3rd Quarter 2024 Earnings Call

October 29, 2024

Quad®

Call Participants & Forward-Looking Statements

Joel Quadracci

Chairman, President & Chief Executive Officer

Tony Staniak

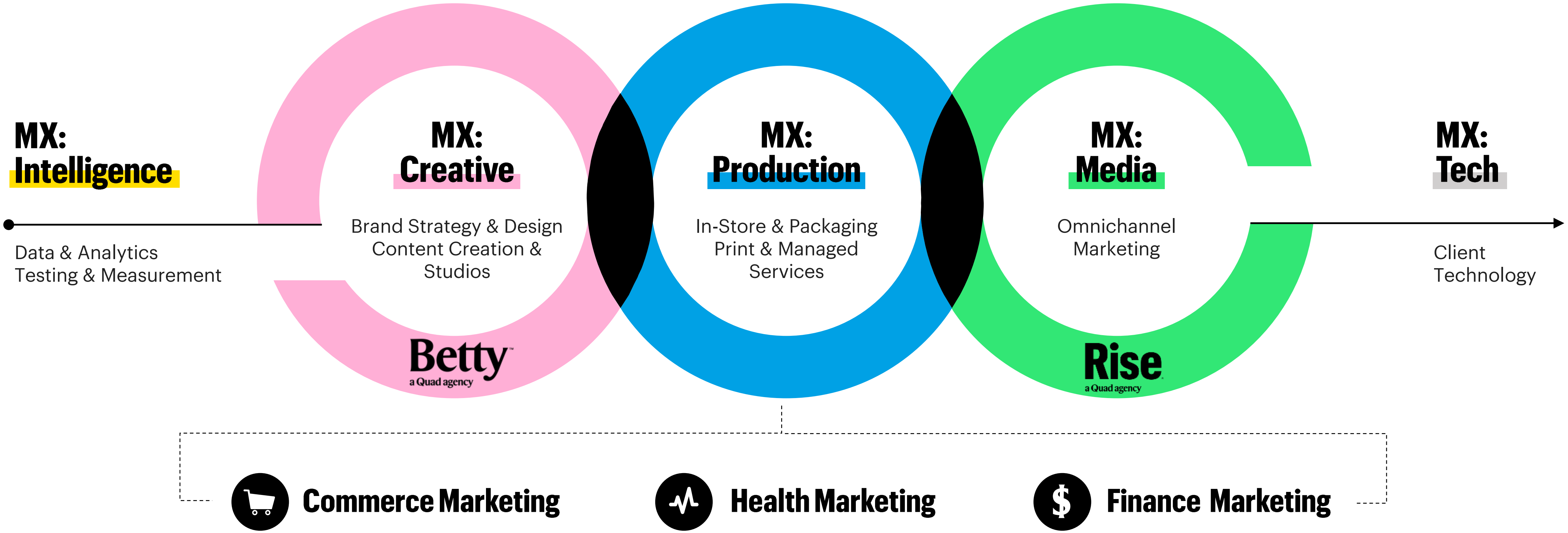
Chief Financial Officer

This communication contains certain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include statements regarding, among other things, our current expectations about the Company's future results, financial condition, sales, earnings, free cash flow, margins, objectives, goals, strategies, beliefs, intentions, plans, estimates, prospects, projections and outlook of the Company and can generally be identified by the use of words or phrases such as "may," "will," "expect," "intend," "estimate," "anticipate," "plan," "foresee," "project," "believe," "continue" or the negatives of these terms, variations on them and other similar expressions. These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results to be materially different from those expressed in or implied by such forward-looking statements. Forward-looking statements are based largely on the Company's expectations and judgments and are subject to a number of risks and uncertainties, many of which are unforeseeable and beyond our control.

