

GANNETT

Q1 2024 Earnings

May 2, 2024

Disclaimer and Notes

In General. This disclaimer applies to this document and the verbal or written comments of any person presenting it. This document, taken together with any such verbal or written comments, is referred to herein as the "Presentation." Gannett Co., Inc. is referred to in this Presentation as "Gannett," "we," "us," "our" or the "Company".

Cautionary Statement Regarding Forward-Looking Statements. Certain items in this Presentation may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including, but not limited to, statements regarding our business outlook, digital revenue performance and growth, growth in our Digital Marketing Solutions segment, growth of and demand for digital-only subscriptions and audience, digital marketing and advertising services, digital revenues, monetization of our audience, stabilization of our print business, print advertising trends and revenues, the pace and magnitude of revenue trends, our expectations regarding our free cash flows, revenues, our inflection point, net income (loss) attributable to Gannett, same store revenues, cash flows, and our net leverage, expectations regarding our growth, including growth in revenues and Adjusted EBITDA, our ability to create long-term stockholder value, our expectations, in terms of both amount and timing, with respect to debt repayment, real estate and non-strategic asset sales, the impact from changes at our McLean, Virginia property, economic impacts, our cost structure, our expected capital expenditures, our strategy, our partnerships, our ability to achieve our operating priorities, growth of our average revenue per customer, our long-term opportunities, and future revenue and expense trends and our ability to optimize our capital structure and influence trends. Words such as "expect(s)", "estimate(s)", "believes(s)", "anticipate(s)", "will", "should", "plan", "projections", "projected", "potential", "outlook", "goal(s)", "future", "look ahead", "see opportunity", "focus", and similar expressions are intended to identify such forward-looking statements. These statements are based on management's current expectations and beliefs and are subject to a number of risks and uncertainties. These and other risks and uncertainties could cause actual results to differ materially from those described in the forward-looking statements, many of which are beyond our control. The Company can give no assurance its expectations will be attained. Accordingly, you should not place undue reliance on any forward-looking statements contained in this Presentation. For a discussion of some of the risks and important factors that could cause actual results to differ from such forward-looking statements, see the risks and other factors detailed from time to time in the Company's most recent Annual Report on Form 10-K, our quarterly reports on Form 10-Q, and our other filings with the Securities and Exchange Commission. Furthermore, new risks and uncertainties emerge from time to time, and it is not possible for the Company to predict or assess the impact of every factor that may cause its actual results to differ from those contained in any forward-looking statements. Such forward-looking statements speak only as of the date of this Presentation. Except to the extent required by law, the Company expressly disclaims any obligation to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company's expectations with regard thereto or change in events, conditions or circumstances on which any statement is based.

Past Performance. In all cases where historical performance is presented, please note that past performance is not a reliable indicator of future results and should not be relied upon as the basis for making an investment decision. This Presentation is not an offer to sell, nor a solicitation of an offer to buy any securities.

Key Performance Indicators. This Presentation includes key performance indicators, such as Digital-only average revenue per user ("ARPU"), Core platform ARPU, core platform revenues, core platform average customer count, and digital-only paid subscriptions. See the "Appendix" in this Presentation for information regarding these key performance metrics.

Non-GAAP Measures. This Presentation includes non-GAAP financial and performance measures, such as Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net income (loss) attributable to Gannett, Free cash flow, Same store revenues, and Free cash flow CAGR. See the "Appendix" in this Presentation for information regarding these non-GAAP measures, including reconciliations to the most directly comparable U.S. GAAP measure, except for forward looking non-GAAP measures where such reconciliation is not available without reasonable effort.

Gannett is a **diversified media company** with **expansive reach** at the national and local level dedicated to empowering and enriching communities.

We seek to inspire, inform, and connect audiences as a **sustainable, growth-focused** media and digital marketing solutions company.

Our strategy prioritizes maximizing **recurring digital revenue growth**, which is expected to lead to **sustainable total revenue growth**.

