 1, 2024, we entered into an agreement to lease back the property from CONX for an initial 10-year term. During the three months ended June 30, 2025 and 2024, we recorded \$1 million and \$1 million, respectively, for this lease in “Selling, general and administrative expenses” on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss). During the six months ended June 30, 2025 and 2024, we recorded \$2 million and \$1 million, respectively, for this lease in “Selling, general and administrative expenses” on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss).

**Hughes Systique Corporation (“Hughes Systique”)**

We own 42% of Hughes Systique Corporation (“Hughes Systique”) and contract with Hughes Systique for software development services.

The table below summarizes our transactions with Hughes Systique:

	<b>For the Three Months Ended June 30,</b>		<b>For the Six Months Ended June 30,</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	(In thousands)			
<b>Purchases:</b>				
Purchases from Hughes Systique	\$ 4,093	\$ 4,380	\$ 8,148	\$ 8,976
	<b>As of</b>			
	<b>June 30, 2025</b>	<b>December 31, 2024</b>		
	(In thousands)			
<b>Amounts Payable:</b>				
Amounts payable to Hughes Systique	\$ 1,346	\$ 1,466		

**ECHOSTAR CORPORATION**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued**  
**(Unaudited)**

**NagraStar**

We own a 50% interest in NagraStar, a joint venture that is our primary provider of encryption and related security systems intended to assure that only authorized customers have access to our programming. Certain payments related to NagraStar are recorded in "Cost of services" on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss). In addition, certain other payments are initially included in "Inventory" and are subsequently capitalized as "Property and equipment, net" on our Condensed Consolidated Balance Sheets or expensed as "Selling, general and administrative expenses" or "Cost of services" on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss) when the equipment is deployed. We record all payables in "Trade accounts payable" or "Other accrued expenses and liabilities" on our Condensed Consolidated Balance Sheets. Our investment in NagraStar is accounted for using the equity method.

The table below summarizes our transactions with NagraStar:

	<b>For the Three Months Ended</b>		<b>For the Six Months Ended</b>	
	<b>June 30,</b>		<b>June 30,</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	(In thousands)			
<b>Purchases (including fees):</b>				
Purchases from NagraStar	\$ 7,077	\$ 8,526	\$ 14,278	\$ 17,127
	<b>As of</b>			
	<b>June 30,</b>	<b>December 31,</b>		
	<b>2025</b>	<b>2024</b>		
	(In thousands)			
<b>Amounts Payable and Commitments:</b>				
Amounts payable to NagraStar	\$ 4,517	\$ 5,569		
Commitments to NagraStar	\$ 1,702	\$ 883		

## **Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

*You should read the following Management's Discussion and Analysis of our Financial Condition and Results of Operations together with the condensed consolidated financial statements and notes to our financial statements included elsewhere in this Quarterly Report on Form 10-Q. This management's discussion and analysis is intended to help provide an understanding of our financial condition, changes in financial condition and results of our operations and contains forward-looking statements that involve risks and uncertainties. The forward-looking statements are not historical facts, but rather are based on current expectations, estimates, assumptions and projections about our industry, business and future financial results. Our actual results could differ materially from the results contemplated by these forward-looking statements due to a number of factors, including those discussed in our Annual Report on Form 10-K for the year ended December 31, 2024 and this Quarterly Report on Form 10-Q under the caption "Item 1A. Risk Factors." Furthermore, such forward-looking statements speak only as of the date of this Quarterly Report on Form 10-Q, and we expressly disclaim any obligation to update any forward-looking statements.*

### **Overview**

#### **Recent Developments**

We received a letter from the Federal Communications Commission (the "FCC") on May 9, 2025, indicating that the FCC was beginning a review of our compliance with certain obligations to provide 5G broadband service and raising certain questions regarding the September 2024 build-out extension granted by the FCC and mobile-satellite service ("MSS") utilization in the 2 GHz band (the "Letter"). We responded to the FCC's subsequent public notices with filings on May 27, 2025 and June 6, 2025. On June 11, 2025, our Chairman met with the FCC; during this meeting we explained that any reconsideration of the September 2024 grant of our construction deadline extensions, any after-the-fact change to the criteria upon which our build-out is judged, or any decision to upend the 2 GHz band's sharing rules would threaten the viability of our current operations and future plans. While no resolution has been achieved yet, and it is possible that no such resolution will ultimately be achieved, we continue to explore an acceptable resolution of the FCC's stated concerns in a manner that minimizes disruption to our businesses and lifts the regulatory uncertainty created by the inquiries. The FCC review has introduced the possibility of reversing prior FCC grants of authority to us. This uncertainty over our spectrum rights has effectively frozen our ability to make decisions regarding our 5G network buildout, has materially adversely impacted our ability to implement and adjust our overall business plan and has required us to re-evaluate the deployment of our resources. In light of the continued uncertainty related to the FCC inquiries, we elected not to make interest payments on a certain portion of our long-term senior notes on their respective scheduled due dates. We subsequently made such payments, including interest on the defaulted interest, within the applicable 30-day grace periods to make such interest payments. See Note 9 in the Notes to our Condensed Consolidated Financial Statements for further details. We remain focused on resolving the FCC's stated concerns. We continue to progress wide-ranging efforts to explore alternative or complementary pathways that could, if successfully implemented, resolve the FCC's stated concerns in a manner acceptable to us.

#### **Segments**

We currently operate three primary business segments: (1) Pay-TV; (2) Wireless; and (3) Broadband and Satellite Services.

**Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued**

Our Pay-TV segment business strategy is to be the best provider of video services in the United States by providing products with the best technology, outstanding customer service and great value. We offer pay-TV services under the DISH® brand and the SLING® brand (collectively “Pay-TV” services). We promote our Pay-TV services by providing our subscribers with a better “price-to-value” relationship and experience than those available from other subscription television service providers. The DISH branded pay-TV service consists of, among other things, FCC licenses authorizing us to use direct broadcast satellite (“DBS”) and Fixed Satellite Service (“FSS”) spectrum, our owned and leased satellites, receiver systems, broadcast operations, a leased fiber optic network, in-home service and call center operations and certain other assets utilized in our operations (“DISH TV”).

We also design, develop and distribute receiver systems and provide digital broadcast operations, including satellite uplinking/downlinking, transmission and other services to third-party pay-TV providers. The SLING branded pay-TV services consist of, among other things, multichannel, live-linear and on-demand streaming over-the-top (“OTT”) Internet-based domestic, international, Latino and Freestream video programming services (“SLING TV”). We market our SLING TV services to consumers who do not subscribe to traditional satellite and cable pay-TV services, as well as to current and recent traditional pay-TV subscribers who desire a lower cost alternative.

Our Wireless segment provides wireless communication services (“Wireless” services) and products. We currently offer our Wireless services for 5G voice over new radio (“5G VoNR”) to over 223 million Americans and for 5G broadband service to over 269 million Americans, as well as a competitive portfolio of wireless devices. We offer customers value by providing choice and flexibility in our Wireless services. We offer competitive consumer plans with no annual service contracts and device financing arrangements for certain qualified subscribers.

Our Wireless segment business strategy is to expand our current target segments and profitably grow our Wireless subscriber base and commercialize and grow customer traffic on our 5G Network, defined below. We intend to grow our Wireless subscriber base by acquiring and retaining high quality subscribers with competitive offers, choice and outstanding customer service that better meet those subscribers’ needs and budget.

We are currently operating primarily as a mobile virtual network operator (“MVNO”) as we continue to commercialize our Wireless spectrum licenses through the completion of the nation’s first cloud-native, Open Radio Access Network (“O-RAN”) based 5G VoNR and broadband network (our “5G Network”) and grow customer traffic on our 5G Network. We are transitioning to a mobile network operator (“MNO”) as our 5G Network has become commercially available and we grow customer traffic on our 5G Network. We are currently activating Boost Mobile subscribers with compatible devices onto our 5G Network in markets where we have reached 5G VoNR. We currently offer a broad range of premium wireless devices on our 5G Network, including the Apple iPhone 15 and newer generation iPhones, as well as a wide selection of Samsung, Motorola and other premium devices. We have deployed 5G VoNR covering over 223 million Americans. Within our MVNO operations, today we depend in part on T-Mobile and AT&T to provide us with network services under the amended Master Network Services Agreement (“MNSA”) and Network Services Agreement (the “NSA”), respectively.

We have committed to the FCC to deploy a facilities-based 5G broadband network capable of serving increasingly larger portions of the U.S. population at different deadlines. In September 2024, the FCC conditionally granted our requests to extend the 5G deployment deadlines for certain of our Wireless spectrum licenses based on several commitments and in a January 10, 2025 filing to the FCC, we certified to meeting the accelerated build-out (Commitments #2 and #3 of the Extension Request) and the nationwide 80% coverage obligations (Commitment #1 of the Extension Request) due by December 31, 2024. Thus, pursuant to the Extension Request, the final deployment deadlines for the licenses subject to the Extension Request (listed in Appendix G) shall be extended to December 14, 2026.

## Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued

While the FCC has not yet updated the build-out deadlines in the Universal Licensing System, the licenses remain in effect based upon the submission of our build-out certifications. In addition, the final deployment deadlines for the licenses subject to the Extension Request (listed in Appendix G) shall be further extended to June 14, 2028 as long as we satisfy the remaining Extension Request commitments. See Note 10 in the Notes to our Condensed Consolidated Financial Statements for definitions and further details. Also see Note 1 “*Recent Developments*” in the Notes to our Condensed Consolidated Financial Statements for additional information.

Our Broadband and Satellite Services segment business strategy is to maintain and improve our leadership position and competitive advantage through development of leading-edge technologies and services marketed to selected sectors within the consumer, enterprise and government markets globally. Within our Broadband and Satellite Services segment we are an industry leader in both networking technologies and services, innovating to deliver the global solutions that power a connected future for people, enterprises and things everywhere. We provide broadband services to consumer customers, which include home and small to medium-sized businesses, and satellite, multi-transport technologies and managed network services to enterprise customers, telecommunications providers, airlines and government entities, including civilian and defense. We have leveraged the EchoStar XXIV to deliver satellite services to unserved and underserved consumer markets in the Americas as well as enterprise, aeronautical and government markets.

### Economic Environment

During 2024 and the first six months of 2025, we experienced inflationary pressures in our commodity and labor costs resulting from the macroeconomic environment in the United States, which has impacted our overall operating results. In addition, changes in trade policies, including, but not limited to, tariffs and other restrictions, could increase, among other things, our costs, disrupt our supply chain and negatively affect our business, operations and financial condition.

### EXPLANATION OF KEY METRICS AND OTHER ITEMS

**Service revenue.** “Service revenue” consists principally of Pay-TV and Wireless subscriber revenue, broadband services, maintenance and other contracted revenue and satellite and transponder leases and services revenue. Certain of the amounts included in “Service revenue” are not recurring on a monthly basis.

**Equipment sales and other revenue.** “Equipment sales and other revenue” principally includes the sale of wireless devices, the non-subsidized sales of Pay-TV equipment, the licensing of certain intellectual property and sales of broadband equipment and networks sold both in our consumer and enterprise markets.

**Cost of services.** “Cost of services” principally includes Pay-TV programming expenses and other operating costs related to our Pay-TV segment, costs of Wireless services (including costs incurred under the MNSA and NSA), costs of broadband services, maintenance and other contracted services, and costs associated with satellite and transponder leases and services. Beginning on January 1, 2024, “Cost of services” includes certain direct costs related to our 5G Network deployment, including lease expense on communication towers, transport, cloud services and other costs as a significant portion of our 5G Network was placed into service.

**Cost of sales - equipment and other.** “Cost of sales – equipment and other” principally includes the cost of wireless devices and other related items, the cost of broadband equipment and networks, as well as costs related to the non-subsidized sales of Pay-TV equipment. Costs are generally recognized as products are delivered to customers and the related revenue is recognized. In addition, prior to January 1, 2024, “Cost of sales – equipment and other” included certain direct costs related to our 5G Network deployment, including lease expense on communication towers, transport, cloud services and other costs, which is now included in “Cost of services” on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss).

**Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued**

**Selling, general and administrative expenses.** "Selling, general and administrative expenses" consists primarily of direct sales costs, advertising and selling costs, third-party commissions related to the acquisition of subscribers and employee-related costs associated with administrative services such as legal, information systems, and accounting and finance. In addition, "Selling, general and administrative expenses" includes costs related to the installation of equipment for our new Pay-TV subscribers and the cost of subsidized sales of Pay-TV equipment for new subscribers.

**Interest expense, net of amounts capitalized.** "Interest expense, net of amounts capitalized" primarily includes interest expense associated with our long-term debt (net of capitalized interest), prepayment premiums, amortization of debt discounts and debt issuance costs associated with our long-term debt, and interest expense associated with our finance lease obligations.

**Other, net.** The main components of "Other, net" are gains and losses realized on the sale and/or conversion of marketable and non-marketable investment securities and derivative instruments, impairment of marketable and non-marketable investment securities, unrealized gains and losses from changes in fair value of certain marketable and non-marketable investment securities and derivative instruments, the sale of businesses or business assets gains and losses, foreign currency transaction gains and losses, debt extinguishment gains and losses, and equity in earnings and losses of our affiliates.

**Operating income before depreciation and amortization ("OIBDA").** OIBDA is defined as "Operating income (loss)" plus "Depreciation and amortization." This non-GAAP measure is reconciled to "Operating income (loss)" in our discussion of "Results of Operations" below.

**DISH TV subscribers.** We include customers obtained through direct sales, independent third-party retailers and other independent third-party distribution relationships in our DISH TV subscriber count. We also provide DISH TV services to hotels, motels and other commercial accounts. For certain of these commercial accounts, we divide our total revenue for these commercial accounts by \$34.99, and include the resulting number, which is substantially smaller than the actual number of commercial units served, in our DISH TV subscriber count.

**SLING TV subscribers.** We include customers obtained through direct sales and third-party marketing agreements in our SLING TV subscriber count. SLING TV subscriber additions are recorded net of disconnects. SLING TV customers receiving SLING TV Freestream service, or service for no charge, under certain new subscriber promotions, are excluded from our SLING TV subscriber count. For customers who subscribe to multiple SLING TV packages, each customer is only counted as one SLING TV subscriber.

**Pay-TV subscribers.** Our Pay-TV subscriber count includes all DISH TV and SLING TV subscribers discussed above. For customers who subscribe to both our DISH TV services and our SLING TV services, each subscription is counted as a separate Pay-TV subscriber.

**Pay-TV average monthly revenue per subscriber ("Pay-TV ARPU").** We are not aware of any uniform standards for calculating ARPU and believe presentations of ARPU may not be calculated consistently by other companies in the same or similar businesses. We calculate Pay-TV average monthly revenue per Pay-TV subscriber, or Pay-TV ARPU, by dividing average monthly Pay-TV segment "Service revenue," excluding revenue from broadband services, for the period by our average number of Pay-TV subscribers for the period. The average number of Pay-TV subscribers is calculated for the period by adding the average number of Pay-TV subscribers for each month and dividing by the number of months in the period. The average number of Pay-TV subscribers for each month is calculated by adding the beginning and ending Pay-TV subscribers for the month and dividing by two. SLING TV subscribers on average purchase lower priced programming services than DISH TV subscribers, and therefore, as SLING TV subscribers increase as a percentage of total Pay-TV subscribers, it has had a negative impact on Pay-TV ARPU.

**Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued**

***DISH TV average monthly subscriber churn rate (“DISH TV churn rate”).*** We are not aware of any uniform standards for calculating subscriber churn rate and believe presentations of subscriber churn rates may not be calculated consistently by different companies in the same or similar businesses. We calculate our DISH TV churn rate for any period by dividing the number of DISH TV subscribers who terminated service during the period by the average number of DISH TV subscribers for the same period, and further dividing by the number of months in the period. The average number of DISH TV subscribers is calculated for the period by adding the average number of DISH TV subscribers for each month and dividing by the number of months in the period. The average number of DISH TV subscribers for each month is calculated by adding the beginning and ending DISH TV subscribers for the month and dividing by two.

***DISH TV SAC.*** Subscriber acquisition cost measures are commonly used by those evaluating traditional companies in the pay-TV industry. We are not aware of any uniform standards for calculating the “average subscriber acquisition costs per new DISH TV subscriber activation,” or DISH TV SAC, and we believe presentations of pay-TV SAC may not be calculated consistently by different companies in the same or similar businesses. Our DISH TV SAC is calculated using all costs of acquiring DISH TV subscribers (e.g., subsidized equipment, advertising, installation, commissions and direct sales, etc.) which are included in “Selling, general and administrative expenses,” plus capitalized payments made under certain sales incentive programs and the value of equipment capitalized under our lease program for new DISH TV subscribers, divided by gross new DISH TV subscriber activations. We include all new DISH TV subscribers in our calculation, including DISH TV subscribers added with little or no subscriber acquisition costs.

***Wireless subscribers.*** We include customers obtained through direct sales, independent third-party retailers and other independent third-party distribution relationships in our Wireless subscriber count. Our Wireless subscriber count includes all Government subsidized subscribers discussed below. Our gross new Wireless subscriber activations exclude all Government subsidized subscribers as we record these subscribers net of disconnects, as discussed below.

***Government subsidized wireless subscribers and other wireless subscribers (“Government subsidized subscribers”).*** Our Government subsidized subscribers have different subscriber economics than our core Wireless subscribers, including a significantly higher churn rate and lower subscriber acquisition costs. Therefore, our Government subsidized subscriber additions are recorded net of disconnects. Our Government subsidized subscriber count includes Wireless subscribers that participate or participated in government subsidized programs, including the ACP program and Lifeline program, defined below, and other subscribers acquired under the Gen Mobile brand. The Affordable Connectivity Program (“ACP”) was a federal program offering broadband services and devices discounts to help low-income individuals that meet certain eligibility criteria. The ACP program funding concluded on June 1, 2024. The Lifeline Program is a federal program offering broadband services discounts to help low-income individuals that meet certain eligibility criteria. Certain states also offer a separate Lifeline program.

***Wireless average monthly revenue per subscriber (“Wireless ARPU”).*** We are not aware of any uniform standards for calculating ARPU and believe presentations of ARPU may not be calculated consistently by other companies in the same or similar businesses. We calculate average monthly revenue per Wireless subscriber, or Wireless ARPU, by dividing average monthly Wireless subscriber revenue included in “Service revenue” for the period by our average number of Wireless subscribers for the period. The average number of Wireless subscribers is calculated for the period by adding the average number of Wireless subscribers for each month and dividing by the number of months in the period. The average number of Wireless subscribers for each month is calculated by adding the beginning and ending Wireless subscribers for the month and dividing by two.

**Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued**

**Wireless average monthly subscriber churn rate (“Wireless churn rate”).** We are not aware of any uniform standards for calculating subscriber churn rate and believe presentations of subscriber churn rates may not be calculated consistently by different companies in the same or similar businesses. We calculate our “Wireless churn rate” for any period by dividing the number of Wireless subscribers who terminated service during the period by the average number of Wireless subscribers for the same period, and further dividing by the number of months in the period. The average number of Wireless subscribers is calculated for the period by adding the average number of Wireless subscribers for each month and dividing by the number of months in the period. The average number of Wireless subscribers for each month is calculated by adding the beginning and ending Wireless subscribers for the month and dividing by two. Government subsidized subscriber additions are recorded net of disconnects and therefore excluded from our calculation of our Wireless churn rate.

**Broadband subscribers.** Subscribers include customers that subscribe to our HughesNet service, through retail, wholesale and small/medium enterprise service channels. Our Broadband subscriber count also includes ACP subscribers, as defined above.

**Free cash flow.** We define free cash flow as “Net cash flows from operating activities” less: (i) “Purchases of property and equipment” net of “Refunds and other receipts of purchases of property and equipment,” and (ii) “Capitalized interest related to regulatory authorizations,” as shown on our Condensed Consolidated Statements of Cash Flows.

**Item 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued**

**RESULTS OF OPERATIONS – Segments**

**Business Segments**

We currently operate three primary business segments: (1) Pay-TV; (2) Wireless; and (3) Broadband and Satellite Services.

Revenue and operating income (loss) by segment are shown in the table below:

*Three Months Ended June 30, 2025 Compared to the Three Months Ended June 30, 2024.*

	For the Three Months Ended June 30,		Variance	
	2025	2024	Amount	%
	(In thousands)			
<b>Revenue:</b>				
Pay-TV	\$ 2,462,249	\$ 2,676,284	\$ (214,035)	(8.0)
Wireless	934,631	892,728	41,903	4.7
Broadband and Satellite Services	339,780	394,011	(54,231)	(13.8)
Eliminations	(11,701)	(10,272)	(1,429)	(13.9)
<b>Total revenue</b>	<b>\$ 3,724,959</b>	<b>\$ 3,952,751</b>	<b>\$ (227,792)</b>	<b>(5.8)</b>
<b>Operating income (loss):</b>				
Pay-TV	\$ 595,552	\$ 667,752	\$ (72,200)	(10.8)
Wireless	(772,948)	(700,302)	(72,646)	(10.4)
Broadband and Satellite Services	(36,738)	(34,586)	(2,152)	(6.2)
Eliminations	726	1,767	(1,041)	(58.9)
<b>Total operating income (loss)</b>	<b>\$ (213,408)</b>	<b>\$ (65,369)</b>	<b>\$ (148,039)</b>	<b>*</b>

\* Percentage is not meaningful

**Total revenue.** Our consolidated revenue totaled \$3.725 billion for the three months ended June 30, 2025, a decrease of \$228 million or 5.8% compared to the same period in 2024. The net decrease primarily resulted from the decrease in revenue from our Pay-TV segment and to a lesser extent our Broadband and Satellite Services segment, partially offset by the increase in revenue from our Wireless segment.

**Total operating income (loss).** Our consolidated operating loss totaled \$213 million for the three months ended June 30, 2025, an increase in operating loss of \$148 million compared to the same period in 2024. This change primarily resulted from an increase in operating loss from our Wireless segment and to a lesser extent our Broadband and Satellite Services segment and a decrease in operating income from our Pay-TV segment.

**Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued**

*Six Months Ended June 30, 2025 Compared to the Six Months Ended June 30, 2024.*

	For the Six Months Ended June 30,		Variance	
	2025	2024	Amount	%
	(In thousands)			
<b>Revenue:</b>				
Pay-TV	\$ 5,000,976	\$ 5,402,862	\$ (401,886)	(7.4)
Wireless	1,907,406	1,806,734	100,672	5.6
Broadband and Satellite Services	710,438	776,597	(66,159)	(8.5)
Eliminations	(24,103)	(18,599)	(5,504)	(29.6)
<b>Total revenue</b>	<b>\$ 7,594,717</b>	<b>\$ 7,967,594</b>	<b>\$ (372,877)</b>	<b>(4.7)</b>
<b>Operating income (loss):</b>				
Pay-TV	\$ 1,248,982	\$ 1,337,860	\$ (88,878)	(6.6)
Wireless	(1,495,250)	(1,345,470)	(149,780)	(11.1)
Broadband and Satellite Services	(55,933)	(74,140)	18,207	24.6
Eliminations	661	1,137	(476)	(41.9)
<b>Total operating income (loss)</b>	<b>\$ (301,540)</b>	<b>\$ (80,613)</b>	<b>\$ (220,927)</b>	<b>*</b>

\* Percentage is not meaningful

**Total revenue.** Our consolidated revenue totaled \$7.595 billion for the six months ended June 30, 2025, a decrease of \$373 million or 4.7% compared to the same period in 2024. The net decrease primarily resulted from the decrease in revenue from our Pay-TV segment and to a lesser extent our Broadband and Satellite Services segment, partially offset by the increase in revenue from our Wireless segment.

**Total operating income (loss).** Our consolidated operating loss totaled \$302 million for the six months ended June 30, 2025, an increase in operating loss of \$221 million compared to the same period in 2024. This change primarily resulted from an increase in operating loss from our Wireless segment and a decrease in operating income from our Pay-TV segment, partially offset by a decrease in operating loss from our Broadband and Satellite Services segment.

## **Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued**

### ***Pay-TV Segment***

We offer Pay-TV services under the DISH brand and the SLING brand. As of June 30, 2025, we had 7.108 million Pay-TV subscribers in the United States, including 5.323 million DISH TV subscribers and 1.785 million SLING TV subscribers.

We promote our Pay-TV services by providing our subscribers with better service, technology and value than those available from other subscription television service providers. We offer a wide selection of video services under the DISH TV brand, with access to hundreds of channels depending on the level of subscription. Our standard programming packages generally include programming provided by national cable networks. We also offer programming packages that include local broadcast networks, specialty sports channels, premium movie channels and Latino and international programming. We market our SLING TV services to consumers who do not subscribe to traditional satellite and cable pay-TV services, as well as to current and recent traditional pay-TV subscribers who desire a lower cost alternative. Our SLING TV services require an Internet connection and are available on multiple streaming-capable devices including, among others, streaming media devices, TVs, tablets, computers, game consoles and phones. We offer SLING domestic, SLING International, SLING Latino and SLING Freestream video programming services.

### **Trends in our Pay-TV Segment**

#### ***Competition***

Competition has intensified in recent years as the pay-TV industry has matured. We and our competitors increasingly must seek to attract a greater proportion of new subscribers from each other's existing subscriber bases rather than from first-time purchasers of pay-TV services. We face substantial competition from established pay-TV providers and broadband service providers and increasing competition from companies providing/facilitating the delivery of video content via the Internet to computers, televisions, and other streaming and mobile devices, including wireless service providers. In recent years, industry consolidation and convergence has created competitors with greater scale and multiple product/service offerings. These developments, among others, have contributed to intense and increasing competition, and we expect such competition to continue.

We incur significant costs to retain our existing DISH TV subscribers, generally as a result of upgrading their equipment to next generation receivers, primarily including our Hopper® receivers and by providing retention credits. Our DISH TV subscriber retention costs may vary significantly from period to period.

Many of our competitors have been especially aggressive by offering discounted programming and services for both new and existing subscribers, including, but not limited to, bundled offers combining broadband, video and/or wireless services and other promotional offers. Certain competitors have been able to subsidize the price of video services with the price of broadband and/or wireless services.

Our Pay-TV services also face increased competition from programmers and other companies who distribute video directly to consumers over the Internet, as well as traditional satellite television providers, cable companies and large telecommunications companies that are rapidly increasing their Internet-based video offerings and direct-to-consumer exclusive and non-exclusive content. We also face competition from providers of video content, many of which are providers of programming content to us, that distribute content over the Internet including services with live-linear television programming, as well as single programmer offerings and offerings of large libraries of on-demand content, including in certain cases original content. These product offerings include, but are not limited to: Netflix, Hulu, Apple+, Prime Video, YouTube TV, Disney+, ESPN+, Paramount+, HBO Max, STARZ, Peacock, Fubo, Philo and Tubi and certain bundles of these offerings.

**Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued**

Significant changes in consumer behavior regarding the means by which consumers obtain video entertainment and information in response to digital media competition could have a material adverse effect on our business, results of operations and financial condition or otherwise disrupt our business.

In particular, consumers have shown increased interest in viewing certain video programming in any place, at any time and/or on any broadband or Internet-connected device they choose. Online content providers may cause our subscribers to disconnect our DISH TV services (“cord cutting”), downgrade to smaller, less expensive programming packages (“cord shaving”) or elect to purchase through these online content providers a certain portion of the services that they would have historically purchased from us.

Mergers and acquisitions, joint ventures and alliances among cable television providers, telecommunications companies, programming providers and others may result in, among other things, greater scale and financial leverage and increase the availability of offerings from providers capable of bundling video, broadband and/or wireless services in competition with our services and may exacerbate the risks described under the caption “Item 1A. Risk Factors” of our Annual Report on Form 10-K for the year ended December 31, 2024 and elsewhere in our public filings. These transactions may affect us adversely by, among other things, making it more difficult for us to obtain access to certain programming networks on nondiscriminatory and fair terms, or at all.

Our Pay-TV subscriber base has been declining due to, among other things, the factors described above. There can be no assurance that our Pay-TV subscriber base will not continue to decline and that the pace of such decline will not accelerate. As our Pay-TV subscriber base continues to decline, it could have a material adverse long-term effect on our business, results of operations, financial condition and cash flow.

***Programming***

Our ability to compete successfully will depend, among other things, on our ability to continue to obtain desirable programming and deliver it to our subscribers at competitive prices. Programming costs represent a large percentage of our “Cost of services” and the largest component of our total expense. We expect these costs to continue to increase due to contractual price increases and the renewal of long-term programming contracts on less favorable pricing terms and certain programming costs are rising at a much faster rate than wages or inflation. In particular, the rates we are charged for retransmitting local broadcast channels have been increasing substantially and may exceed our ability to increase our prices to our subscribers. Our ability to provide services under these agreements and negotiate acceptable terms depends on, among other things, the number of subscribers we have, our actual, perceived or anticipated financial condition and our negotiating power against each programmer, which can vary depending on the size and scale of such programmer. Going forward, our margins may face pressure if we are unable to renew our long-term programming contracts on acceptable pricing and other economic terms or if we are unable to pass these increased programming costs on to our subscribers.

Increases in programming costs have caused us to increase the rates that we charge to our subscribers, which could in turn cause our existing Pay-TV subscribers to disconnect our services or cause potential new Pay-TV subscribers to choose not to subscribe to our services. Additionally, even if our subscribers do not disconnect our services, they may purchase through new and existing online content providers a certain portion of the services that they would have historically purchased from us.

**Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued**

Furthermore, our net Pay-TV subscriber additions, gross new DISH TV subscriber activations, and DISH TV churn rate may be negatively impacted if we are unable to renew our long-term programming carriage contracts. In the past, our net Pay-TV subscriber additions, gross new DISH TV subscriber activations, and DISH TV churn rate have been negatively impacted as a result of programming interruptions and threatened programming interruptions in connection with the scheduled expiration of programming carriage contracts with content providers. There can be no assurance that the removal of any channels will not have a material adverse effect on our business, results of operations and financial condition or otherwise disrupt our business. We cannot predict with any certainty the impact to our net Pay-TV subscriber additions, gross new DISH TV subscriber activations, and DISH TV churn rate resulting from programming interruptions or threatened programming interruptions that may occur in the future. As a result, we may at times suffer from periods of lower net Pay-TV subscriber additions or higher net Pay-TV subscriber losses.

**Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued**

**RESULTS OF OPERATIONS – Pay-TV Segment**

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

Statements of Operations Data	For the Three Months Ended June 30,		Variance	
	2025	2024	Amount	%
	(In thousands)			
<b>Revenue:</b>				
Service revenue	\$ 2,446,844	\$ 2,658,381	\$ (211,537)	(8.0)
Equipment sales and other revenue	15,405	17,903	(2,498)	(14.0)
Total revenue	<u>2,462,249</u>	<u>2,676,284</u>	<u>(214,035)</u>	<u>(8.0)</u>
<b>Costs and expenses:</b>				
Cost of services	1,548,971	1,638,683	(89,712)	(5.5)
<b>% of Service revenue</b>	<b>63.3 %</b>	<b>61.6 %</b>		
Cost of sales - equipment and other	9,446	17,837	(8,391)	(47.0)
Selling, general and administrative expenses	240,455	266,763	(26,308)	(9.9)
<b>% of Total revenue</b>	<b>9.8 %</b>	<b>10.0 %</b>		
Depreciation and amortization	67,825	85,249	(17,424)	(20.4)
Total costs and expenses	<u>1,866,697</u>	<u>2,008,532</u>	<u>(141,835)</u>	<u>(7.1)</u>
Operating income (loss)	<u>\$ 595,552</u>	<u>\$ 667,752</u>	<u>\$ (72,200)</u>	<u>(10.8)</u>
<b>Other data:</b>				
Pay-TV subscribers, as of period end (in millions)**	7.108	8.074	(0.966)	(12.0)
DISH TV subscribers, as of period end (in millions)	5.323	6.076	(0.753)	(12.4)
SLING TV subscribers, as of period end (in millions)	1.785	1.998	(0.213)	(10.7)
Pay-TV subscriber additions (losses), net (in millions)	(0.261)	(0.104)	(0.157)	*
DISH TV subscriber additions (losses), net (in millions)	(0.152)	(0.182)	0.030	16.5
SLING TV subscriber additions (losses), net (in millions)	(0.109)	0.078	(0.187)	*
Pay-TV ARPU	\$ 111.74	\$ 108.42	\$ 3.32	3.1
DISH TV subscriber additions, gross (in millions)	0.057	0.076	(0.019)	(25.0)
DISH TV churn rate	1.29 %	1.39 %	(0.10)%	(7.2)
DISH TV SAC	\$ 1,150	\$ 938	\$ 212	22.6
Purchases of property and equipment, net of refunds (1)	\$ 78,580	\$ 54,006	\$ 24,574	45.5
OIBDA	\$ 663,377	\$ 753,001	\$ (89,624)	(11.9)

\* Percentage is not meaningful.

\*\* During the second quarter of 2025, we removed approximately 28,000 subscribers from our period end DISH TV subscriber count representing DISH TV subscribers sold during the three months ended June 30, 2025 as part of the sale of our Fiber business. This removal had no material impact on any other reported subscriber metrics, other than our period end DISH TV subscriber count.

(1) Purchases of property and equipment, net of refunds includes satellite purchases during the three months ended June 30, 2025 and 2024 of \$49 million and \$36 million, respectively.

## Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued

### Pay-TV Subscribers

**DISH TV subscribers.** We lost approximately 152,000 net DISH TV subscribers during the three months ended June 30, 2025 compared to the loss of approximately 182,000 net DISH TV subscribers during the same period in 2024. This decrease in net DISH TV subscriber losses primarily resulted from a lower DISH TV churn rate, partially offset by lower gross new DISH TV subscriber activations.

**SLING TV subscribers.** We lost approximately 109,000 net SLING TV subscribers during the three months ended June 30, 2025 compared to the addition of approximately 78,000 net SLING TV subscribers during the same period in 2024. The change in net SLING TV subscribers was primarily related to lower SLING TV subscriber activations due to our emphasis on acquiring higher quality subscribers. We continue to experience increased competition, including competition from other subscription video on-demand and live-linear OTT service providers, many of which are providers of our content and offer football and other seasonal sports programming direct to subscribers on an a la carte basis.

**DISH TV subscribers, gross.** During the three months ended June 30, 2025, we activated approximately 57,000 gross new DISH TV subscribers compared to approximately 76,000 gross new DISH TV subscribers during the same period in 2024, a decrease of 25.0%. This decrease in our gross new DISH TV subscriber activations was primarily related to the lack of demand and shifting consumer behavior, as well as increased competitive pressures, including, but not limited to, live-linear OTT service providers, aggressive short term introductory pricing and bundled offers combining broadband, video and/or wireless services and other discounted promotional offers and direct-to-consumer offerings by certain of our programmers. Our gross new DISH TV subscriber activations continue to be negatively impacted by an emphasis on acquiring higher quality subscribers.

**DISH TV churn rate.** Our DISH TV churn rate for the three months ended June 30, 2025 was 1.29% compared to 1.39% for the same period in 2024. Our DISH TV churn rates for the three months ended June 30, 2025 and 2024 were positively impacted by our continued emphasis on acquiring and retaining higher quality subscribers. Our DISH TV churn rate continues to be adversely impacted by external factors, such as, among other things, cord cutting, shifting consumer behavior and increased competitive pressures, including, but not limited to, live-linear OTT service providers, aggressive marketing, bundled discount offers combining broadband, video and/or wireless services and other discounted promotional offers. Our DISH TV churn rate is also impacted by internal factors, such as, among other things, our ability to consistently provide outstanding customer service, price increases, our ability to control piracy and other forms of fraud and the level of our retention efforts.

Our net Pay-TV subscriber additions, gross new DISH TV subscriber activations and DISH TV churn rate have been negatively impacted as a result of programming interruptions and threatened programming interruptions in connection with the scheduled expiration of programming carriage contracts with content providers. We cannot predict with any certainty the impact to our net Pay-TV subscriber additions, gross new DISH TV subscriber activations and DISH TV subscriber churn rate resulting from programming interruptions or threatened programming interruptions that may occur in the future. As a result, we may at times suffer from periods of lower net Pay-TV subscriber additions or higher net Pay-TV subscriber losses.

We have not always met our own standards for performing high-quality installations, effectively resolving subscriber issues when they arise, answering subscriber calls in an acceptable timeframe, effectively communicating with our subscriber base, reducing calls driven by the complexity of our business, improving the reliability of certain systems and subscriber equipment and aligning the interests of certain independent third-party retailers and installers to provide high-quality service. Most of these factors have affected both gross new DISH TV subscriber activations as well as DISH TV subscriber churn rate. Our future gross new DISH TV subscriber activations and our DISH TV subscriber churn rate may be negatively impacted by these factors, which could in turn adversely affect our revenue.

**Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued**

**Service revenue.** "Service revenue" totaled \$2.447 billion for the three months ended June 30, 2025, a decrease of \$212 million or 8.0% compared to the same period in 2024. The decrease in "Service revenue" compared to the same period in 2024 was primarily related to lower average Pay-TV subscriber base, partially offset by an increase in Pay-TV ARPU, discussed below.

**Pay-TV ARPU.** Pay-TV ARPU was \$111.74 during the three months ended June 30, 2025 versus \$108.42 during the same period in 2024. The \$3.32 or 3.1% increase in Pay-TV ARPU was primarily attributable to the DISH TV and SLING TV programming price increases. The DISH TV and SLING TV programming package price increases were effective in the third and fourth quarter of 2024, respectively.

**Cost of services.** "Cost of services" totaled \$1.549 billion during the three months ended June 30, 2025, a decrease of \$90 million or 5.5% compared to the same period in 2024. The decrease in "Cost of services" was primarily attributable to a lower average Pay-TV subscriber base, partially offset by higher programming costs per subscriber. Programming costs per subscriber increased during the three months ended June 30, 2025 due to rate increases in certain of our programming contracts, including the renewal of certain contracts at higher rates, particularly for local broadcast channels. "Cost of services" represented 63.3% and 61.6% of "Service revenue" during the three months ended June 30, 2025 and 2024, respectively. This increase primarily related to higher programming costs per subscriber.

In the normal course of business, we enter into contracts to purchase programming content in which our payment obligations are generally contingent on the number of Pay-TV subscribers to whom we provide the respective content. Our "Cost of services" have and will continue to face further upward pressure from price increases and the renewal of long-term programming contracts on less favorable pricing terms. In addition, our programming expenses will increase to the extent we are successful in growing our Pay-TV subscriber base.

**Selling, general and administrative expenses.** "Selling, general and administrative expenses" totaled \$240 million during the three months ended June 30, 2025, a \$26 million or 9.9% decrease compared to the same period in 2024. This change was primarily driven by a decrease in subscriber acquisition costs resulting from lower marketing expenditures and lower gross new DISH TV subscriber activations, and a decrease in personnel costs.

**Depreciation and amortization.** "Depreciation and amortization" expense totaled \$68 million during the three months ended June 30, 2025, a \$17 million or 20.4% decrease compared to the same period in 2024. This change was primarily driven by a decrease in depreciation expense from equipment leased to new and existing DISH TV subscribers and the expiration of our Nimiq 5 finance lease in September 2024.

**Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued**

**DISH TV SAC.** DISH TV SAC was \$1,150 during the three months ended June 30, 2025 compared to \$938 during the same period in 2024, an increase of \$212 or 22.6%. This change was primarily attributable to an increase in advertising costs per subscriber, a higher percentage of new receivers compared to remanufactured receivers being activated on new subscriber accounts and higher commission costs due to our emphasis on acquiring higher quality subscribers.

During the three months ended June 30, 2025 and 2024, the amount of equipment capitalized under our lease program for new DISH TV subscribers totaled \$8 million and \$6 million, respectively.

To remain competitive, we upgrade or replace subscriber equipment periodically as technology changes, and the costs associated with these upgrades may be substantial. To the extent technological changes render a portion of our existing equipment obsolete, we would be unable to redeploy all returned equipment and consequently would realize less benefit from the DISH TV SAC reduction associated with redeployment of that returned lease equipment.

Our "DISH TV SAC" may materially increase in the future to the extent that we, among other things, transition to newer technologies, introduce more aggressive promotions or provide greater equipment subsidies. See further information under "*Liquidity and Capital Resources – Subscriber Acquisition and Retention Costs.*"

**Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued**

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

Statements of Operations Data	For the Six Months Ended June 30,		Variance	
	2025	2024	Amount	%
	(In thousands)			
<b>Revenue:</b>				
Service revenue	\$ 4,971,196	\$ 5,359,560	\$ (388,364)	(7.2)
Equipment sales and other revenue	29,780	43,302	(13,522)	(31.2)
Total revenue	<u>5,000,976</u>	<u>5,402,862</u>	<u>(401,886)</u>	(7.4)
<b>Costs and expenses:</b>				
Cost of services	3,105,607	3,303,128	(197,521)	(6.0)
<b>% of Service revenue</b>	<b>62.5 %</b>	<b>61.6 %</b>		
Cost of sales - equipment and other	19,118	34,829	(15,711)	(45.1)
Selling, general and administrative expenses	483,001	556,394	(73,393)	(13.2)
<b>% of Total revenue</b>	<b>9.7 %</b>	<b>10.3 %</b>		
Depreciation and amortization	144,268	170,651	(26,383)	(15.5)
Total costs and expenses	<u>3,751,994</u>	<u>4,065,002</u>	<u>(313,008)</u>	(7.7)
Operating income (loss)	<u>\$ 1,248,982</u>	<u>\$ 1,337,860</u>	<u>\$ (88,878)</u>	(6.6)
<b>Other data:</b>				
Pay-TV subscribers, as of period end (in millions)**	7.108	8.074	(0.966)	(12.0)
DISH TV subscribers, as of period end (in millions)	5.323	6.076	(0.753)	(12.4)
SLING TV subscribers, as of period end (in millions)	1.785	1.998	(0.213)	(10.7)
Pay-TV subscriber additions (losses), net (in millions)	(0.642)	(0.452)	(0.190)	(42.0)
DISH TV subscriber additions (losses), net (in millions)	(0.335)	(0.395)	0.060	15.2
SLING TV subscriber additions (losses), net (in millions)	(0.307)	(0.057)	(0.250)	*
Pay-TV ARPU	\$ 111.18	\$ 107.89	\$ 3.29	3.0
DISH TV subscriber additions, gross (in millions)	0.103	0.155	(0.052)	(33.5)
DISH TV churn rate	1.33 %	1.46 %	(0.13)%	(8.9)
DISH TV SAC	\$ 1,150	\$ 997	\$ 153	15.3
Purchases of property and equipment, net of refunds (1)	\$ 140,968	\$ 111,918	\$ 29,050	26.0
OIBDA	\$ 1,393,250	\$ 1,508,511	\$ (115,261)	(7.6)

\* Percentage is not meaningful.

\*\* During the second quarter of 2025, we removed approximately 28,000 subscribers from our period end DISH TV subscriber count representing DISH TV subscribers sold during the six months ended June 30, 2025 as part of the sale of our Fiber business. This removal had no material impact on any other reported subscriber metrics, other than our period end DISH TV subscriber count.

(1) Purchases of property and equipment, net of refunds includes satellite purchases during the six months ended June 30, 2025 and 2024 of \$74 million and \$66 million, respectively.

**Pay-TV Subscribers**

**DISH TV subscribers.** We lost approximately 335,000 net DISH TV subscribers during the six months ended June 30, 2025 compared to the loss of approximately 395,000 net DISH TV subscribers during the same period in 2024. This decrease in net DISH TV subscriber losses primarily resulted from a lower DISH TV churn rate, partially offset by lower gross new DISH TV subscriber activations.

**Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued**

**SLING TV subscribers.** We lost approximately 307,000 net SLING TV subscribers during the six months ended June 30, 2025 compared to the loss of approximately 57,000 net SLING TV subscribers during the same period in 2024. The increase in net SLING TV subscriber losses was primarily related to lower SLING TV subscriber activations due to our emphasis on acquiring higher quality subscribers and higher SLING TV subscriber disconnects in 2025. We continue to experience increased competition, including competition from other subscription video on-demand and live-linear OTT service providers, many of which are providers of our content and offer football and other seasonal sports programming direct to subscribers on an a la carte basis.

**DISH TV subscribers, gross.** During the six months ended June 30, 2025, we activated approximately 103,000 gross new DISH TV subscribers compared to approximately 155,000 gross new DISH TV subscribers during the same period in 2024, a decrease of 33.5%. This decrease in our gross new DISH TV subscriber activations was primarily related to lower marketing expenditures, the lack of demand and shifting consumer behavior, as well as increased competitive pressures, including, but not limited to, live-linear OTT service providers, aggressive short term introductory pricing and bundled offers combining broadband, video and/or wireless services and other discounted promotional offers and direct-to-consumer offerings by certain of our programmers. Our gross new DISH TV subscriber activations continue to be negatively impacted by an emphasis on acquiring higher quality subscribers.

**DISH TV churn rate.** Our DISH TV churn rate for the six months ended June 30, 2025 was 1.33% compared to 1.46% for the same period in 2024. Our DISH TV churn rates for the six months ended June 30, 2025 and 2024 were positively impacted by our continued emphasis on acquiring and retaining higher quality subscribers. Our DISH TV churn rate continues to be adversely impacted by external factors, such as, among other things, cord cutting, shifting consumer behavior and increased competitive pressures, including, but not limited to, live-linear OTT service providers, aggressive marketing, bundled discount offers combining broadband, video and/or wireless services and other discounted promotional offers. Our DISH TV churn rate is also impacted by internal factors, such as, among other things, our ability to consistently provide outstanding customer service, price increases, our ability to control piracy and other forms of fraud and the level of our retention efforts.

**Service revenue.** "Service revenue" totaled \$4.971 billion for the six months ended June 30, 2025, a decrease of \$388 million or 7.2% compared to the same period in 2024. The decrease in "Service revenue" compared to the same period in 2024 was primarily related to lower average Pay-TV subscriber base, partially offset by an increase in Pay-TV ARPU, discussed below.

**Pay-TV ARPU.** Pay-TV ARPU was \$111.18 during the six months ended June 30, 2025 versus \$107.89 during the same period in 2024. The \$3.29 or 3.0% increase in Pay-TV ARPU was primarily attributable to the DISH TV and SLING TV programming price increases. The DISH TV and SLING TV programming package price increases were effective in the third and fourth quarter of 2024, respectively.