The factors that could cause actual results to materially differ include, among others: the impact of decreasing demand for printing services and significant overcapacity in a highly competitive environment creates downward pricing pressures and potential under-utilization of assets; the impact of increased business complexity as a result of the Company's transformation to a marketing experience company, including adapting marketing offerings and business processes as required by new markets and technologies, such as artificial intelligence; the impact of changes in postal rates, service levels or regulations, including delivery delays; the impact of fluctuations in costs (including labor and labor-related costs, energy costs, freight rates and raw materials, including paper and the materials to manufacture ink) and the impact of fluctuations in the availability of raw materials, including paper, parts for equipment and the materials to manufacture ink; the impact macroeconomic conditions, including inflation, high interest rates and recessionary concerns, as well as cost and labor pressures, distribution challenges and the price and availability of paper, have had, and may continue to have, on the Company's business, financial condition, cash flows and results of operations (including future uncertain impacts); the inability of the Company to reduce costs and improve operating efficiency rapidly enough to meet market conditions; the impact of a data-breach of sensitive information, ransomware attack or other cyber incident on the Company; the fragility and decline in overall distribution channels; the failure to attract and retain qualified talent across the enterprise; the impact of digital media and similar technological changes, including digital substitution by consumers; the failure of clients to perform under contracts or to renew contracts with clients on favorable terms or at all; the impact of risks associated with the operations outside of the United States ("U.S."), including trade restrictions, currency fluctuations, the global economy, costs incurred or reputational damage suffered due to improper conduct of its employees, contractors or agents, and geopolitical events like war and terrorism; the failure to successfully identify, manage, complete and integrate acquisitions, investment opportunities or other significant transactions, as well as the successful identification and execution of strategic divestitures; the impact negative publicity could have on our business and brand reputation; significant capital expenditures and investments may be needed to sustain and grow the Company's platforms, processes, systems, client and product technology, marketing and talent, and to remain technologically and economically competitive; the impact of the various restrictive covenants in the Company's debt facilities on the Company's ability to operate its business, as well as the uncertain negative impacts macroeconomic conditions may have on the Company's ability to continue to be in compliance with these restrictive covenants; the impact of an other than temporary decline in operating results and enterprise value that could lead to non-cash impairment charges due to the impairment of property, plant and equipment and other intangible assets; the impact of regulatory matters and legislative developments or changes in laws, including changes in cybersecurity, privacy and environmental laws; the impact on the holders of Quad's class A common stock of a limited active market for such shares and the inability to independently elect directors or control decisions due to the voting power of the class B common stock; and the other risk factors identified in the Company's most recent Annual Report on Form 10-K, which may be amended or supplemented by subsequent Quarterly Reports on Form 10-Q or other reports filed with the Securities and Exchange Commission. Except to the extent required by the federal securities laws, the Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

MX Solutions Suite

From offline to online, across Creative, Production and Media, fueled by Intelligence and Tech, Quad's MX Suite of products and services is flexibly tailored for the unique needs of the marketer



In-Store Connect
by Quad

We continue to **expand** our presence in **omnichannel retail media networks** and have signed a **third, regional grocer** to In-Store Connect in addition to:

The SAVE MART COMPANIES

The Save Mart Companies activated our solution in 15 stores, with all participating brands registering a positive sales lift

HOMELAND

Homeland Stores is on track to deploy In-Store Connect in several locations within the next few weeks

Quad's Proprietary Household-Based Data Stack

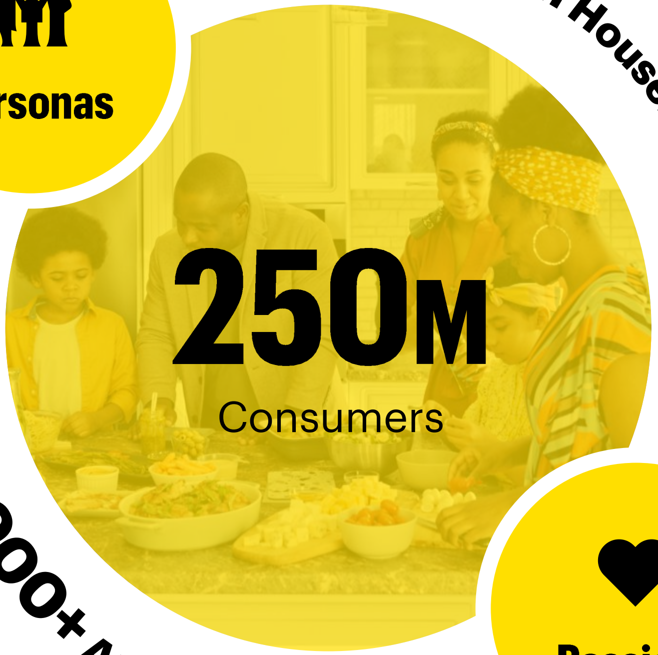
97%
Reach of Adult US Population

92%
Reach of US Households

>3B
Continuously Re-validated Household Data Points

Personas

121M Households



250M
Consumers

20,000+ Attributes

Passions

+

Google Partnership

Generative AI Content and Personalization

Quad's new AI-driven solutions will enable brands to create highly personalized content at scale across multiple marketing channels

MX Wins: Nicklaus Children's Hospital

MX: Media

Paid Media
SEO Strategy

MX: Creative

Content Creation

Opportunity

- Update client's marketing strategy to maintain reach while adhering to new heightened privacy regulations for healthcare marketers