Key Operating Pillars

Strong focus on maximizing long-term shareholder value

**Stable
foundation
for
ongoing
growth**

1

**Expanded reach with our
customer segments**

2

Diversified digital revenue

3

Optimized capital structure

The Turning Point

We Believe Improvement in Key Financial Metrics Demonstrates Positive Momentum

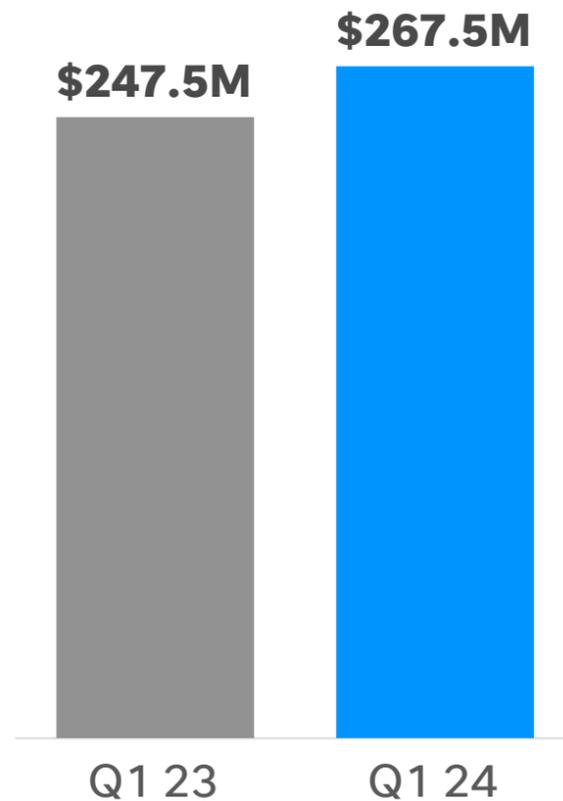
Total Revenues

Improved Trends⁽²⁾



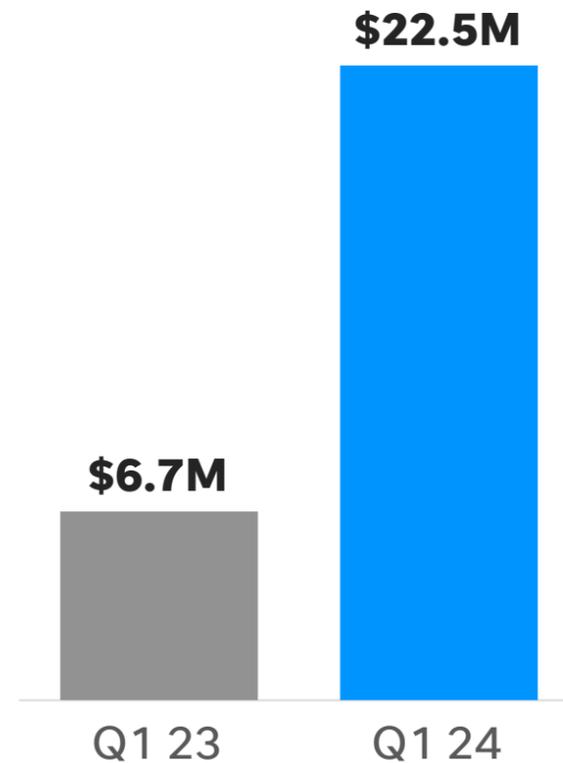
Total Digital Revenues

Grew 8.1%



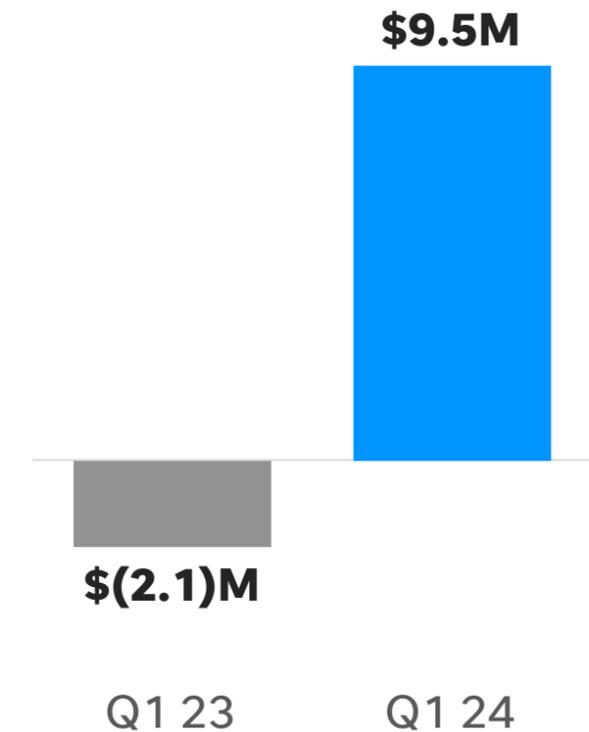
Cash Provided by Operating Activities

Grew \$15.7M



Free Cash Flow⁽¹⁾

Grew \$11.5M



1 Free Cash Flow is a non-GAAP measure. A reconciliation of non-GAAP measures is located in the Appendix of the Presentation.

2 Year-over-year total revenue trends meaningfully improved from down 8.4% in Q4 2023 to down 5.0% in Q1 2024

Diversified Digital Revenue

Revenue Expected to Continue to be Increasingly Digital

	Q1 2024	Q1 2024 % of Total	% Variance to Prior Year
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Digital Advertising