**Cost of services.** "Cost of services" totaled \$3.106 billion during the six months ended June 30, 2025, a decrease of \$198 million or 6.0% compared to the same period in 2024. The decrease in "Cost of services" was primarily attributable to a lower average Pay-TV subscriber base, partially offset by higher programming costs per subscriber. Programming costs per subscriber increased during the three months ended June 30, 2025 due to rate increases in certain of our programming contracts, including the renewal of certain contracts at higher rates, particularly for local broadcast channels. "Cost of services" represented 62.5% and 61.6% of "Service revenue" during the six months ended June 30, 2025 and 2024, respectively. This increase primarily related to higher programming costs per subscriber.

**Item 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued**

***Selling, general and administrative expenses.*** “Selling, general and administrative expenses” totaled \$483 million during the six months ended June 30, 2025, a \$73 million or 13.2% decrease compared to the same period in 2024. This change was primarily driven by a decrease in subscriber acquisition costs resulting from lower marketing expenditures and lower gross new DISH TV subscriber activations and a decrease in personnel costs.

***Depreciation and amortization.*** “Depreciation and amortization” expense totaled \$144 million during the six months ended June 30, 2025, a \$26 million or 15.5% decrease compared to the same period in 2024. This change was primarily driven by a decrease in depreciation expense from equipment leased to new and existing DISH TV subscribers and the expiration of our Nimiq 5 finance lease in September 2024.

***DISH TV SAC.*** DISH TV SAC was \$1,150 during the six months ended June 30, 2025 compared to \$997 during the same period in 2024, an increase of \$153 or 15.3%. This change was primarily attributable to an increase in advertising costs per subscriber, a higher percentage of new receivers compared to remanufactured receivers being activated on new subscriber accounts and higher commission costs due to our emphasis on acquiring higher quality subscribers. While our marketing expenditures decreased during the six months ended June 30, 2025 compared to the same period in 2024, our gross new DISH TV subscriber activations decreased at a higher rate, resulting in an increase in advertising costs per subscriber.

During the six months ended June 30, 2025 and 2024, the amount of equipment capitalized under our lease program for new DISH TV subscribers totaled \$15 million and \$13 million, respectively.

## Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued

### **Wireless Segment**

Our Wireless segment business strategy is to expand our current target segments and profitably grow our Wireless subscriber base and commercialize and grow customer traffic on our 5G Network. We intend to grow our Wireless subscriber base by acquiring and retaining high quality subscribers with competitive offers, choice and outstanding customer service that better meet those subscribers' needs and budget.

Our Wireless segment provides Wireless communication services and products. We currently offer our Wireless services for 5G VoNR to over 223 million Americans and for 5G broadband service to over 269 million Americans, as well as a competitive portfolio of wireless devices. We offer nationwide Wireless services to subscribers primarily under our Boost Mobile and Gen Mobile brands.

We are currently operating primarily as an MVNO as we continue to commercialize and grow customer traffic on our 5G Network. We are transitioning to an MNO as our 5G Network has become commercially available and we grow customer traffic on our 5G Network. We are currently activating Boost Mobile subscribers with compatible devices onto our 5G Network in markets where we have reached 5G VoNR. We currently offer a broad range of premium wireless devices on our 5G Network, including the Apple iPhone 15 and newer generation iPhones, as well as a wide selection of Samsung, Motorola and other premium devices and accessories. We have deployed 5G VoNR covering over 223 million Americans. Within our MVNO operations, today we depend in part on T-Mobile and AT&T to provide us with network services under the MNSA and NSA, respectively. As of June 30, 2025, we had 7.357 million Wireless subscribers.

Currently, we offer Wireless subscribers competitive consumer plans with no annual service contracts and monthly service plans including high-speed data and unlimited talk and text. We also offer a variety of value-added services, including, but not limited to, device payment and protection plans, international calling and text plans, and device financing arrangements for certain qualified subscribers.

*ACP Subscribers.* Historically, a portion of our Wireless subscriber base and revenue was comprised of subscribers who received benefits under the ACP program. The FCC began taking steps to wind down the ACP program and stopped accepting new applications and enrollments on February 7, 2024. Households enrolled in the ACP program continued to receive the benefit on their service through April 2024. In May 2024, households received a partial benefit and on June 1, 2024 the ACP program funding concluded and households no longer received their benefit. Although we implemented plans to retain and/or migrate these subscribers to lower priced service plans, these subscribers began deactivating in the second and third quarters of 2024. As of December 31, 2024, we had no Wireless ACP subscribers. Generally, ACP subscribers have lower Wireless ARPU than other Wireless subscribers and as a result, any loss of ACP subscribers had a nominal impact on pre-tax net income.

We have invested a total of over \$30 billion in Wireless spectrum licenses. The \$30 billion of investments related to Wireless spectrum licenses does not include \$10 billion of capitalized interest related to the carrying value of such licenses. See Note 2 and Note 10 in the Notes to our Condensed Consolidated Financial Statements for further information. We continue to commercialize our Wireless spectrum licenses through the completion of our 5G Network. We have committed to the FCC to deploy a facilities-based 5G broadband network capable of serving increasingly larger portions of the U.S. population at different deadlines.

**Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued**

We will need to raise additional capital in the future, which may not be available on favorable terms or at all, to fund the efforts described below, as well as, among other things, make any potential Northstar Re-Auction Payment and SNR Re-Auction Payment for the AWS-3 licenses retained by the FCC. There can be no assurance that we will be able to complete all build-out requirements or profitably deploy our Wireless spectrum licenses, which may affect the carrying amount of these assets and our future financial condition or results of operations. See Note 10 in the Notes to our Condensed Consolidated Financial Statements for further information.

Our Wireless spectrum licenses are subject to certain interim and final build-out requirements, as well as certain renewal requirements. In September 2024, the FCC conditionally granted our requests to extend the 5G deployment deadlines for certain of our Wireless spectrum licenses based on several commitments and in a January 10, 2025 filing to the FCC, we certified to meeting the accelerated build-out (Commitments #2 and #3 of the Extension Request) and the nationwide 80% coverage obligations (Commitment #1 of the Extension Request) due by December 31, 2024. Thus, pursuant to the Extension Request, the final deployment deadlines for the licenses subject to the Extension Request (listed in Appendix G) shall be extended to December 14, 2026. While the FCC has not yet updated the build-out deadlines in the Universal Licensing System, the licenses remain in effect based upon the submission of our build-out certifications. In addition, the final deployment deadlines for the licenses subject to the Extension Request (listed in Appendix G) shall be further extended to June 14, 2028 as long as we satisfy the remaining Extension Request commitments. See Note 10 in the Notes to our Condensed Consolidated Financial Statements for definitions and further details. Also see Note 1 "*Recent Developments*" in the Notes to our Condensed Consolidated Financial Statements for additional information.

We will need to make significant additional investments or partner with others to, among other things, continue our 5G Network deployment and further commercialize, build-out and integrate these licenses and related assets and any additional acquired licenses and related assets, as well as to comply with regulations applicable to such licenses. Depending on the nature and scope of such activities, any such investments or partnerships could vary significantly. In addition, as we continue our 5G Network deployment, we have and may continue to incur significant additional expenses related to, among other things, research and development, wireless testing and ongoing upgrades to the wireless network infrastructure, software and third-party integration. As a result of these investments, among other factors, we will need to raise additional capital, which may not be available on favorable terms or at all. We may also determine that additional wireless spectrum licenses may be required for our 5G Network deployment, which will enhance our ability to compete effectively with other wireless service providers.

*Competition.* Wireless communication services is a mature market with moderate year over year organic growth. Competitors include, among others, providers who offer similar wireless communication services, such as talk, text and data. Competitive factors within the wireless communication services industry include, but are not limited to, pricing, market saturation, service and product offerings, customer experience and service quality. We compete with a number of national wireless carriers, including Verizon, AT&T and T-Mobile, all of which are significantly larger than us, serve a significant percentage of all wireless subscribers and enjoy scale advantages compared to us. Verizon, AT&T and T-Mobile are currently the only nationwide MNOs in the United States.

Additional primary competitors to our Wireless segment include, but are not limited to, Metro PCS (owned by T-Mobile), Cricket Wireless (owned by AT&T), Visible (owned by Verizon), Tracfone Wireless (owned by Verizon), Total Wireless (owned by Verizon), Mint Mobile (owned by T-Mobile) and other MVNOs such as Consumer Cellular, Spectrum Mobile and Xfinity Mobile.

**Item 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued**

**RESULTS OF OPERATIONS – Wireless Segment**

*Three Months Ended June 30, 2025 Compared to the Three Months Ended June 30, 2024.*

Statements of Operations Data	For the Three Months Ended June 30,		Variance	
	2025	2024	Amount	%
	(In thousands)			
<b>Revenue:</b>				
Service revenue	\$ 823,722	\$ 785,135	\$ 38,587	4.9
Equipment sales and other revenue	110,909	107,593	3,316	3.1
Total revenue	934,631	892,728	41,903	4.7
<b>Costs and expenses:</b>				
Cost of services	801,181	745,504	55,677	7.5
% of Service revenue	97.3 %	95.0 %		
Cost of sales - equipment and other	282,045	312,983	(30,938)	(9.9)
Selling, general and administrative expenses	303,385	228,680	74,705	32.7
% of Total revenue	32.5 %	25.6 %		
Depreciation and amortization	320,968	305,863	15,105	4.9
Total costs and expenses	1,707,579	1,593,030	114,549	7.2
Operating income (loss)	\$ (772,948)	\$ (700,302)	\$ (72,646)	(10.4)
<b>Other data:</b>				
Wireless subscribers, as of period end (in millions)	7.357	7.281	0.076	1.0
Wireless subscriber additions, gross (in millions)	0.634	0.606	0.028	4.6
Wireless subscriber additions (losses), net (in millions) **	0.212	(0.016)	0.228	*
Wireless ARPU	\$ 37.40	\$ 35.91	\$ 1.49	4.1
Wireless churn rate	2.69 %	2.93 %	(0.24)%	(8.2)
Purchases of property and equipment, net of refunds	\$ 171,475	\$ 236,745	\$ (65,270)	(27.6)
OIBDA	\$ (451,980)	\$ (394,439)	\$ (57,541)	(14.6)

\* Percentage is not meaningful.

\*\* Includes Government subsidized subscribers.

**Wireless subscribers.** We added approximately 212,000 net Wireless subscribers during the three months ended June 30, 2025 compared to the loss of approximately 16,000 net Wireless subscribers during the same period in 2024. The change in net Wireless subscribers primarily resulted from higher net Government subsidized subscribers, a lower Wireless churn rate, and higher gross new Wireless subscriber activations compared to the same period in 2024. In addition, the three months ended June 30, 2024 was negatively impacted by net losses of Government subsidized subscribers as a result of the ACP program funding concluding on June 1, 2024. See “Wireless Segment – ACP Subscribers” for further information.

**Wireless subscribers, gross.** During the three months ended June 30, 2025, we activated approximately 634,000 gross new Wireless subscribers compared to approximately 606,000 gross new Wireless subscribers during the same period in 2024, an increase of 4.6%. This increase in gross new Wireless subscribers primarily resulted from higher marketing expenditures, new subscriber offers and promotions and growth in digital channels. Our gross new Wireless subscribers continue to be negatively impacted by our emphasis on acquiring and retaining higher quality subscribers and increased competitive pressures, including aggressive competitor marketing, discounted service plans and deeper wireless device subsidies.

**Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued**

**Wireless churn rate.** Our Wireless churn rate for the three months ended June 30, 2025 was 2.69% compared to 2.93% for the same period in 2024. Our Wireless churn rates for the three months ended June 30, 2025 and 2024 were positively impacted by our emphasis on acquiring and retaining higher quality subscribers, partially offset by competitive pressures, including deeper wireless device subsidies.

**Service revenue.** "Service revenue" totaled \$824 million for the three months ended June 30, 2025, an increase of \$39 million or 4.9% compared to the same period in 2024. The increase in "Service revenue" compared to the same period in 2024 was primarily related to an increase in Wireless ARPU, discussed below.

**Wireless ARPU.** Wireless ARPU was \$37.40 during the three months ended June 30, 2025 versus \$35.91 during the same period in 2024. The \$1.49 or 4.1% increase in Wireless ARPU was primarily attributable to, among other things, a shift in subscriber plan mix to higher priced service plans and increased sales of value added services.

**Equipment sales and other revenue.** "Equipment sales and other revenue" totaled \$111 million for the three months ended June 30, 2025, an increase of \$3 million or 3.1% compared to the same period in 2024. The increase in "Equipment sales and other revenue" compared to the same period in 2024 was primarily related to an increase in sales of wireless devices with higher revenue per unit, partially offset by a decrease in units shipped. During the three months ended June 30, 2025, we sold a higher percentage of devices that are compatible with our 5G Network and other devices that have a higher revenue per unit.

**Cost of services.** "Cost of services" totaled \$801 million for the three months ended June 30, 2025, an increase of \$56 million or 7.5% compared to the same period in 2024. The increase in "Cost of services" compared to the same period in 2024 was primarily attributable to an increase in lease expense on communication towers, transport and other related costs for our 5G Network, higher monthly dealer incentive costs due to our emphasis on acquiring higher quality, long-term subscribers and higher other variable costs, partially offset by lower network services costs per subscriber as we grow customer traffic on our 5G Network.

**Cost of sales – equipment and other.** "Cost of sales – equipment and other" totaled \$282 million for the three months ended June 30, 2025, a decrease of \$31 million or 9.9% compared to the same period in 2024. The decrease in "Cost of sales – equipment and other" compared to the same period in 2024 primarily resulted from a decrease in units shipped and higher vendor rebates, partially offset by an increase in sales of wireless devices with higher costs per unit. During the three months ended June 30, 2025, we sold a higher percentage of devices that are compatible with our 5G Network and other devices that have a higher cost per unit.

**Item 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued**

***Selling, general and administrative expenses.*** “Selling, general and administrative expenses” totaled \$303 million during the three months ended June 30, 2025, a \$75 million or 32.7% increase compared to the same period in 2024. This increase was primarily driven by higher marketing expenditures and an increase in costs to support the Wireless segment.

***Depreciation and amortization.*** “Depreciation and amortization” expense totaled \$321 million during the three months ended June 30, 2025, a \$15 million or 4.9% increase compared to the same period in 2024. This change was primarily driven by an increase in depreciation and amortization expense related to 5G Network assets being placed in service during 2024 and 2025. This increase was partially offset by a decrease in amortization expense from subscriber relationships related to the Boost Mobile acquisition in 2020, which became fully amortized during the second quarter of 2024.

**Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued**

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

Statements of Operations Data	For the Six Months Ended June 30,		Variance	
	2025	2024	Amount	%
	(In thousands)			
<b>Revenue:</b>				
Service revenue	\$ 1,633,329	\$ 1,589,401	\$ 43,928	2.8
Equipment sales and other revenue	274,077	217,333	56,744	26.1
Total revenue	1,907,406	1,806,734	100,672	5.6
<b>Costs and expenses:</b>				
Cost of services	1,567,381	1,509,612	57,769	3.8
<b>% of Service revenue</b>	<b>96.0 %</b>	<b>95.0 %</b>		
Cost of sales - equipment and other	631,290	602,525	28,765	4.8
Selling, general and administrative expenses	575,779	452,532	123,247	27.2
<b>% of Total revenue</b>	<b>30.2 %</b>	<b>25.0 %</b>		
Depreciation and amortization	628,206	587,535	40,671	6.9
Total costs and expenses	3,402,656	3,152,204	250,452	7.9
Operating income (loss)	\$ (1,495,250)	\$ (1,345,470)	\$ (149,780)	(11.1)
<b>Other data:</b>				
Wireless subscribers, as of period end (in millions)	7.357	7.281	0.076	1.0
Wireless subscriber additions, gross (in millions)	1.291	1.186	0.105	8.9
Wireless subscriber additions (losses), net (in millions)				
**	0.362	(0.097)	0.459	*
Wireless ARPU	\$ 37.64	\$ 36.30	\$ 1.34	3.7
Wireless churn rate	2.75 %	2.99 %	(0.24)%	(8.0)
Purchases of property and equipment, net of refunds	\$ 335,411	\$ 627,834	\$ (292,423)	(46.6)
OIBDA	\$ (867,044)	\$ (757,935)	\$ (109,109)	(14.4)

\* Percentage is not meaningful.