Quad Solutions

- Completed creative refresh for various advertising formats and increased usage of video content
- Refined paid media strategy to enhance ad relevancy and grow web traffic
- Updated SEO strategy to improve client's metadata and identified and addressed content gaps

93%
Higher click-through rate YOY

375%
Increased paid social engagement YOY

68%
Growth in website traffic

MX Wins: Consolidated Communications

MX: Intelligence
Unique Data
Audience Analytics

MX: Media
Addressable Media

MX: Creative
Content Creation

MX: Production
Print and Postal Logistics

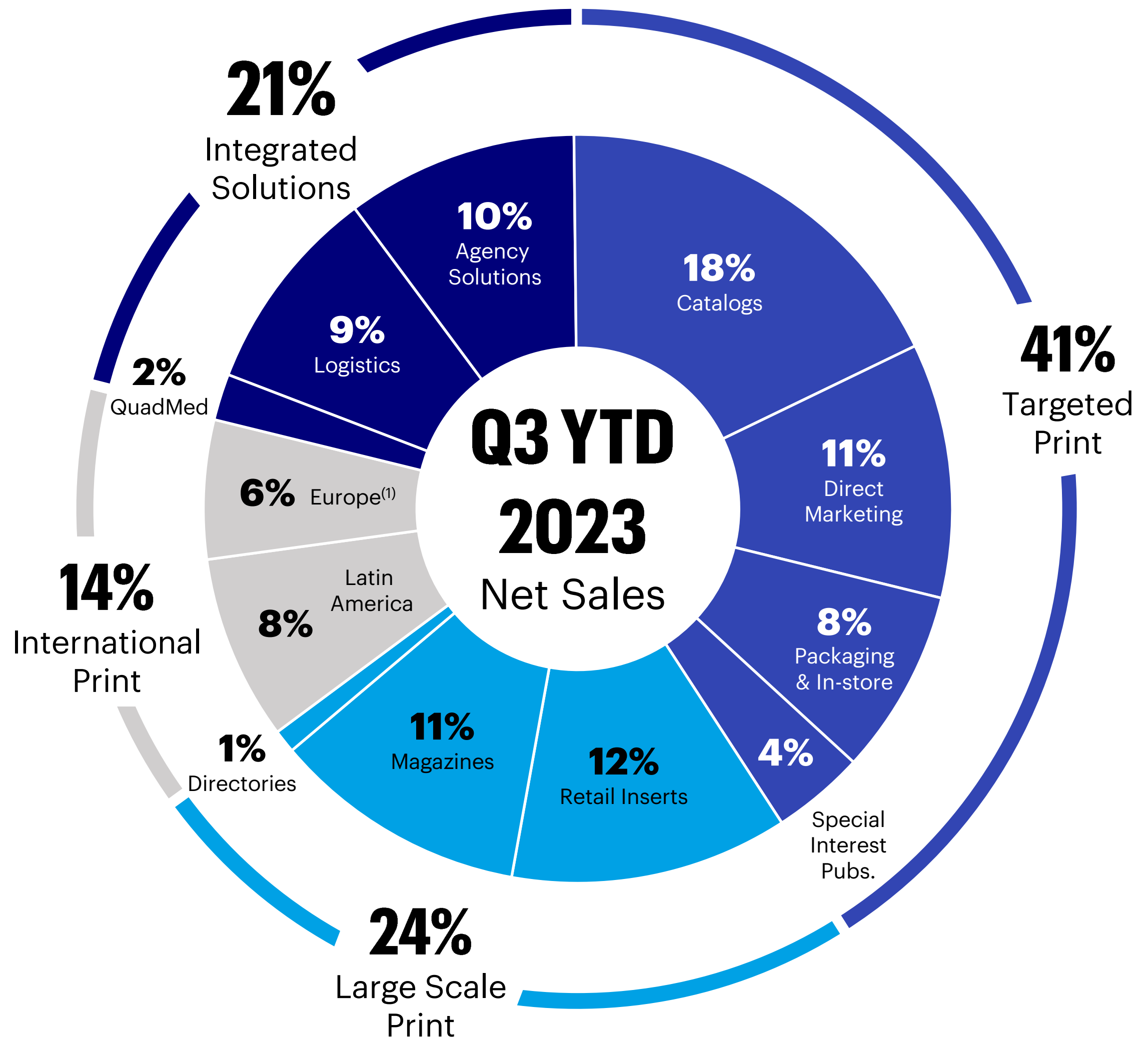
Opportunity

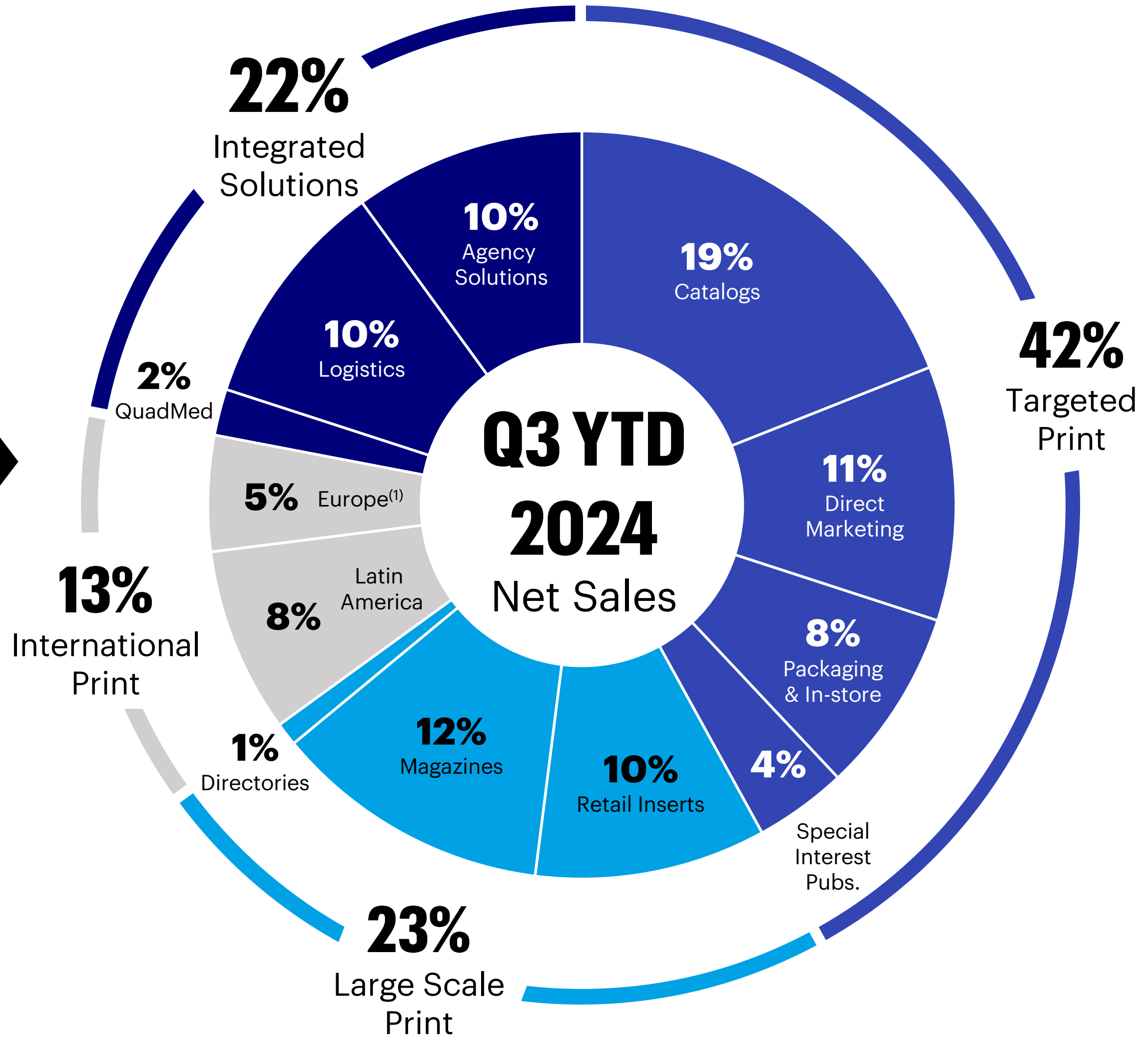
- Leverage Quad as a strategic partner to craft and execute a scalable and personalized customer acquisition plan

Quad Solutions

- Applied household data and advanced analytics to identify and reach high-potential audience targets
- Designed and optimized creative content for digital and physical touchpoints
- Turned anonymous web traffic into qualified leads through direct mail retargeting
- Generated offline to online engagement with print mailers featuring Flowcodes and targeted digital ads

Net Sales Breakdown





(1) Quad entered into a definitive agreement to sell the majority of its European operations for an enterprise value of approximately $45 million to Germany-based entrepreneurial private capital investment manager Capmont GmbH. The transaction is expected to close by year-end 2024 pending customary regulatory clearances and other closing conditions.