\$84.5M

13%

+5% YoY

Digital Marketing Services

\$116.4M

18%

+3% YoY

Digital-only Subscription

\$43.5M

7%

+21% YoY

Digital Other

\$23.1M

4%

+23% YoY

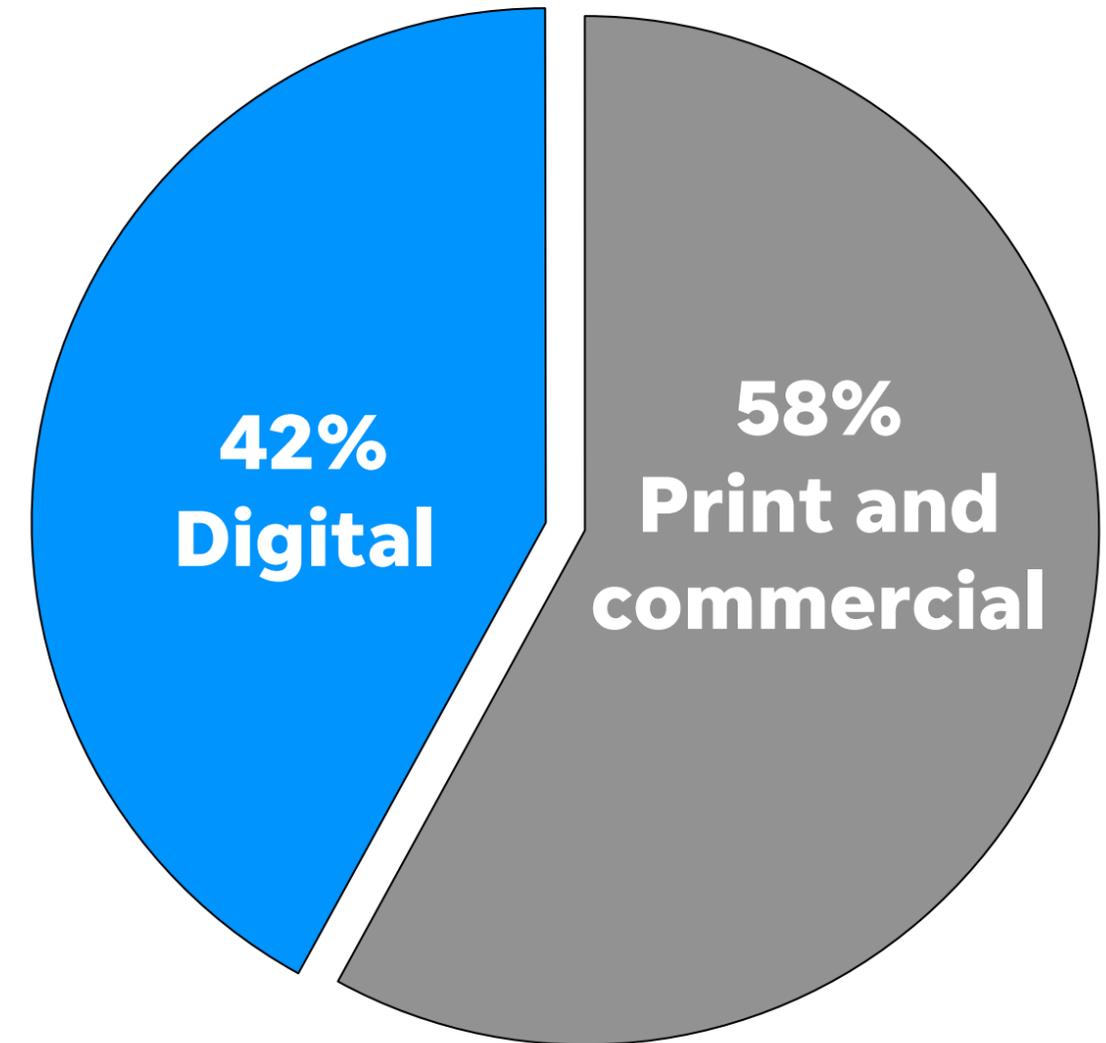
Total Digital Revenues

\$267.5M

42%

+8% YoY

Q1 2024 Total Revenue Mix



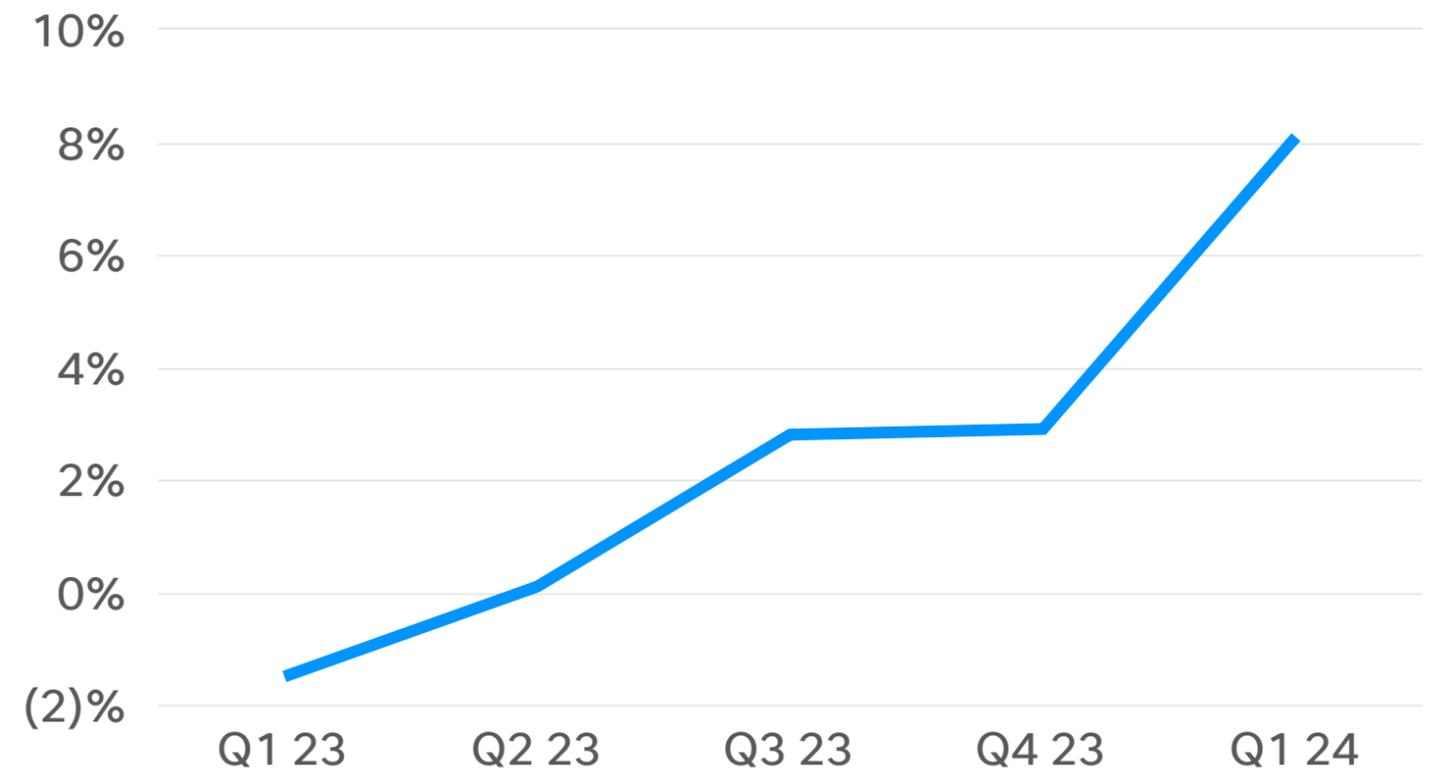
Revenue Trend Improvement

Continued Progress and Expect to Reach Inflection Point Exiting 2024

Same-Store Total Revenues⁽¹⁾ Year-over-Year



Total Digital Revenues Year-over-Year



Meaningful improvement in year-over-year revenue trends in Q1 2024

¹ Same store revenues is a non-GAAP performance measure based on U.S. GAAP revenues for the current period, excluding (1) acquired revenues, (2) currency impact, and (3) exited operations. Exited operations include (1) businesses divested and (2) the elimination of stand-alone print products discontinued within the media markets.

Key Stats and Value Drivers

Executed on Growth Segments and Investment Strategy in Q1 2024

Expanded Reach

187M

Average Monthly Unique Visitors⁽¹⁾

2.0M

Digital-only Paid Subscriptions⁽²⁾

14.3K

Total DMS Core Platform Average Customer Count⁽²⁾

Diversified Digital Revenues

\$267.5M

Total Digital Revenues
8.1% growth Year-over-Year

42% Digital Revenues

510 bp growth Year-over-Year

\$116.1M

DMS Core Platform Revenue⁽²⁾
4.2% growth Year-over-Year

Optimized Capital Structure

\$16.3M

Total Debt Paydown

\$93.3M

Cash and Cash Equivalents

2.0x

First Lien Net Leverage⁽³⁾

¹ 187 million average monthly unique visitors in Q1 2024 with approximately 134 million average monthly unique visitors coming from our USA TODAY NETWORK (based on March 2024 Comscore Media Metrix®) and approximately 53 million average monthly unique visitors resulting from our U.K. digital properties (based on Adobe Analytics).