\*\* Includes Government subsidized subscribers.

**Wireless subscribers.** We added approximately 362,000 net Wireless subscribers during the six months ended June 30, 2025 compared to the loss of approximately 97,000 net Wireless subscribers during the same period in 2024. The change in net Wireless subscribers primarily resulted from higher net Government subsidized subscribers, a lower Wireless churn rate and higher gross new Wireless subscriber activations compared to the same period in 2024. In addition, the six months ended June 30, 2024 was negatively impacted by net losses of Government subsidized subscribers as a result of the ACP program funding concluding on June 1, 2024. See "Wireless Segment – ACP Subscribers" for further information.

**Wireless subscribers, gross.** During the six months ended June 30, 2025, we activated approximately 1.291 million gross new Wireless subscribers compared to approximately 1.186 million gross new Wireless subscribers during the same period in 2024, an increase of 8.9%. This increase in gross new Wireless subscribers primarily resulted from higher marketing expenditures, new subscriber offers and promotions and growth in digital channels. Our gross new Wireless subscribers continue to be negatively impacted by our emphasis on acquiring and retaining higher quality subscribers and increased competitive pressures, including aggressive competitor marketing, discounted service plans and deeper wireless device subsidies.

**Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued**

**Wireless churn rate.** Our Wireless churn rate for the six months ended June 30, 2025 was 2.75% compared to 2.99% for the same period in 2024. Our Wireless churn rates for the six months ended June 30, 2025 and 2024 were positively impacted by our emphasis on acquiring and retaining higher quality subscribers, partially offset by competitive pressures, including deeper wireless device subsidies.

**Service revenue.** "Service revenue" totaled \$1.633 billion for the six months ended June 30, 2025, an increase of \$44 million or 2.8% compared to the same period in 2024. The increase in "Service revenue" compared to the same period in 2024 was primarily related to an increase in Wireless ARPU, discussed below, partially offset by a lower average Wireless subscriber base.

**Wireless ARPU.** Wireless ARPU was \$37.64 during the six months ended June 30, 2025 versus \$36.30 during the same period in 2024. The \$1.34 or 3.7% increase in Wireless ARPU was primarily attributable to, among other things, a shift in subscriber plan mix to higher priced service plans and increased sales of value added services.

**Equipment sales and other revenue.** "Equipment sales and other revenue" totaled \$274 million for the six months ended June 30, 2025, an increase of \$57 million or 26.1% compared to the same period in 2024. The increase in "Equipment sales and other revenue" compared to the same period in 2024 was primarily related to an increase in sales of wireless devices with higher revenue per unit, partially offset by a decrease in units shipped. During the six months ended June 30, 2025, we sold a higher percentage of devices that are compatible with our 5G Network and other devices that have a higher revenue per unit.

**Cost of services.** "Cost of services" totaled \$1.567 billion for the six months ended June 30, 2025, an increase of \$58 million or 3.8% compared to the same period in 2024. The increase in "Cost of services" compared to the same period in 2024 was primarily attributable to an increase in lease expense on communication towers, transport and other related costs for our 5G Network, higher monthly dealer incentive costs due to our emphasis on acquiring higher quality, long-term subscribers and higher other variable costs. These increases were partially offset by a lower average Wireless subscriber base and lower network services costs per subscriber as we grow customer traffic on our 5G Network.

**Cost of sales – equipment and other.** "Cost of sales – equipment and other" totaled \$631 million for the six months ended June 30, 2025, an increase of \$29 million or 4.8% compared to the same period in 2024. The increase in "Cost of sales – equipment and other" compared to the same period in 2024 primarily resulted from an increase in sales of wireless devices with higher costs per unit, partially offset by a decrease in units shipped and higher vendor rebates. During the six months ended June 30, 2025, we sold a higher percentage of devices that are compatible with our 5G Network and other devices that have a higher cost per unit.

**Selling, general and administrative expenses.** "Selling, general and administrative expenses" totaled \$576 million during the six months ended June 30, 2025, a \$123 million or 27.2% increase compared to the same period in 2024. This increase was primarily driven by higher marketing expenditures and an increase in costs to support the Wireless segment.

**Depreciation and amortization.** "Depreciation and amortization" expense totaled \$628 million during the six months ended June 30, 2025, a \$41 million or 6.9% increase compared to the same period in 2024. This change was primarily driven by an increase in depreciation and amortization expense related to 5G Network assets being placed in service during 2024 and 2025. This increase was partially offset by a decrease in amortization expense from subscriber relationships related to the Boost Mobile acquisition in 2020, which became fully amortized during the second quarter of 2024.

## **Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued**

### ***Broadband and Satellite Services Segment***

We are an industry leader in both networking technologies and services, innovating to deliver the global solutions that power a connected future for people, enterprises and things everywhere. We provide broadband services to consumer customers, which include home and small to medium-sized businesses, and satellite, multi-transport technologies and managed network services to enterprise customers, telecommunications providers, airlines and government entities, including civilian and defense. We have leveraged the EchoStar XXIV to deliver satellite services to unserved and underserved consumer markets in the Americas as well as enterprise, aeronautical and government markets.

We also design, provide and install gateway and terminal equipment to customers for other satellite systems. In addition, we design, develop, construct and provide telecommunication networks comprising satellite ground segment systems and terminals to mobile system operators and our enterprise customers. We offer a robust suite of integrated, multi-transport solutions to enable airline and airline service providers to deliver reliable in-flight network connectivity serving both commercial and business aviation.

### **Backlog**

As of June 30, 2025, our Broadband and Satellite Services segment had approximately \$1.6 billion of contracted revenue backlog. We define the Broadband and Satellite Services segment contracted revenue backlog as our expected future revenue under enterprise customer contracts that are non-cancelable, including lease revenue.

### **Competition**

Our industry is highly competitive. As a global provider of network technologies, products and services, our Broadband and Satellite Services segment competes with a large number of telecommunications and satellite internet service providers.

In our enterprise markets, we compete against multiple categories of providers. In the managed services area, we compete against providers of satellite-based and terrestrial-based networks, including fiber optic, cable, wireless internet service and internet protocol-based virtual private networks (VPN), which vary by region. In the in-flight connectivity market, we compete against direct and indirect providers of in-flight WiFi services, such as ViaSat Communications, Inc., which is owned by ViaSat, Inc. ("ViaSat") and Starlink Services LLC, which is owned by Space Exploration Technologies Corp. ("SpaceX").

In our consumer broadband satellite technologies and internet services markets, we compete against traditional telecommunications and wireless carriers, other satellite internet providers, as well as fiber optic, cable and wireless internet service providers. Our primary satellite competitors in the North American consumer market are ViaSat and SpaceX. Both ViaSat and SpaceX have also entered the South and Central American consumer markets. Our principal competitors for the supply of satellite technology platforms are Gilat Satellite Networks Ltd, ViaSat and ST Engineering iDirect, Inc.

**Item 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued**

**RESULTS OF OPERATIONS – Broadband and Satellite Services Segment**

*Three Months Ended June 30, 2025 Compared to the Three Months Ended June 30, 2024.*

Statements of Operations Data	For the Three Months Ended June 30,		Variance	
	2025	2024	Amount	%
	(In thousands)			
<b>Revenue:</b>				
Service revenue	\$ 273,441	\$ 302,527	\$ (29,086)	(9.6)
Equipment sales and other revenue	66,339	91,484	(25,145)	(27.5)
Total revenue	339,780	394,011	(54,231)	(13.8)
<b>Costs and expenses:</b>				
Cost of services	115,232	126,250	(11,018)	(8.7)
<b>% of Service revenue</b>	<b>42.1 %</b>	<b>41.7 %</b>		
Cost of sales - equipment and other	63,551	78,409	(14,858)	(18.9)
<b>% of Equipment sales and other revenue</b>	<b>95.8 %</b>	<b>85.7 %</b>		
Selling, general and administrative expenses	93,298	106,960	(13,662)	(12.8)
<b>% of Total revenue</b>	<b>27.5 %</b>	<b>27.1 %</b>		
Depreciation and amortization	104,437	116,978	(12,541)	(10.7)
Total costs and expenses	376,518	428,597	(52,079)	(12.2)
Operating income (loss)	\$ (36,738)	\$ (34,586)	\$ (2,152)	(6.2)
<b>Other data:</b>				
Broadband subscribers, as of period end (in millions)	0.819	0.955	(0.136)	(14.2)
Broadband subscriber additions (losses), net (in millions)	(0.034)	(0.023)	(0.011)	(47.8)
Purchases of property and equipment, net of refunds (1)	\$ 43,118	\$ 56,559	\$ (13,441)	(23.8)
OIBDA	\$ 67,699	\$ 82,392	\$ (14,693)	(17.8)

\* Percentage is not meaningful.

(1) Purchases of property and equipment, net of refunds includes satellite purchases during the three months ended June 30, 2025 and 2024 of \$13 million and \$1 million, respectively.

**Broadband subscribers.** We lost approximately 34,000 net Broadband subscribers for the three months ended June 30, 2025 compared to the loss of approximately 23,000 net Broadband subscribers during the same period in 2024. The increase in net Broadband subscriber losses was primarily due to lower gross subscriber additions, partially offset by lower subscriber disconnects due to expanded satellite capacity and increased subscriber service satisfaction. We continue to experience increased competition from satellite-based competitors and other technologies.

**Service revenue.** “Service revenue” totaled \$273 million for the three months ended June 30, 2025, a decrease of \$29 million, or 9.6%, as compared to 2024. The decrease was primarily attributable to lower sales of broadband services to our North American and international consumer customers and our North American enterprise customers.

**Equipment sales and other revenue.** “Equipment sales and other revenue” totaled \$66 million for the three months ended June 30, 2025, a decrease of \$25 million, or 27.5%, as compared to 2024. The decrease was primarily attributable to lower hardware sales to our North American and international enterprise customers.

**Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued**

**Cost of services.** "Cost of services" totaled \$115 million for the three months ended June 30, 2025, a decrease of \$11 million, or 8.7%, as compared to 2024. The decrease was primarily attributable to lower costs of broadband services to our North American and international consumer customers and our North American enterprise customers. Our "Cost of services" represented 42.1% and 41.7% of "Service revenue" during the three months ended June 30, 2025 and 2024, respectively.

**Cost of sales – equipment and other.** "Cost of sales – equipment and other" totaled \$64 million for the three months ended June 30, 2025, a decrease of \$15 million, or 18.9%, as compared to 2024. The decrease was primarily attributable to lower costs of broadband services to our North American and international enterprise customers. Our "Cost of sales – equipment and other" represented 95.8% and 85.7% of "Equipment sales and other revenue" during the three months ended June 30, 2025 and 2024, respectively. The three months ended June 30, 2025 was negatively impacted by a one-time project charge.

**Selling, general and administrative expenses.** "Selling, general and administrative expenses" totaled \$93 million for the three months ended June 30, 2025, a decrease of \$14 million, or 12.8%, as compared to 2024. The decrease was primarily attributable to lower bad debt expense and lower marketing expenditures.

**Depreciation and amortization.** "Depreciation and amortization" expense totaled \$104 million for the three months ended June 30, 2025, a decrease of \$13 million, or 10.7%, as compared to 2024. The decrease was primarily attributable to lower equipment and satellite depreciation expense.

**Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued**

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

Statements of Operations Data	For the Six Months Ended June 30,		Variance	
	2025	2024	Amount	%
	(In thousands)			
<b>Revenue:</b>				
Service revenue	\$ 550,385	\$ 619,647	\$ (69,262)	(11.2)
Equipment sales and other revenue	160,053	156,950	3,103	2.0
Total revenue	<u>710,438</u>	<u>776,597</u>	<u>(66,159)</u>	<u>(8.5)</u>
<b>Costs and expenses:</b>				
Cost of services	228,357	256,430	(28,073)	(10.9)
<b>% of Service revenue</b>	<b>41.5 %</b>	<b>41.4 %</b>		
Cost of sales - equipment and other	145,285	135,043	10,242	7.6
<b>% of Equipment sales and other revenue</b>	<b>90.8 %</b>	<b>86.0 %</b>		
Selling, general and administrative expenses	183,394	223,445	(40,051)	(17.9)
<b>% of Total revenue</b>	<b>25.8 %</b>	<b>28.8 %</b>		
Depreciation and amortization	209,335	235,819	(26,484)	(11.2)
Total costs and expenses	<u>766,371</u>	<u>850,737</u>	<u>(84,366)</u>	<u>(9.9)</u>
Operating income (loss)	<u>\$ (55,933)</u>	<u>\$ (74,140)</u>	<u>\$ 18,207</u>	<u>24.6</u>
<b>Other data:</b>				
Broadband subscribers, as of period end (in millions)	0.819	0.955	(0.136)	(14.2)
Broadband subscriber additions (losses), net (in millions)	(0.064)	(0.049)	(0.015)	(30.6)
Purchases of property and equipment, net of refunds (1)	\$ 75,221	\$ 127,170	\$ (51,949)	(40.9)
OIBDA	\$ 153,402	\$ 161,679	\$ (8,277)	(5.1)

\* Percentage is not meaningful.

(1) Purchases of property and equipment, net of refunds includes satellite purchases during the six months ended June 30, 2025 and 2024 of \$14 million and \$3 million, respectively.

**Broadband subscribers.** We lost approximately 64,000 net Broadband subscribers for the six months ended June 30, 2025 compared to the loss of approximately 49,000 net Broadband subscribers during the same period in 2024. The increase in net Broadband subscriber losses was primarily due to lower gross subscriber additions, partially offset by lower subscriber disconnects due to expanded satellite capacity and increased subscriber service satisfaction. We continue to experience increased competition from satellite-based competitors and other technologies.

**Service revenue.** "Service revenue" totaled \$550 million for the six months ended June 30, 2025, a decrease of \$69 million, or 11.2%, as compared to 2024. The decrease was primarily attributable to lower sales of broadband services to our North American and international consumer customers and our North American enterprise customers.

**Equipment sales and other revenue.** "Equipment sales and other revenue" totaled \$160 million for the six months ended June 30, 2025, an increase of \$3 million, or 2.0%, as compared to 2024. The increase was primarily attributable to higher hardware sales to our North American enterprise customers, partially offset by a decrease in hardware sales to our international enterprise customers.

**Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued**

**Cost of services.** “Cost of services” totaled \$228 million for the six months ended June 30, 2025, a decrease of \$28 million, or 10.9%, as compared to 2024. The decrease was primarily attributable to lower costs of broadband services to our North American and international consumer customers and our North American enterprise customers. Our “Cost of services” represented 41.5% and 41.4% of “Service revenue” during the six months ended June 30, 2025 and 2024, respectively.