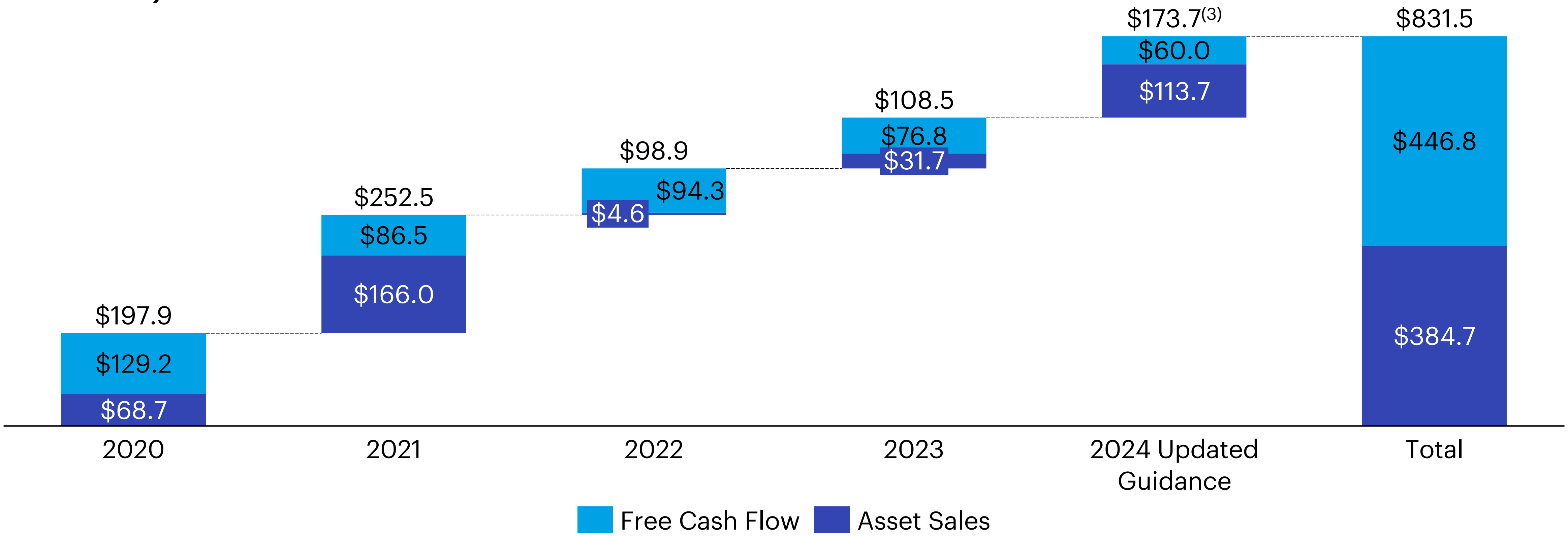
Financial Overview

	Third Quarter		Year-to-Date	
US $ Millions (Except Per Share Data)	**September 30, 2024**	**September 30, 2023**	**September 30, 2024**	**September 30, 2023**
STATEMENT OF OPERATIONS				
Net Sales	**$ 674.8**	**$ 700.2**	**$ 1,963.8**	**$ 2,169.8**
Cost of Sales	527.6	560.8	1,542.8	1,748.1
Selling, General and Administrative Expenses	88.4	82.5	260.2	255.0
Adjusted EBITDA(1)	**$ 59.0**	**$ 57.4**	**$ 161.4**	**$ 168.0**
Adjusted EBITDA Margin(1)	**8.7%**	**8.2%**	**8.2%**	**7.7%**
Adjusted Diluted Earnings Per Share(1)	**$ 0.26**	**$ 0.11**	**$ 0.49**	**$ 0.28**
STATEMENT OF CASH FLOWS				
Net Cash Provided By (Used In) Operating Activities			$ (45.9)	$ 41.1
Capital Expenditures			(45.7)	(59.5)
Free Cash Flow(1)			**(91.6)**	**(18.4)**
Share Repurchases	**$ —**	**$ 5.2**	**$ —**	**$ 10.2**

(1) See slide 17 for definitions of our non-GAAP measures, slides 18 and 19 for reconciliations of Adjusted EBITDA and Adjusted EBITDA Margin, slide 20 for a reconciliation of Free Cash Flow, and slides 23 and 24 for reconciliations of Adjusted Diluted Earnings Per Share as non-GAAP measures

Strong Cash Generation

($ millions)