² Digital-only paid subscriptions, core platform revenues, and core platform average customer count are Key Performance Indicators ("KPIs"). See Appendix for information about our use of KPIs.

³ First Lien Net Leverage ratio is calculated by subtracting cash on the balance sheet from the sum of both the first lien notes due November 1, 2026 (the "2026 Senior Notes") and our five-year senior secured term loan facility (the "Senior Secured Term Loan") and dividing it by Q1 2024 LTM Adjusted EBITDA. 2027 Notes are second lien as of the completion of the Senior Secured Term Loan refinancing in October 2021.

Q1 2024 Results and Non-GAAP Highlights⁽¹⁾

Revenues

- **\$635.8M Total Revenues**
 - Same store revenues⁽¹⁾ improved although were down 5.1% compared to Q1 2023. This represents a sequential improvement of 290 basis points compared to Q4 2023
- **\$267.5M Total Digital Revenues**
 - 42.1% of Q1 2024 total revenues and up 8.1% versus the prior year period

Net loss attributable to Gannett

- **\$84.8M**
 - Includes an impairment charge of approximately \$46.0 million related to the exit of our leased facility in McLean, Virginia during Q1 2024

Cash provided by operating activities

- **\$22.5M**
 - Increase of \$15.7 million compared to the same period in the prior year

Adjusted EBITDA⁽¹⁾

- **\$57.6M Adjusted EBITDA⁽¹⁾**
 - Adjusted EBITDA⁽¹⁾ improved although was down 8.4% compared to Q1 2023. This represents a sequential improvement of 960 basis points compared to Q4 2023
- **9.1% Adjusted EBITDA Margin⁽¹⁾**