**Cost of sales – equipment and other.** “Cost of sales – equipment and other” totaled \$145 million for the six months ended June 30, 2025, an increase of \$10 million, or 7.6%, as compared to 2024. The increase was primarily attributable to higher costs of equipment to our North American enterprise customers, partially offset by a decrease in equipment costs to our international enterprise customers. Our “Cost of sales – equipment and other” represented 90.8% and 86.0% of “Equipment sales and other revenue” during the six months ended June 30, 2025 and 2024, respectively. The six months ended June 30, 2025 was negatively impacted by a one-time project charge.

**Selling, general and administrative expenses.** “Selling, general and administrative expenses” totaled \$183 million for the six months ended June 30, 2025, a decrease of \$40 million, or 17.9%, as compared to 2024. The decrease was primarily attributable to lower bad debt expense and lower marketing expenditures.

**Depreciation and amortization.** “Depreciation and amortization” expense totaled \$209 million for the six months ended June 30, 2025, a decrease of \$26 million, or 11.2%, as compared to 2024. The decrease was primarily attributable to lower equipment and satellite depreciation expense.

**Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued**
**OTHER CONSOLIDATED RESULTS**

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

Statements of Operations Data	For the Three Months Ended June 30,		Variance	
	2025	2024	Amount	%
	(In thousands)			
Operating income (loss)	\$ (213,408)	\$ (65,369)	\$ (148,039)	*
<b>Other income (expense):</b>				
Interest income	65,369	13,929	51,440	*
Interest expense, net of amounts capitalized	(279,232)	(81,166)	(198,066)	*
Other, net	35,137	(91,498)	126,635	*
Total other income (expense)	(178,726)	(158,735)	(19,991)	(12.6)
Income (loss) before income taxes	(392,134)	(224,104)	(168,030)	(75.0)
Income tax (provision) benefit, net	85,290	16,646	68,644	*
<b>Effective tax rate</b>	<b>21.8 %</b>	<b>7.4 %</b>		
Net income (loss)	(306,844)	(207,458)	(99,386)	(47.9)
Less: Net income (loss) attributable to noncontrolling interests, net of tax	(712)	(1,867)	1,155	61.9
Net income (loss) attributable to EchoStar	\$ (306,132)	\$ (205,591)	\$ (100,541)	(48.9)

\* Percentage is not meaningful.

**Interest income.** “Interest income” totaled \$65 million during the three months ended June 30, 2025, an increase of \$51 million compared to the same period in 2024. This increase primarily resulted from higher average cash and marketable investment securities balances during the three months ended June 30, 2025.

**Interest expense, net of amounts capitalized.** “Interest expense, net of amounts capitalized” totaled \$279 million during the three months ended June 30, 2025, an increase of \$198 million compared to the same period in 2024. This increase primarily resulted from interest expense related to debt issuances in the third and fourth quarters of 2024, partially offset by the redemption of debt that matured in November 2024 and debt tendered for exchange and cancelled in the fourth quarter of 2024. In addition, the three months ended June 30, 2025 was positively impacted by a \$43 million increase in capitalized interest compared to the same period in 2024 due to a higher capitalization rate. See Note 2 in the Notes to our Condensed Consolidated Financial Statements for further information.

**Other, net.** “Other, net” income totaled \$35 million during the three months ended June 30, 2025, compared to expense of \$91 million during the same period in 2024. The three months ended June 30, 2025 was positively impacted by a \$37 million gain on the sale of our Fiber business, partially offset by \$8 million in net losses and impairments on marketable and non-marketable investment securities. The three months ended June 30, 2024 was negatively impacted by a \$66 million loss in equity in earnings, including \$63 million from our portion of Invidi’s goodwill impairment, and \$25 million in net losses and impairments on marketable and non-marketable investment securities. See Note 2 in the Notes to our Condensed Consolidated Financial Statements for further information.

**Income tax (provision) benefit, net.** Our income tax benefit was \$85 million during the three months ended June 30, 2025, an increase of \$69 million compared to the same period in 2024. The change was primarily related to a decrease in “Income (loss) before income taxes” and the change in our effective tax rate. Our effective tax rate during the three months ended June 30, 2024 was impacted by federal, state and foreign valuation allowances.

**Item 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued**

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

Statements of Operations Data	For the Six Months Ended June 30,		Variance	
	2025	2024	Amount	%
	(In thousands)			
Operating income (loss)	\$ (301,540)	\$ (80,613)	\$ (220,927)	*
<b>Other income (expense):</b>				
Interest income	130,898	44,391	86,507	*
Interest expense, net of amounts capitalized	(565,287)	(180,574)	(384,713)	*
Other, net	76,527	(117,608)	194,135	*
Total other income (expense)	(357,862)	(253,791)	(104,071)	(41.0)
Income (loss) before income taxes	(659,402)	(334,404)	(324,998)	(97.2)
Income tax (provision) benefit, net	149,277	18,571	130,706	*
<b>Effective tax rate</b>	<b>22.6 %</b>	<b>5.6 %</b>		
Net income (loss)	(510,125)	(315,833)	(194,292)	(61.5)
Less: Net income (loss) attributable to noncontrolling interests, net of tax	(1,324)	(2,866)	1,542	53.8
Net income (loss) attributable to EchoStar	\$ (508,801)	\$ (312,967)	\$ (195,834)	(62.6)

\* Percentage is not meaningful.

**Interest income.** “Interest income” totaled \$131 million during the six months ended June 30, 2025, an increase of \$87 million compared to the same period in 2024. This increase primarily resulted from higher average cash and marketable investment securities balances, partially offset by lower percentage returns earned on our cash and marketable investment securities during the six months ended June 30, 2025.

**Interest expense, net of amounts capitalized.** “Interest expense, net of amounts capitalized” totaled \$565 million during the six months ended June 30, 2025, an increase of \$385 million compared to the same period in 2024. This increase primarily resulted from interest expense related to debt issuances in the third and fourth quarters of 2024, partially offset by the redemption of debt that matured in March and November 2024 and debt tendered for exchange and cancelled in the fourth quarter of 2024. In addition, the six months ended June 30, 2025 was positively impacted by a \$101 million increase in capitalized interest compared to the same period in 2024 due to a higher capitalization rate. See Note 2 in the Notes to our Condensed Consolidated Financial Statements for further information.

**Other, net.** “Other, net” income totaled \$77 million during the six months ended June 30, 2025, compared to expense of \$118 million during the same period in 2024. The six months ended June 30, 2025 was positively impacted by a \$37 million gain on the sale of our Fiber business, \$16 million in net gains on marketable and non-marketable investment securities and \$11 million of early debt extinguishment gains from the repurchases of our senior secured notes. The six months ended June 30, 2024 was negatively impacted by a \$69 million loss in equity in earnings, including \$63 million from our portion of Invidi’s goodwill impairment, and \$49 million in net losses and impairments on marketable and non-marketable investment securities. See Note 5 in the Notes to our Condensed Consolidated Financial Statements for further information.

**Income tax (provision) benefit, net.** Our income tax benefit was \$149 million during the six months ended June 30, 2025, an increase of \$131 million compared to the same period in 2024. The change was primarily related to a decrease in “Income (loss) before income taxes” and the change in our effective tax rate. Our effective tax rate during the six months ended June 30, 2024 was impacted by federal, state and foreign valuation allowances.

**Item 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued**

**Non-GAAP Performance Measures and Reconciliation**

It is management’s intent to provide non-GAAP financial information to enhance the understanding of our financial information prepared in accordance with accounting principles generally accepted in the United States (“GAAP”), and it should be considered by the reader in addition to, but not instead of, the financial statements prepared in accordance with GAAP. Each non-GAAP financial measure is presented along with the corresponding GAAP measure so as not to imply that more emphasis should be placed on the non-GAAP measure. We believe that providing these non-GAAP measures in addition to the GAAP measures allows management, investors and other users of our financial information to more fully and accurately assess both consolidated and segment performance. The non-GAAP financial information presented may be determined or calculated differently by other companies and may not be directly comparable to that of other companies.

**Segment OIBDA**

Segment OIBDA, which is presented below, is a non-GAAP measure and does not purport to be an alternative to operating income (loss) as a measure of operating performance. We believe this measure is useful to management, investors and other users of our financial information in evaluating operating profitability of our business segments on a more variable cost basis as it excludes the depreciation and amortization expenses related primarily to capital expenditures and acquisitions for those business segments, as well as in evaluating operating performance in relation to our competitors. Segment OIBDA is calculated by adding back depreciation and amortization expense to business segments operating income (loss). See Note 11 to the Notes to our Condensed Consolidated Financial Statements for further information.

<b>For the Three Months Ended June 30, 2025</b>	<b>Pay-TV</b>	<b>Wireless</b>	<b>Broadband and Satellite Services</b>	<b>Eliminations</b>	<b>Consolidated</b>
			(In thousands)		
Segment operating income (loss)	\$ 595,552	\$ (772,948)	\$ (36,738)	\$ 726	\$ (213,408)
Depreciation and amortization	67,825	320,968	104,437	(175)	493,055
<b>OIBDA</b>	<b>\$ 663,377</b>	<b>\$ (451,980)</b>	<b>\$ 67,699</b>	<b>\$ 551</b>	<b>\$ 279,647</b>

<b>For the Three Months Ended June 30, 2024</b>	<b>Pay-TV</b>	<b>Wireless</b>	<b>Broadband and Satellite Services</b>	<b>Eliminations</b>	<b>Consolidated</b>
Segment operating income (loss)	\$ 667,752	\$ (700,302)	\$ (34,586)	\$ 1,767	\$ (65,369)
Depreciation and amortization	85,249	305,863	116,978	(565)	507,525
<b>OIBDA</b>	<b>\$ 753,001</b>	<b>\$ (394,439)</b>	<b>\$ 82,392</b>	<b>\$ 1,202</b>	<b>\$ 442,156</b>

<b>For the Six Months Ended June 30, 2025</b>	<b>Pay-TV</b>	<b>Wireless</b>	<b>Broadband and Satellite Services</b>	<b>Eliminations</b>	<b>Consolidated</b>
			(In thousands)		
Segment operating income (loss)	\$ 1,248,982	\$ (1,495,250)	\$ (55,933)	\$ 661	\$ (301,540)
Depreciation and amortization	144,268	628,206	209,335	(421)	981,388
<b>OIBDA</b>	<b>\$ 1,393,250</b>	<b>\$ (867,044)</b>	<b>\$ 153,402</b>	<b>\$ 240</b>	<b>\$ 679,848</b>

<b>For the Six Months Ended June 30, 2024</b>	<b>Pay-TV</b>	<b>Wireless</b>	<b>Broadband and Satellite Services</b>	<b>Eliminations</b>	<b>Consolidated</b>
Segment operating income (loss)	\$ 1,337,860	\$ (1,345,470)	\$ (74,140)	\$ 1,137	\$ (80,613)
Depreciation and amortization	170,651	587,535	235,819	(1,080)	992,925
<b>OIBDA</b>	<b>\$ 1,508,511</b>	<b>\$ (757,935)</b>	<b>\$ 161,679</b>	<b>\$ 57</b>	<b>\$ 912,312</b>

**Item 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued**

The changes in OIBDA during the three and six months ended June 30, 2025, compared to the same period in 2024, were primarily a result of the factors described in connection with operating revenues and operating expenses.

**GUARANTOR FINANCIAL INFORMATION**

Our senior secured notes, consisting of our 10 3/4% Senior Secured Notes due 2029 and 6 3/4% Senior Secured Notes due 2030 and our 3 7/8% Convertible Secured Notes due 2030 (together, the “EchoStar Notes”), are jointly and severally guaranteed on a senior secured basis by certain of our wholly-owned subsidiaries (the “Guarantors”). The Guarantors consist of, Northstar Wireless, L.L.C., SNR Wireless LicenseCo, LLC, DBSD Corporation and Gamma Acquisition L.L.C. (the “Spectrum Assets Guarantors”) and Northstar Spectrum, LLC, SNR Wireless HoldCo, LLC, DBSD Services Limited and Gamma Acquisition HoldCo, L.L.C. the (“Equity Pledge Guarantors”).

Certain of our wholly-owned subsidiaries are designated as “Unrestricted Subsidiaries” and do not guarantee the EchoStar Notes. The guarantee of the Guarantors will be discharged and released in accordance with the terms of the applicable indenture. The rights of holders of the EchoStar Notes against the Guarantors may be limited under the U.S. Bankruptcy Code or state fraudulent transfer or conveyance law.

Each entity in the summarized combined financial information follows the same accounting policies as described in our condensed consolidated financial statements. Information for the non-Guarantor subsidiaries has been excluded from the combined summarized financial information of the obligated group. The accompanying summarized combined financial information does not reflect investments of the obligated group in non-Guarantor subsidiaries. The financial information of the obligated group is presented on a combined basis and is derived from EchoStar’s condensed consolidated financial statements; intercompany balances and transactions within the obligated group have been eliminated. The obligated group’s amounts due to non-Guarantor subsidiaries and related parties have been presented in separate line items.

The summarized balance sheet information for the combined obligor group of the EchoStar Notes is presented in the table below.

	<b>As of</b>	
	<b>June 30, 2025</b>	<b>December 31, 2024</b>
	(In thousands)	
Current assets	\$ 4,501,051	\$ 6,234,658
Noncurrent assets	17,650,350	17,397,691
Current liabilities	335,512	411,704
Noncurrent liabilities	9,516,165	9,254,862
Due from non-guarantors	1,370,441	1,470,067

The summarized results of operations information for the combined obligor group of the EchoStar Notes is presented in the table below.

	<b>For the Six Months Ended</b>	
	<b>June 30, 2025</b>	
	(In thousands)	
Total revenues	\$	331
Operating income (loss)		(11,784)
Net income (loss)		(135,884)

**Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued**

**LIQUIDITY AND CAPITAL RESOURCES**

***Cash, Cash Equivalents, Current Restricted Cash and Cash Equivalents and Current Marketable Investment Securities***

We consider all liquid investments purchased with a remaining maturity of 90 days or less at the date of acquisition to be cash equivalents. See Note 5 in the Notes to our Condensed Consolidated Financial Statements for further information regarding our current restricted cash and cash equivalents and marketable investment securities. As of June 30, 2025, cash, cash equivalents, current restricted cash and cash equivalents, and current marketable investment securities totaled \$4.517 billion compared to \$5.698 billion as of December 31, 2024, a decrease of \$1.181 billion. This decrease in cash, cash equivalents, current restricted cash and cash equivalents and current marketable investment securities primarily resulted from capital expenditures, net of refunds, of \$1.125 billion (including capitalized interest related to regulatory authorizations), redemptions of our Term Loan due 2025 of \$333 million and repurchases of our 5 1/4% Senior Secured Notes due 2026 of \$123 million, partially offset by cash generated from operating activities of \$214 million and \$150 million in proceeds from the additional issuance of our 10 3/4% Senior Secured Notes due 2029. In addition, during the three months ended March 31, 2025 and June 30, 2025, we had cash interest payments of \$236 million and \$777 million, respectively, which contributed to the decrease in our cash and cash equivalents.

**Cash Flow**

The following discussion highlights our cash flow activities during the six months ended June 30, 2025.

***Cash flows from operating activities***

For the six months ended June 30, 2025, we reported "Net cash flows from operating activities" of \$214 million primarily attributable to \$248 million of "Net income (loss)" adjusted to exclude the non-cash items for "Depreciation and amortization" expense, "Realized and unrealized losses (gains) on investments, impairments and other," "Non-cash, stock-based compensation" expense, and "Deferred tax expense (benefit)." In addition, "Net cash flows from operating activities" was impacted by the timing difference between book expense and cash payments, including income taxes, and other working capital changes.