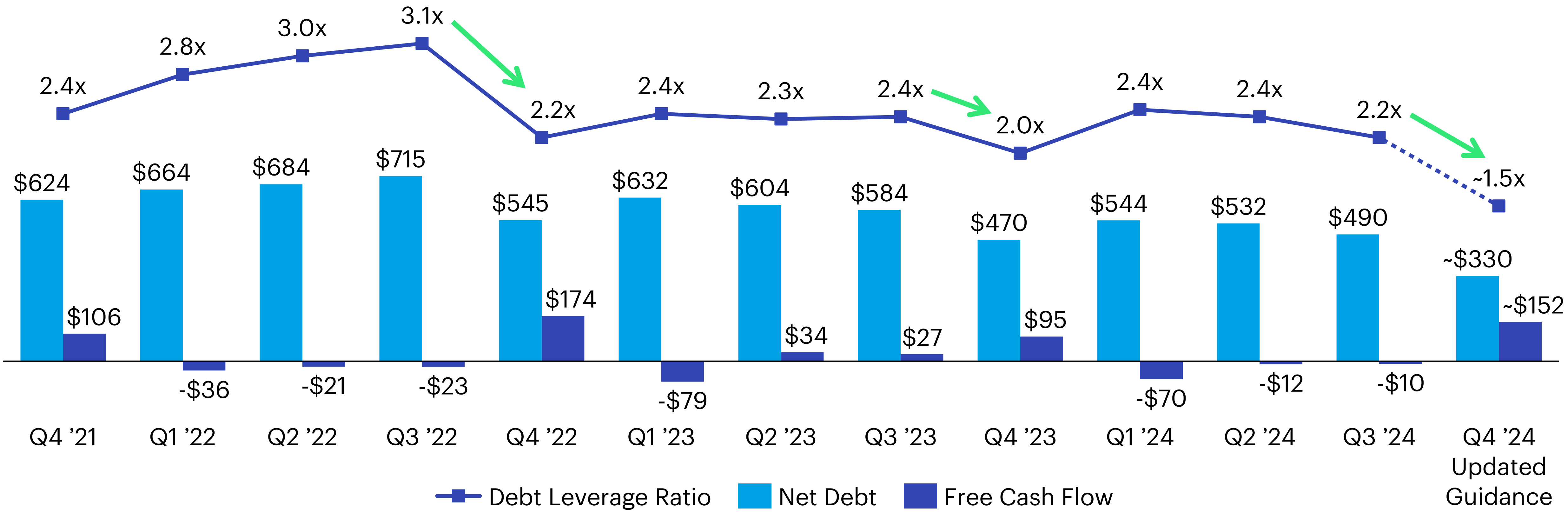


We expect to generate over $830 million from 2020 to 2024 through our Free Cash Flow[1] and proceeds from asset sales[2] including the sale of our former Saratoga Springs, New York, 1 million square foot manufacturing facility for net cash proceeds of $41 million and the agreement to sell the majority of our European operations for an enterprise value of approximately $45 million by year end pending customary regulatory clearances and other closing conditions

(1) See slide 17 for definitions of our non-GAAP measures and slide 20 for a reconciliation of Free Cash Flow as a non-GAAP measure
(2) Includes proceeds from the sale of property, plant and equipment and proceeds from the sale of non-core businesses or investments
(3) Proceeds from asset sales in 2024 will be added to total 2024 Cash Generation as they occur

Free Cash Flow and Net Debt Seasonality

($ millions)



Due to the seasonality of our business, the majority of our Free Cash Flow Generation and Debt Reduction[(1)] occurs in the fourth quarter

(1) See slide 17 for definitions of our non-GAAP measures, slide 20 for a reconciliation of Free Cash Flow and slide 21 for a reconciliation of Net Debt and Debt Leverage Ratio as non-GAAP measures

Debt Capital Structure

$490 million

Net Debt[1]
as of September 30, 2024

7.8%

Blended Interest Rate
as of September 30, 2024

$196 million

Total Liquidity Including Cash on Hand
as of September 30, 2024

2.16x

Debt Leverage Ratio[1]
as of September 30, 2024

57%
Floating

43%
Fixed

October 2029

Next Significant Debt Maturity
of $193 Million

We are pleased to have extended our $690 million bank debt agreement to October 2029 due to the continued long-term partnership and support of our premier bank group

(1) See slide 17 for definitions of our non-GAAP measures and slide 21 for a reconciliation of Net Debt and Debt Leverage Ratio as non-GAAP measures

Updated 2024 Guidance

Financial Metric	Original 2024 Guidance	Updated 2024 Guidance
Annual Net Sales Change	5% to 9% decline	Approximately 9% decline
Full-Year Adjusted EBITDA(1)	$205 to $245 million	$215 to $235 million
Free Cash Flow(1)	$50 to $70 million	$50 to $70 million
Capital Expenditures	$60 to $70 million	Approximately $65 million
Year-End Debt Leverage Ratio(1)(2)	Approximately 1.8x	Approximately 1.5x