Adjusted Net loss attributable to Gannett⁽¹⁾

- **\$36.4M**
 - Includes a \$15.6 million tax provision

Free Cash Flow⁽¹⁾

- **\$9.5M**
 - Improvement of \$11.5 million compared to the prior year period

Business Outlook⁽¹⁾

Following Q1 2024 Results, the Company Confirms its Full Year Outlook

	Full Year 2024	Full Year 2025 & Full Year 2026
Total Digital Revenues	Expected growth of approximately 10%	Expected to accelerate with growth exceeding 10% year-over-year Expected to make up 50% of total revenues in 2025 and exceed 55% of total revenues in 2026
Total Revenues	Expected to be down in the low to mid-single digits on a reported basis and same store basis ⁽²⁾	Expected growth in the low single digits on a reported basis and same store basis ⁽²⁾
Net Income (Loss) Attributable to Gannett	Expected to improve, after excluding an impairment charge of ~\$46 million related to the exit of our McLean, Virginia office during Q1'24	Expected to improve to positive
Adjusted EBITDA ⁽²⁾	Expected growth versus the prior year	Expected ongoing growth
Cash Provided by Operating Activities	Expected growth versus the prior year	Expected growth with an estimated CAGR of 30% ⁽⁴⁾
Free Cash Flow ⁽²⁾	Expected growth in excess ⁽³⁾ of the expected growth in Adjusted EBITDA ⁽²⁾	Expected growth at an accelerated rate with an estimated CAGR of 40% ⁽²⁾⁽⁴⁾

¹ Projections are based on Company estimates as of May 2, 2024 and are provided solely for illustrative purposes. Actual results may vary. The Company undertakes no obligation to update this information. Additionally, the Company's outlook does not factor in the impact of any future acquisitions or dispositions.

² Adjusted EBITDA, Same store revenues, Free cash flow, and Free cash flow CAGR are non-GAAP measures. See Appendix for definition of non-GAAP measures and important information regarding forward-looking non-GAAP information.

³ Capital expenditures are expected to increase as a result of investments in technology and products.

⁴ Cash provided by operating activities CAGR and Free cash flow CAGR are based on 2023 to 2026 estimated growth rates.