***Cash flows from investing activities***

For the six months ended June 30, 2025, we reported outflows from "Net cash flows from investing activities" of \$1.800 billion primarily related to capital expenditures, net of refunds, of \$1.125 billion (including capitalized interest related to regulatory authorizations) and \$721 million in net purchases of marketable investment securities, partially offset by \$47 million in proceeds from the sale of our Fiber business.

***Cash flows from financing activities***

For the six months ended June 30, 2025, we reported outflows from "Net cash flows from financing activities" of \$366 million primarily related to redemptions of our Term Loan due 2025 of \$333 million, repurchases of our 5 1/4% Senior Secured Notes due 2026 of \$123 million and repayments of long-term debt and finance lease obligations of \$46 million, partially offset by and \$150 million in proceeds from the additional issuance of our 10 3/4% Senior Secured Notes due 2029.

**Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued****Free Cash Flow**

We define free cash flow as “Net cash flows from operating activities” less: (i) “Purchases of property and equipment” net of “Refunds and other receipts of purchases of property and equipment,” and (ii) “Capitalized interest related to regulatory authorizations,” as shown on our Condensed Consolidated Statements of Cash Flows. We believe free cash flow is an important liquidity metric because it measures, during a given period, the amount of cash generated that is available to repay debt obligations, make investments (including strategic wireless investments), fund acquisitions and for certain other activities. Free cash flow is not a measure determined in accordance with GAAP and should not be considered a substitute for “Operating income (loss),” “Net income (loss),” “Net cash flows from operating activities” or any other measure determined in accordance with GAAP. Since free cash flow includes investments in operating assets, we believe this non-GAAP liquidity measure is useful in addition to the most directly comparable GAAP measure “Net cash flows from operating activities.”

Free cash flow can be significantly impacted from period to period by changes in “Net income (loss)” adjusted to exclude certain non-cash charges, operating assets and liabilities, “Purchases of property and equipment,” net of “Refunds and other receipts of purchases of property and equipment,” and “Capitalized interest related to regulatory authorizations.” These items are shown in the “Net cash flows from operating activities” and “Net cash flows from investing activities” sections on our Condensed Consolidated Statements of Cash Flows included herein. Operating asset and liability balances can fluctuate significantly from period to period and there can be no assurance that free cash flow will not be negatively impacted by material changes in operating assets and liabilities in future periods, since these changes depend upon, among other things, management's timing of payments and control of inventory levels, and cash receipts. In addition to fluctuations resulting from changes in operating assets and liabilities, free cash flow can vary significantly from period to period depending upon, among other things, subscriber additions (losses), service revenue, subscriber churn, subscriber acquisition and retention costs including amounts capitalized under our equipment lease programs for DISH TV subscribers, operating efficiencies, increases or decreases in purchases of property and equipment, expenditures related to our 5G Network deployment, cash interest payments and other factors.

The following table reconciles free cash flow to “Net cash flows from operating activities.”

	<b>For the Six Months Ended June 30,</b>	
	<b>2025</b>	<b>2024</b>
	(In thousands)	
<b>Net cash flows from operating activities</b>	\$ 214,267	\$ 930,984
Purchases of property and equipment, net of refunds (including capitalized interest related to regulatory authorizations)	(1,125,385)	(1,348,729)
<b>Free cash flow</b>	<u>\$ (911,118)</u>	<u>\$ (417,745)</u>

**Operational Liquidity**

We make general investments in property such as, among others, satellites, wireless devices, set-top boxes, information technology and facilities that support our Pay-TV, Wireless and Broadband and Satellite Services segments. For some of these investments, changes in trade policies, including, but not limited to, tariffs and other restrictions, could increase, among other things, our costs, disrupt our supply chain and negatively affect our business, operations and financial condition.

## **Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued**

We are also making significant additional investments and may partner with others to, among other things, continue our 5G Network deployment and further commercialize, build-out and integrate our Wireless spectrum licenses and related assets. Moreover, since we are primarily a subscriber-based company, we also make subscriber-specific investments to acquire new subscribers and retain existing subscribers. While the general investments may be deferred without impacting the business in the short-term, the subscriber-specific investments are less discretionary. Our overall objective is to generate sufficient cash flow over the life of each subscriber to provide an adequate return against the upfront investment. Once the upfront investment has been made for each subscriber, the subsequent cash flow is generally positive, but there can be no assurance that over time we will recoup or earn a return on the upfront investment.

There are a number of factors that impact our future cash flow compared to the cash flow we generate at a given point in time. The first factor is our churn rate and how successful we are at retaining our current subscribers. To the extent we lose subscribers from our existing base, the positive cash flow from that base is correspondingly reduced. The second factor is how successful we are at maintaining our service margins. To the extent our "Cost of services" grow faster than our "Service revenue," the amount of cash flow that is generated per existing subscriber is reduced. Our Pay-TV service margins have been reduced by, among other things, higher programming costs. Our Wireless service margins are impacted by, among other things, our MNSA agreement with T-Mobile and our NSA agreement with AT&T and the speed with which we are able to migrate Wireless subscribers onto our 5G Network. The third factor is the rate at which we acquire new Pay-TV, Wireless and Broadband subscribers. The faster we acquire new subscribers, the more our positive ongoing cash flow from existing subscribers is offset by the negative upfront cash flow associated with acquiring new subscribers. Conversely, the slower we acquire subscribers, the more our operating cash flow is enhanced in that period.

Finally, our future cash flow is impacted by, among other things, the rate at which we complete our 5G Network, incur litigation expense, make cash interest payments, participate in FCC wireless spectrum auctions and any cash flow from financing activities. We anticipate operating expenditures for our 5G Network to increase for 2025 as we continue to, among other things, deploy cell sites and communication towers to continue to commercialize our 5G Network. We expect our capital expenditures (excluding capitalized interest) may decrease in the near term. However, as we prepare for our next build-out requirement deadlines, we expect our capital expenditures to increase as we approach these deadlines. As a result, our historical cash flow is not necessarily indicative of our future cash flows. As of June 30, 2025, we experienced negative free cash flow. We expect that this trend will continue in 2025 and in future periods. In addition, declines in our subscriber base and any decrease in subscriber-related margins negatively impact our cash flow, and there can be no assurance that our subscriber declines for some if not all of our segments will not continue.

### **Subscriber Base – Pay TV, Wireless and Broadband and Satellite Services Segments**

See "Results of Operations" above for further information.

### **Subscriber Acquisition and Retention Costs**

We incur significant upfront costs to acquire Pay-TV, Wireless and Broadband subscribers, including, but not limited to, advertising, independent third-party retailer incentives, payments made to third parties, equipment and wireless device subsidies, installation services, and/or new customer promotions. While we attempt to recoup these upfront costs over the lives of their subscription, there can be no assurance that we will be successful in achieving that objective. We employ certain business rules for acquiring subscribers, including, but not limited to, minimum credit requirements, identity verification and contractual commitments. We strive to provide outstanding customer service to increase the likelihood of customers keeping their service over longer periods of time. Our subscriber acquisition costs may vary significantly from period to period.

## Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued

We incur significant costs to retain our existing DISH TV subscribers, generally as a result of upgrading their equipment to next generation receivers, primarily including our Hopper® receivers, and by providing retention credits. As with our subscriber acquisition costs, our retention upgrade spending includes the cost of equipment and installation services. In certain circumstances, we also offer programming at no additional charge and/or promotional pricing for limited periods to existing customers in exchange for a contractual commitment to receive service for a minimum term. A component of our retention efforts includes the installation of equipment for customers who move. Retention costs for Wireless subscribers are primarily related to promotional pricing on upgraded wireless devices for qualified existing subscribers and promotional credits. Our DISH TV and Wireless subscriber retention costs may vary significantly from period to period.

### Seasonality

Historically, the first half of the year generally produces fewer gross new DISH TV subscriber activations than the second half of the year, as is typical in the pay-TV industry. In addition, the first and fourth quarters generally produce a lower DISH TV churn rate than the second and third quarters. However, in recent years, as the pay-TV industry has matured, we and our competitors increasingly must seek to attract a greater proportion of new subscribers from each other's existing subscriber bases rather than from first-time purchasers of pay-TV services. As a result, historical trends in seasonality described above may not be indicative of future trends.

Our net SLING TV subscriber additions are impacted by, among other things, certain major sporting events and other major television events. The first and third quarters generally produce higher gross new Wireless subscriber activations. The historical trends discussed above, for net DISH TV subscriber additions, net SLING TV subscriber additions and gross new Wireless subscriber activations, may not be indicative of future trends. There can be no assurance that these trends will not continue and/or accelerate.

### Satellites

**Pay-TV Segment.** Operation of our DISH TV services requires that we have adequate satellite transmission capacity for the programming that we offer. Moreover, competitive conditions may require that we expand our offering of new programming. While we generally have had in-orbit satellite capacity sufficient to transmit our existing channels and some backup capacity to recover the transmission of certain critical programming, our backup capacity is limited. In the event of a failure or loss of any of our owned or leased satellites, we may need to acquire or lease additional satellite capacity or relocate one of our other satellites and use it as a replacement for the failed or lost satellite. Such a failure could result in a prolonged loss of critical programming or a significant delay in our plans to expand programming as necessary to remain competitive and cause us to expend a significant portion of our cash to acquire or lease additional satellite capacity.

**Broadband and Satellite Services Segment.** Operation of our Broadband and Satellite Services segment also requires adequate satellite transmission capacity for the services that we offer. In the event of a failure or loss of any of our owned or leased satellites, we may need to acquire or lease additional satellite capacity or relocate one of our other satellites and use it as a replacement for the failed or lost satellite. Such a failure could result in a prolonged loss of services.

## **Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued**

### **Covenants and Restrictions Related to our Long-Term Debt**

We are subject to the covenants and restrictions set forth in the indentures related to our long-term debt.

#### ***EchoStar Corporation***

The indentures related to our outstanding EchoStar senior secured notes and convertible senior secured notes contain restrictive covenants that, among other things, impose limitations on our and certain of our subsidiaries' ability to: (i) incur or guarantee additional indebtedness; (ii) make certain investments and other restricted payments; (iii) create liens; (iv) enter into certain transactions with affiliates; (v) merge or consolidate with another company; (vi) transfer or sell assets; (vii) allow to exist certain restrictions on paying dividends or other payments; and (viii) guarantor engagement in new activities. Should we fail to comply with these covenants, all or a portion of the debt under the senior secured notes could become immediately payable. The senior secured notes also provide that the debt may be required to be prepaid if certain change-in-control events occur. In addition, the convertible senior secured notes provide that, if a "fundamental change" (as defined in the related indenture) occurs, holders may require us to repurchase for cash all or part of their convertible notes. As of the date of filing of this Quarterly Report on Form 10-Q, we were in compliance with the covenants and restrictions related to our long-term debt.

#### ***DISH Network and DISH DBS Corporation***

The indentures related to our outstanding senior notes issued by DISH DBS Corporation ("DISH DBS") contain restrictive covenants that, among other things, impose limitations on the ability of DISH DBS and its restricted subsidiaries to: (i) incur additional indebtedness; (ii) enter into sale and leaseback transactions; (iii) pay dividends or make distributions on DISH DBS' capital stock or repurchase DISH DBS' capital stock; (iv) make certain investments; (v) create liens; (vi) enter into certain transactions with affiliates; (vii) merge or consolidate with another company; and (viii) transfer or sell assets. The indentures related to our outstanding DISH Network and DISH DBS senior secured notes contain restrictive covenants that, among other things, impose limitations on our ability and certain of our subsidiaries to: (i) incur additional indebtedness; (ii) enter into sale and leaseback transactions; (iii) pay dividends or make distributions on our capital stock or repurchase our capital stock; (iv) make certain investments of spectrum collateral; (v) create liens; (vi) enter into certain transactions with affiliates; (vii) merge or consolidate with another company; and (viii) transfer or sell assets. Should we fail to comply with these covenants, all or a portion of the debt under the senior notes, senior secured notes and our other long-term debt could become immediately payable. The senior notes and senior secured notes also provide that the debt may be required to be prepaid if certain change-in-control events occur. In addition, the Convertible Notes provide that, if a "fundamental change" (as defined in the related indenture) occurs, holders may require us to repurchase for cash all or part of their Convertible Notes. As of the date of filing of this Quarterly Report on Form 10-Q, we, DISH Network and DISH DBS were in compliance with the covenants and restrictions related to our respective long-term debt.

#### ***Hughes Satellite Systems Corporation***

The indentures related to our outstanding senior notes issued by Hughes Satellite Systems Corporation ("HSSC") contain restrictive covenants that, among other things, impose limitations on the ability of HSSC and its restricted subsidiaries to: (i) incur additional indebtedness; (ii) pay dividends or make distributions on HSSC's capital stock or repurchase HSSC's capital stock; (iii) allow to exist certain restrictions on such subsidiaries' ability to pay dividends, make distributions, make other payments, or transfer assets; (iv) make certain investments; (v) create liens; (vi) enter into certain transactions with affiliates; (vii) merge or consolidate with another company; and (viii) transfer or sell assets. As of the date of filing of this Quarterly Report on Form 10-Q, we and HSSC were in compliance with the covenants and restrictions related to our respective long-term debt.

**Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued**

**Other**

We are also vulnerable to fraud, particularly in the acquisition of new subscribers, which includes the sale of wireless devices. While we are addressing the impact of subscriber fraud through a number of actions, there can be no assurance that we will not continue to experience fraud or that any fraud we have experienced does not accelerate, which could impact our subscriber growth and churn. Economic weakness may create greater incentive for signal theft, piracy and subscriber fraud, which could lead to higher subscriber churn and reduced revenue.

**Obligations and Future Capital Requirements**

***Contractual Obligations***

See Note 10 in the Notes to our Condensed Consolidated Financial Statements for further information.

***Future Capital Requirements***

We expect to fund our future working capital, capital expenditures, other investments and debt service requirements for the next twelve months from cash generated from operations, existing restricted and unrestricted cash, cash equivalents and marketable investment securities balances and cash generated through raising additional capital. We do not currently have cash, cash equivalents, marketable investment securities balances and/or projected future cash flows to fully fund our 2026 debt maturities. We will need to obtain new financing and/or refinance or restructure all or a portion of such obligations prior to maturity. Furthermore, because reaching an acceptable resolution of the FCC inquiries is not assured, we must continue to evaluate the deployment of our resources. In light of this continued uncertainty, we elected not to make interest payments on a certain portion of our long-term senior notes on their respective scheduled due dates. We subsequently made such payments, including interest on the defaulted interest, within the applicable 30-day grace periods to make such interest payments.

We will need to make significant additional investments to, among other things, continue our 5G Network deployment and further commercialize, build-out and integrate our Wireless spectrum licenses and related assets. The amount of capital required to fund our future working capital, capital expenditure and other investment needs varies and we will need to raise additional capital, depending on, among other things, the rate at which we complete our 5G Network, the potential purchase of additional wireless spectrum licenses and the rate at which we acquire new subscribers and the cost of subscriber acquisition and retention. Certain of our capital expenditures for 2025 are expected to be driven by the rate of our 5G Network deployment as well as costs associated with subscriber premises equipment. These expenditures are necessary for our 5G Network deployment as well as to operate and maintain our DISH TV services. Consequently, we consider certain of them to be non-discretionary.

Our capital expenditures vary depending on, among other things, the number of satellites leased or under construction at any point in time and could increase materially as a result of increased competition, significant satellite failures or economic weakness and uncertainty. Our DISH TV and Broadband subscriber bases have been declining and there can be no assurance that both subscriber bases will not continue to decline and that the pace of such decline will not accelerate. In the event that our DISH TV and Broadband subscriber bases continues to decline, it will have a material adverse long-term effect on our cash flow.

**Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued**

We have and expect to continue to incur expenditures related to our 5G Network deployment, including, but not limited to, capital expenditures associated with our 5G Network deployment and the potential purchase of additional wireless spectrum licenses, including any potential Northstar Re-Auction Payment and SNR Re-Auction Payment for the AWS-3 licenses retained by the FCC. The amount of capital required will also depend on, among other things, our available liquidity, the growth of our Wireless segment and the levels of investment necessary to support potential strategic initiatives that may arise from time to time. These factors, including, but not limited to, a reduction in our available future cash flows as a result of our 5G Network deployment, will require us to raise additional capital in the future, which may not be available on favorable terms or at all.

Volatility in the financial markets has made it more difficult at times for issuers of high-yield indebtedness, such as us, to access capital markets at favorable terms or at all. These developments may have a significant effect on our cost of financing and our liquidity position.

***Wireless Segment – 5G Network***

See Note 10 in the Notes to our Condensed Consolidated Financial Statements for further information.

***Availability of Credit and Effect on Liquidity***

The ability to raise capital has generally existed for us despite economic weakness and uncertainty. However, in light of the continued uncertainty related to the FCC inquiries, we elected not to make interest payments on a certain portion of our long-term senior notes on their respective scheduled due dates. We subsequently made such payments, including interest on the defaulted interest, within the applicable 30-day grace periods to make such interest payments. Although cured, this could negatively impact our ability to raise capital on favorable terms or at all. While modest fluctuations in the cost of capital will not likely impact our current operational plans, significant fluctuations could have a material adverse effect on our business, results of operations and financial condition.

***Debt Issuances and Maturity***

***10 3/4% Senior Secured Notes due 2029***

On May 8, 2025, we issued \$150 million aggregate principal amount of our 10 3/4% Senior Secured Notes due November 30, 2029. Interest accrues at an annual rate of 10 3/4% and is payable semi-annually in cash, in arrears on May 30 and November 30 of each year, which commenced on May 30, 2025.

***Term Loan Due 2025***

During the three and six months ended June 30, 2025, we redeemed approximately \$166 million and \$333 million, respectively, of our Term Loan Due 2025. The remaining balance of approximately \$167 million is paid monthly and the final payment is due September 30, 2025. We expect to fund this obligation from our current restricted and unrestricted cash, cash equivalents and marketable investment securities balances on hand and/or projected future cash flows.

**Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued**

*5 1/4% Senior Secured Notes due 2026*

During the six months ended June 30, 2025, we repurchased approximately \$123 million of our 5 1/4% Senior Secured Notes due 2026 in open market trades. The remaining balance of approximately \$627 million matures on August 1, 2026. We do not currently have cash, cash equivalents, marketable investment securities balances and/or projected future cash flows to fully fund our 2026 debt maturities. We will need to refinance or restructure all or a portion of such obligations prior to maturity.

***New Accounting Pronouncements***

See Note 2 in the Notes to our Condensed Consolidated Financial Statements for further information.

### **Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

There have been no material changes in our market risk during the six months ended June 30, 2025. For additional information, see Item 7A. Quantitative and Qualitative Disclosures About Market Risk in Part II of our Annual Report on Form 10-K for the year ended December 31, 2024.

### **Item 4. CONTROLS AND PROCEDURES**

#### **Conclusion regarding disclosure controls and procedures**

Under the supervision and with the participation of our management, including our Chief Executive Officer and Principal Financial Officer, we evaluated the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934) as of the end of the period covered by this report. Based upon that evaluation, our Chief Executive Officer and Principal Financial Officer concluded that our disclosure controls and procedures were effective as of the end of the period covered by this report.

#### **Changes in internal control over financial reporting**

There has been no change in our internal control over financial reporting (as defined in Rule 13a-15(f) under the Securities Exchange Act of 1934) during our most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

## **PART II — OTHER INFORMATION**

### **Item 1. LEGAL PROCEEDINGS**

See Note 10 “*Commitments and Contingencies – Contingencies – Litigation*” in the Notes to our Condensed Consolidated Financial Statements for information regarding certain legal proceedings in which we are involved.

### **Item 1A. RISK FACTORS**

Item 1A, “Risk Factors,” of our Annual Report on Form 10-K for the year ended December 31, 2024 includes a detailed discussion of our risk factors. The information presented below updates, and should be read in conjunction with, the risk factors and information disclosed in our Annual Report on Form 10-K for the year ended December 31, 2024.

***In response to the uncertainty created by the FCC inquiries, we may take one or more significant actions in order to protect our interest in our Wireless Licenses and other assets, which actions could negatively impact your investment.***

In order to protect our interest in our Wireless Licenses and other assets we may take one or more actions that may negatively impact the value of your investment in our securities, including, under certain circumstances, filing for relief under Chapter 11 of the United States Bankruptcy Code, if we determine that such an action is in the best interests of the Company and our stakeholders. Such a decision could be driven by a range of strategic considerations, including, but not limited to, the uncertainty created by the FCC inquiries and effective deployment of capital.

Certain actions that we may take, including a potential voluntary Chapter 11 bankruptcy filing could have material adverse consequences, including, but not limited to: (i) disruption of our relationships with vendors, suppliers, employees and customers; (ii) limitations on our ability to access capital markets or otherwise obtain financing on favorable terms or at all; (iii) limitations on our ability to take advantage of business opportunities; (iv) reputational harm; (v) potential delisting of our securities from trading exchanges; and (vi) significant administrative costs and diversion of management attention. Furthermore, the outcome of any of the actions that we may take, including a filing for relief under Chapter 11, is inherently uncertain and may result in a loss of control by our principal stockholder or a material reduction in the value or change in the relative priority of existing equity or debt securities.

There can be no assurance that any protective actions we may take, including a restructuring or reorganization process, whether pursued in or outside of bankruptcy, would be successful or would not materially adversely affect our business, financial condition, results of operations, liquidity or the market value of our securities.

***The FCC's review of our compliance with network build-out requirements could lead to the loss or impairment of certain of our existing spectrum licenses.***

As previously disclosed, on May 9, 2025, the FCC informed us that it had begun a review of our compliance with certain of our federal obligations to provide 5G service in the United States and raising certain questions regarding our September 2024 build-out extension and mobile-satellite service utilization in the 2 GHz band. While we are currently working to address the concerns raised by the FCC in a way that is acceptable to us, there can be no assurance that such a resolution will be reached.

The FCC review has introduced the possibility of reversing prior FCC grants of authority to us. This uncertainty over our spectrum rights has effectively frozen our ability to make decisions regarding our 5G network build-out, has materially adversely impacted our ability to implement and adjust our overall business plan and has required us to re-evaluate the deployment of our resources. In light of the continued uncertainty related to the FCC inquiries, we elected not to make interest payments on a certain portion of our long-term senior notes on their respective scheduled due dates. We subsequently made such payments, including interest on the defaulted interest, within the applicable 30-day grace periods to make such interest payments.

If we fail to reach an acceptable resolution with the FCC, one or more of our wireless spectrum licenses could be cancelled or modified and/or our build-out requirements could be accelerated, any of which would have a material adverse effect on our business, results of operations and financial condition. During the pendency of the FCC review, our ability to make decisions with respect to our 5G network build-out and implement our business plans will continue to be materially adversely impacted, the attention of our management will continue to be diverted to this matter, and we will continue to evaluate the deployment of our resources and consider all strategic options.

***Changes in trade policies, including, but not limited to, tariffs and other restrictions, could increase, among other things, our costs, disrupt our supply chain and negatively affect our business, operations and financial condition.***

We depend on suppliers, including suppliers with manufacturing in China and other countries, for various materials in our 5G Network, satellite and related infrastructure, Pay-TV and Wireless businesses. Changes in U.S. or foreign trade policies, including, but not limited to, new or increased tariffs, export controls, trade restrictions or sanctions, have resulted, and may continue to result, in higher costs for the wireless devices and other equipment we procure.

Supply chain disruptions, customs delays, new compliance requirements and other challenges may cause delays in deploying network infrastructure and customer equipment, increase our operational expenses, and impact our ability to meet customer demand. Although we attempt to mitigate these risks through alternative sourcing and operational efficiencies, these efforts may not be successful or sufficient.

If we are unable to pass increased costs to customers without negatively impacting demand, or offset them through other measures, our business, financial condition and results of operations could be materially adversely affected.

***We currently do not have the necessary cash on hand, projected future cash flows or committed financing to fund our obligations over the next twelve months, which raises substantial doubt about our ability to continue as a going concern.***

As of the date of this report, we currently do not have the necessary cash on hand, projected future cash flows or committed financing to fund our anticipated working capital needs, capital expenditures, interest payments and other contractual obligations over the next twelve months. These conditions raise substantial doubt about our ability to continue as a going concern and, as a result, a 'going concern' disclosure appears in the Notes to our Condensed Consolidated Financial Statements in this Quarterly Report on Form 10-Q.

Among other things, our business and financial condition is negatively impacted by upcoming debt maturities and interest payments which may further constrain available liquidity. In addition, our cash flow from operations is negative and may continue and/or accelerate. If we are unable to improve our operating performance, raise additional capital, negotiate with debt holders or otherwise secure adequate sources of liquidity, we may be unable to achieve our business objectives and may be forced to delay, curtail or forego strategic initiatives.

The presence of a going concern uncertainty may also adversely impact the price of our securities, harm our current, future and potential relationships with suppliers, vendors, customers, employees and creditors, and may limit our ability to access additional financing on acceptable terms or at all. There can be no assurance that management's plans to mitigate these risks will be successful on a timely basis or at all. If we are unable to secure adequate liquidity on an acceptable timeline or at all, we may not be able to continue as a going concern, which could result in a total loss of your investment. In addition, as our cash and cash equivalents balance declines, the risks described above may continue, increase or accelerate at any time and with or without notice. We cannot guarantee the timing or outcome of any resolution and any resolution we may negotiate may materially adversely impact our business, financial condition and/or operations.

**Item 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS****Issuer Purchases of Equity Securities***Stock Repurchase Program*

The following table provides information regarding repurchases of our Class A common stock from April 1, 2025 through June 30, 2025:

<b>Period</b>	<b>Total Number of Shares Purchased</b>	<b>Average Price Paid per Share</b>	<b>Total Number of Shares Purchased as Part of Publicly Announced Programs</b>	<b>Maximum Approximate Dollar Value of Shares that May Yet be Purchased Under the Programs (1)</b>
		(In thousands, except share data)		
April 1, 2025 - April 30, 2025	—	\$ —	—	\$ 1,000,000
May 1, 2025 - May 31, 2025	—	\$ —	—	\$ 1,000,000
June 1, 2025 - June 30, 2025	—	\$ —	—	\$ 1,000,000
<b>Total</b>	<b>—</b>	<b>\$ —</b>	<b>—</b>	<b>\$ 1,000,000</b>

- (1) On October 25, 2024, our Board of Directors authorized stock repurchases of up to \$1.0 billion of our outstanding Class A common stock through and including December 31, 2025. Purchases under our repurchase program may be made through open market purchases, privately negotiated transactions, or Rule 10b5-1 trading plans, subject to market conditions and other factors. We may elect not to purchase the maximum amount of shares allowable under this program and we may also enter into additional share repurchase programs authorized by our Board of Directors.

**Item 5. OTHER INFORMATION****10b5-1 Trading Arrangements**

None of the Company's directors or Section 16 officers adopted, modified or terminated a Rule 10b5-1 trading arrangement or a non-Rule 10b5-1 trading arrangement during the Company's fiscal quarter ended June 30, 2025, as such terms are defined under Item 408(a) of Regulation S-K.

**Item 6. EXHIBITS**

*Exhibits.*

- 22  [List of Subsidiary Guarantors](#)
- 31.1  [Section 302 Certification of Chief Executive Officer.](#)
- 31.2  [Section 302 Certification of Chief Financial Officer.](#)
- 32.1  [Section 906 Certification of Chief Executive Officer.](#)
- 32.2  [Section 906 Certification of Chief Financial Officer.](#)
- 99.1\* [Letter to EchoStar regarding review of compliance with its federal obligations to provide 5G service throughout the United States, dated May 9, 2025 \(incorporated by reference from Exhibit 99.1 to EchoStar Corporation's Current Report on Form 8-K filed May 13, 2025\).](#)
- 101  The following materials from the Quarterly Report on Form 10-Q of EchoStar Corporation for the quarter ended June 30, 2025 filed on August 1, 2025 formatted in Inline eXtensible Business Reporting Language ("iXBRL"): (i) Condensed Consolidated Balance Sheets, (ii) Condensed Consolidated Statements of Operations and Comprehensive Income (Loss), (iii) Condensed Consolidated Statements of Changes in Stockholders' Equity (Deficit), (iv) Condensed Consolidated Statements of Cash Flows and (v) related notes to these financial statements.
- 104  Cover Page Interactive Data File (the cover page XBRL tags are embedded in the Inline XBRL document).

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Filed herewith.

\* Incorporated by reference.

**SIGNATURES**

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

EHOSTAR CORPORATION

By: /s/ Hamid Akhavan  
Hamid Akhavan  
President and Chief Executive Officer and  
Director (*Principal Executive Officer*)

By: /s/ Paul W. Orban  
Paul W. Orban  
Executive Vice President and Chief Financial  
Officer, DISH (*Principal Financial Officer and  
Principal Accounting Officer*)

Date: August 1, 2025

**List of Subsidiary Guarantors**

The following subsidiaries of EchoStar Corporation are the guarantors of the 10.75% Senior Spectrum Secured Notes due 2029, 6.75% Senior Spectrum Secured Exchange Notes due 2030 and the 3.875% Convertible Senior Secured Notes due 2030. The notes are unconditionally guaranteed on a senior secured basis.

<b>Entity</b>	<b>Jurisdiction of Incorporation or Organization</b>
NorthStar Wireless, LLC	Delaware
SNR Wireless HoldCo, LLC	Delaware
DBSD Corporation	Colorado
Gamma Acquisition L.L.C.	Colorado
Northstar Spectrum LLC	Delaware
SNR Wireless LicenseCo, LLC	Delaware
DBSD Services Limited	United Kingdom
Gamma Acquisition HoldCo, L.L.C.	Colorado

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**CERTIFICATION OF CHIEF EXECUTIVE OFFICER**  
Section 302 Certification

I, Hamid Akhavan, certify that:

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

Date: August 1, 2025

/s/ Hamid Akhavan

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President and Chief Executive Officer

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**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER**  
Section 302 Certification

I, Paul W. Orban, certify that:

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

Date: August 1, 2025

/s/ Paul W. Orban  
Principal Financial Officer

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**CERTIFICATION OF CHIEF EXECUTIVE OFFICER**  
Section 906 Certification

Pursuant to 18 U.S.C. § 1350, the undersigned officer of EchoStar Corporation (the "Company") hereby certifies that to the best of his knowledge the Company's Quarterly Report on Form 10-Q for the three months ended June 30, 2025 (the "Report") fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934 and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: August 1, 2025

Name: /s/ Hamid Akhavan

Title: President and Chief Executive Officer

The foregoing certification is being furnished solely pursuant to 18 U.S.C. § 1350 and is not being filed as part of the Report or as a separate disclosure document.

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

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**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER**  
Section 906 Certification

Pursuant to 18 U.S.C. § 1350, the undersigned officer of EchoStar Corporation (the "Company") hereby certifies that to the best of his knowledge the Company's Quarterly Report on Form 10-Q for the three months ended June 30, 2025 (the "Report") fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934 and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: August 1, 2025

Name: /s/ Paul W. Orban

Title: Principal Financial Officer

The foregoing certification is being furnished solely pursuant to 18 U.S.C. § 1350 and is not being filed as part of the Report or as a separate disclosure document.

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

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