Annual Net Sales are trending toward the higher end of decline in our original guidance range; however, we are maintaining the midpoints of our guidance ranges for Adjusted EBITDA and Free Cash Flow due to cost reductions and are reducing expected Net Debt Leverage to 1.5x from strong cash generation pending the sale of the majority of our European operations

(1) See slide 17 for definitions of our non-GAAP measures
(2) Debt Leverage Ratio is calculated at the midpoint of the Adjusted EBITDA guidance

Key Investment Highlights

1	**One-of-a-Kind Integrated Marketing Platform**	• Featuring through-the-line marketing solutions deployed across offline and online channels • Accessing additional revenue opportunity in advertising and marketing services industry
2	**Trusted by Leading Global Brands**	• Serving 2,700 clients across growing verticals such as retail, publishing, consumer packaged goods, finance and insurance, health and direct-to-consumer
3	**Transformation Momentum**	• Winning new clients and diversifying revenue and client mix through strategic investments in innovative data and media solutions, agency talent, business development and marketing
4	**Strong Cash Generation Supporting Growth**	• Proven ability to execute and scale costs driving Free Cash Flow generation • Divesting non-core assets and generating cash to fuel growth strategy
5	**Industry Leading Financial Foundation**	• Targeting approximately 1.5x Debt Leverage by the end of 2024, a reduction of over $700M or 68% since 1/1/20 • Supports investments in growth businesses and shareholder returns including dividends and share buybacks

Thank You

Supplemental Information

Non-GAAP Financial Measures

- In addition to financial measures prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"), this presentation also contains non-GAAP financial measures, specifically EBITDA, EBITDA Margin, Adjusted EBITDA, Adjusted EBITDA Margin, Free Cash Flow, Net Debt, Debt Leverage Ratio, and Adjusted Diluted Earnings Per Share. The Company believes that these non-GAAP measures, when presented in conjunction with comparable GAAP measures, provide additional information for evaluating Quad's performance and are important measures by which Quad's management assesses the profitability and liquidity of its business. These non-GAAP measures should be considered in addition to, not as a substitute for or superior to, net earnings (loss) as a measure of operating performance or to cash flows provided by (used in) operating activities as a measure of liquidity. These non-GAAP measures may be different than non-GAAP financial measures used by other companies. Reconciliations to the GAAP equivalent of these non-GAAP measures are contained on slides 18 - 24.
- Adjusted EBITDA is defined as net earnings (loss) excluding interest expense, income tax expense (benefit), depreciation and amortization ("EBITDA") and restructuring, impairment and transaction-related charges, net.
- EBITDA Margin and Adjusted EBITDA Margin are defined as EBITDA or Adjusted EBITDA divided by net sales.
- Free Cash Flow is defined as net cash provided by (used in) operating activities less purchases of property, plant and equipment.
- Debt Leverage Ratio is defined as total debt and finance lease obligations less cash and cash equivalents ("Net Debt") divided by the last twelve months of Adjusted EBITDA.
- Adjusted Diluted Earnings Per Share is defined as earnings (loss) before income taxes excluding restructuring, impairment and transaction-related charges, net, and adjusted for income tax expense at a normalized tax rate, divided by diluted weighted average number of common shares outstanding.

Adjusted EBITDA
Third Quarter

	Three Months Ended September 30,	
US $ Millions	**2024**	**2023**
Net loss	$ (24.7)	$ (2.7)
Interest expense	17.0	17.7
Income tax expense (benefit)	3.0	(0.8)
Depreciation and amortization	24.4	32.0
EBITDA (non-GAAP)	**$ 19.7**	**$ 46.2**
EBITDA Margin (non-GAAP)	2.9%	6.6%
Restructuring, impairment and transaction-related charges, net	39.3	11.2
Adjusted EBITDA (non-GAAP)	**$ 59.0**	**$ 57.4**
Adjusted EBITDA Margin (non-GAAP)	**8.7%**	**8.2%**

Adjusted EBITDA

Year-to-Date

	Nine Months Ended September 30,	
US $ Millions	**2024**	**2023**
Net loss	$ (55.6)	$ (33.4)
Interest expense	49.4	51.0
Income tax expense	6.3	5.9
Depreciation and amortization	79.4	97.7
EBITDA (non-GAAP)	**$ 79.5**	**$ 121.2**
EBITDA Margin (non-GAAP)	4.0%	5.6%
Restructuring, impairment and transaction-related charges, net	81.9	46.8
Adjusted EBITDA (non-GAAP)	**$ 161.4**	**$ 168.0**
Adjusted EBITDA Margin (non-GAAP)	**8.2%**	**7.7%**