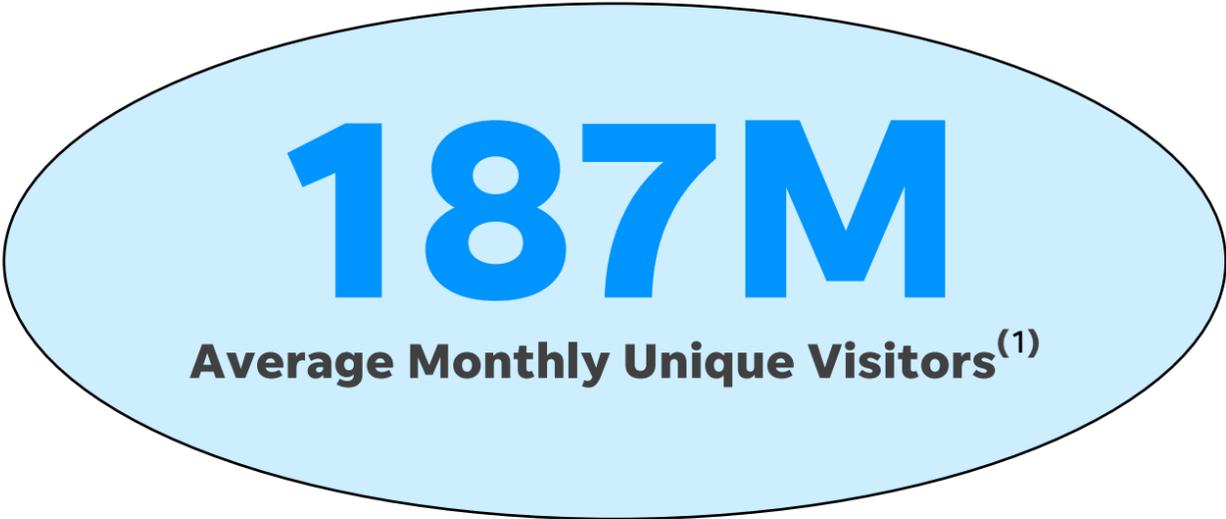
Key Operating Pillars

First Quarter 2024 Update

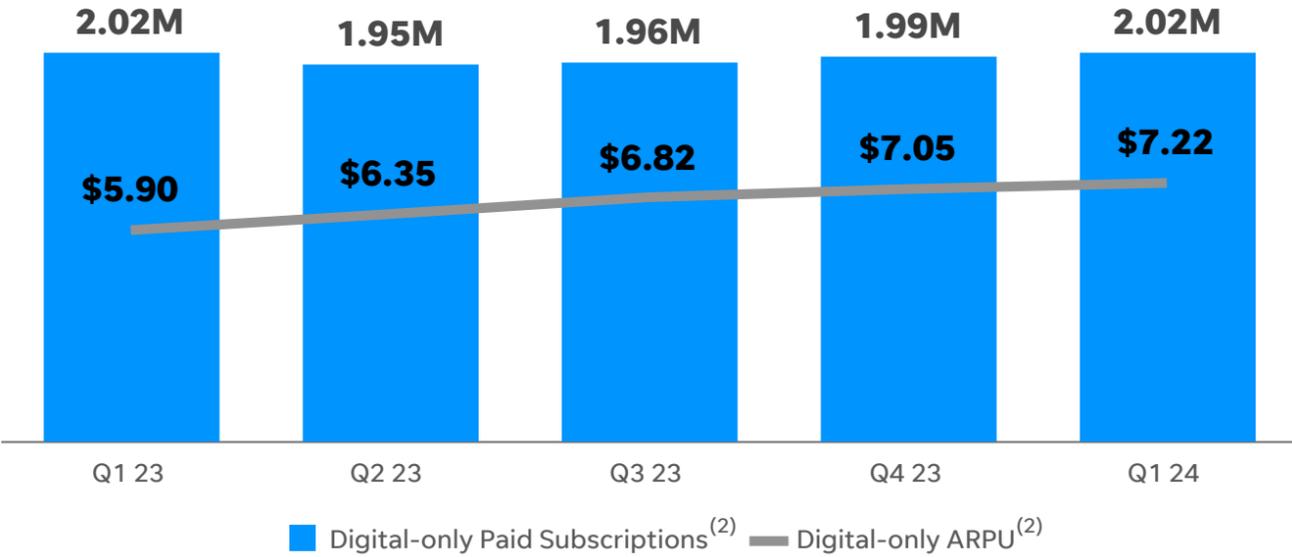
Pillar One: Expanded Reach with our Customer Segments

Q1 2024 Audience Metrics

Total Digital Audience



Digital-only Paid Subscription⁽²⁾ Growth



1 187 million average monthly unique visitors in Q1 2024 with approximately 134 million average monthly unique visitors coming from our USA TODAY NETWORK (based on March 2024 Comscore Media Metrix®) and approximately 53 million average monthly unique visitors resulting from our U.K. digital properties (based on Adobe Analytics).

2 Digital-only paid subscriptions and digital-only ARPU are Key Performance Indicators ("KPIs"). See Appendix for information about our use of KPIs.

Pillar Two: Diversified Digital Revenue

Revenue Expected to Continue to be Increasingly Digital

Total Digital Revenues	Digital Advertising	Digital Marketing Services	Digital-only Subscription	Digital Other
<p>\$267.5M</p> <p>+8% YoY</p> <p>42% of Total Revenues</p>	<p>\$84.5M</p> <p>+5% YoY</p> <p>13% of Total Revenues</p>	<p>\$116.4M</p> <p>+3% YoY</p> <p>18% of Total Revenues</p>	<p>\$43.5M</p> <p>+21% YoY</p> <p>7% of Total Revenues</p>	<p>\$23.1M</p> <p>+23% YoY</p> <p>4% of Total Revenues</p>