Free Cash Flow

	Nine Months Ended September 30,	
US $ Millions	**2024**	**2023**
Net cash provided by (used in) operating activities	$ (45.9)	$ 41.1
Less: purchases of property, plant and equipment	45.7	59.5
Free Cash Flow (non-GAAP)	**$ (91.6)**	**$ (18.4)**

Net Debt and Debt Leverage Ratio

US $ Millions	September 30, 2024	December 31, 2023
Total debt and finance lease obligations on the balance sheets	$ 502.8	$ 522.7
Less: Cash and cash equivalents	12.5	52.9
Net Debt (non-GAAP)	$ 490.3	$ 469.8
Divided by: trailing twelve months Adjusted EBITDA (non-GAAP) (1)	$ 227.1	$ 233.7
Debt Leverage Ratio (non-GAAP)	**2.16x**	**2.01x**

(1) The calculation of Adjusted EBITDA for the trailing twelve months ended September 30, 2024, and December 31, 2023, was as follows:

		Add	Subtract	
	Year Ended	Nine Months Ended		Trailing Twelve Months Ended
	December 31, 2023	September 30, 2024	September 30, 2023	September 30, 2024
Net loss	$ (55.4)	$ (55.6)	$ (33.4)	$ (77.6)
Interest expense	70.0	49.4	51.0	68.4
Income tax expense	12.8	6.3	5.9	13.2
Depreciation and amortization	128.8	79.4	97.7	110.5
EBITDA (non-GAAP)	$ 156.2	$ 79.5	$ 121.2	$ 114.5
Restructuring, impairment and transaction-related charges, net	77.5	81.9	46.8	112.6
Adjusted EBITDA (non-GAAP)	$ 233.7	$ 161.4	$ 168.0	$ 227.1

Balance Sheet

US $ Millions	September 30, 2024	December 31, 2023
ASSETS		
Cash and cash equivalents	$ 12.5	$ 52.9
Receivables, less allowances for credit losses	305.6	316.2
Inventories	201.7	178.8
Prepaid expenses and other current assets	72.1	39.8
Property, plant and equipment—net	512.7	620.6
Operating lease right-of-use assets—net	82.7	96.6
Goodwill	100.3	103.0
Other intangible assets—net	10.6	21.8
Other long-term assets	90.6	80.0
Total assets	**$ 1,388.8**	**$ 1,509.7**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Accounts payable	$ 336.6	$ 373.6
Other current liabilities	259.9	237.6
Current portion of debt and finance lease obligations	78.0	154.2
Current portion of operating lease obligations	23.6	25.4
Long-term debt and finance lease obligations	424.8	368.5
Operating lease obligations	66.1	77.2
Deferred income taxes	4.0	5.1
Other long-term liabilities	144.9	148.6
Total liabilities	**1,337.9**	**1,390.2**
Total shareholders' equity	**50.9**	**119.5**
Total liabilities and shareholders' equity	**$ 1,388.8**	**$ 1,509.7**

Adjusted Diluted Earnings Per Share

Third Quarter

US $ Millions (Except Per Share Data)	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023
Loss before income taxes	$ (21.7)	$ (3.5)
Restructuring, impairment and transaction-related charges, net	39.3	11.2
Adjusted net earnings, before income taxes (non-GAAP)	17.6	7.7
Income tax expense at 25% normalized tax rate	4.4	1.9
Adjusted net earnings (non-GAAP)	$ 13.2	$ 5.8
Basic weighted average number of common shares outstanding	47.8	48.0
Plus: effect of dilutive equity incentive instruments (non-GAAP)	2.7	2.7
Diluted weighted average number of common shares outstanding (non-GAAP)	50.5	50.7
Adjusted Diluted Earnings Per Share (non-GAAP)	**$ 0.26**	**$ 0.11**
Diluted loss per share (GAAP)	$ (0.52)	$ (0.06)

Adjusted Diluted Earnings Per Share

Year-to-Date

	Nine Months Ended September 30,	
US $ Millions (Except Per Share Data)	**2024**	**2023**
Loss before income taxes	$ (49.3)	$ (27.5)
Restructuring, impairment and transaction-related charges, net	81.9	46.8
Adjusted net earnings, before income taxes (non-GAAP)	32.6	19.3
Income tax expense at 25% normalized tax rate	8.2	4.8
Adjusted net earnings (non-GAAP)	$ 24.4	$ 14.5
Basic weighted average number of common shares outstanding	47.6	48.8
Plus: effect of dilutive equity incentive instruments (non-GAAP)	2.5	2.1
Diluted weighted average number of common shares outstanding (non-GAAP)	50.1	50.9
Adjusted Diluted Earnings Per Share (non-GAAP)	**$ 0.49**	**$ 0.28**
Diluted loss per share (GAAP)	$ (1.17)	$ (0.68)