Growth Drivers

187M Unique Visitors⁽¹⁾

New high \$2,697 core platform ARPU⁽²⁾

New high \$7.22 digital-only ARPU⁽²⁾
+22.4% YoY

97% YoY growth in Digital affiliate partnerships revenues

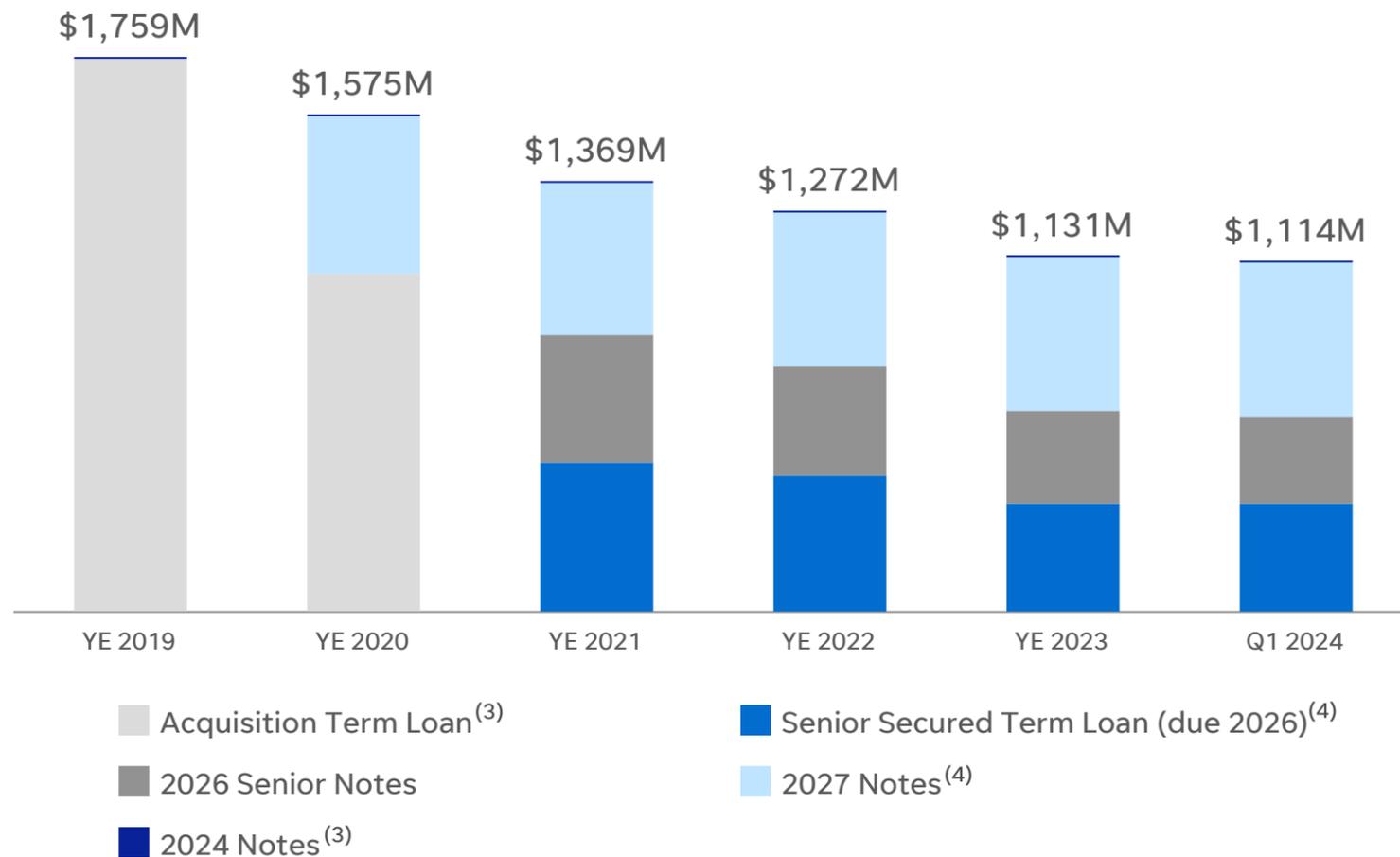
¹ 187 million average monthly unique visitors in Q1 2024 with approximately 134 million average monthly unique visitors coming from our USA TODAY NETWORK (based on March 2024 Comscore Media Metrix®) and approximately 53 million average monthly unique visitors resulting from our U.K. digital properties (based on Adobe Analytics).

² Digital-only paid subscriptions, digital-only average revenue per user, core platform revenues, core platform average revenue per user, and core platform average customer count are Key Performance Indicators ("KPIs"). See Appendix for information about our use of KPIs.

Pillar Three: Optimized Capital Structure

Q1 2024 Balance Sheet and Liquidity

Significant Debt Repayment



Q1 2024

- + Cash and cash equivalents of **\$93.3 million** at the end of Q1 2024
- + Total debt principal outstanding at March 31, 2024 of **\$1,114.2 million**
- + Net leverage ratio⁽¹⁾ of **3.9x**
 - First Lien Net leverage⁽²⁾ of **2.0x**
 - Q1 2024 principal remaining on First Lien Debt: **\$625.6 million**
- + **\$16.3 million** of debt paydown in Q1 2024
 - The Company repurchased approximately **\$13.0 million** of the 2026 Senior Notes at a discount to par value⁽⁵⁾
 - The Company repaid **\$3.3 million** of its Senior Secured Term Loan through its scheduled quarterly amortization

¹ Net leverage ratio is calculated by subtracting cash on the balance sheet from total debt and dividing it by Q1 2024 LTM Adjusted EBITDA.

² First Lien Net Leverage ratio is calculated by subtracting cash on the balance sheet from the sum of both the Senior Secured Term Loan and the 2026 Senior Notes and dividing it by Q1 2024 LTM Adjusted EBITDA. 2027 Notes are second lien as of the completion of the Senior Secured Term Loan refinancing in October 2021.

³ Acquisition Term Loan included ~\$234 million for settlement of the 2024 Notes; of which all but \$3.3 million elected for settlement on December 31, 2019. The \$3.3 million principal value of the remaining 2024 Notes was due and repaid on April 15, 2024.

⁴ 2027 Notes are second lien as of the closing of the Senior Secured Term Loan refinancing in October 2021.

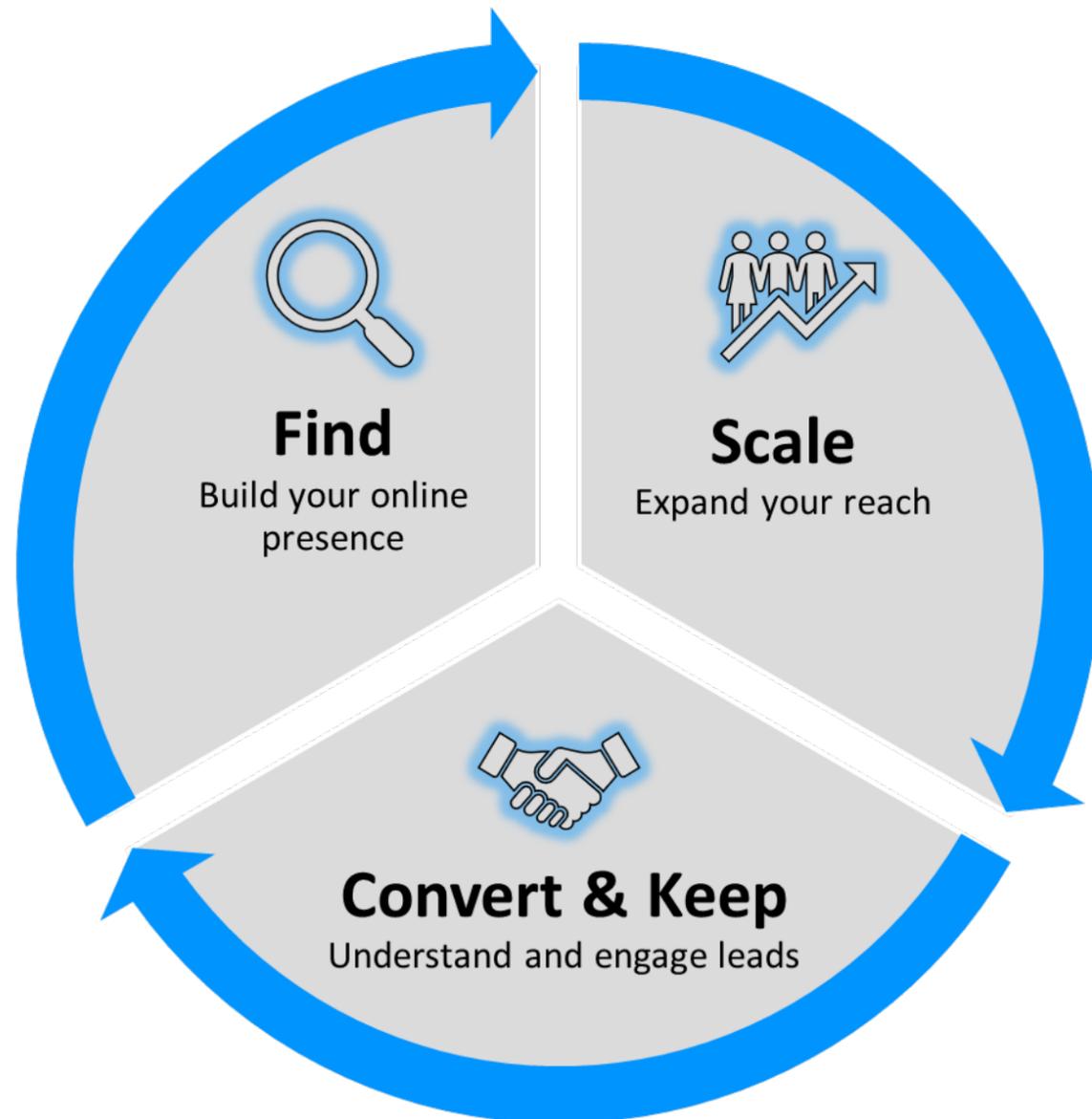
⁵ In connection with the repurchase of the 2026 Senior Notes, the Company received a waiver from certain lenders under the Senior Secured Term Loan that reduced the scheduled amortization payment for the quarter ended March 31, 2024 payable to those lenders by approximately \$12.0 million.

Digital Marketing Solutions

First Quarter 2024 Update

Digital Marketing Solutions: Drive Digital Revenue Growth

Digital Marketing Solutions – Dedicated to Helping Local Businesses Succeed



Q1 2024 Results

\$116.1M

Core Platform Revenue⁽¹⁾
4.2% growth Year-over-Year

\$2,697

Core platform ARPU⁽¹⁾
6.4% growth Year-over-Year

95.9%

Customer Budget Retention Rates⁽²⁾

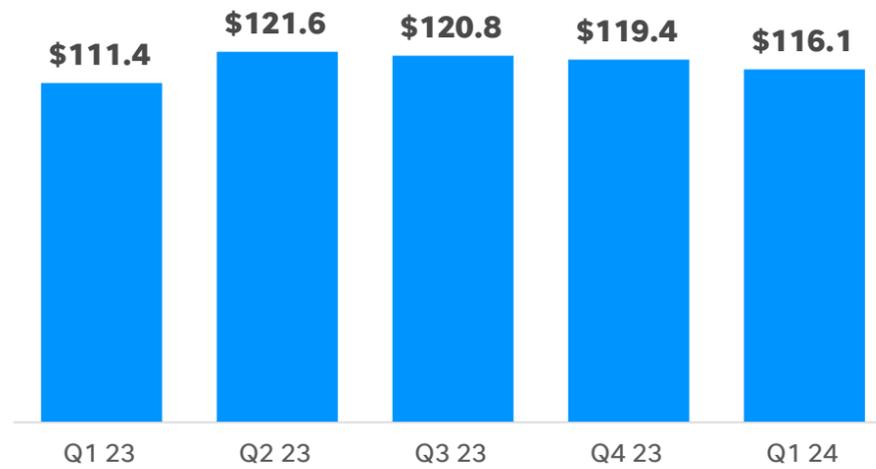
¹ Core platform ARPU and core platform revenues are Key Performance Indicators ("KPIs"). See Appendix for information about our use of KPIs.

² Customer budget retention is calculated as 1 minus the average of churned budgets in a given month divided by starting budgets in the same period, averaged across the quarter.

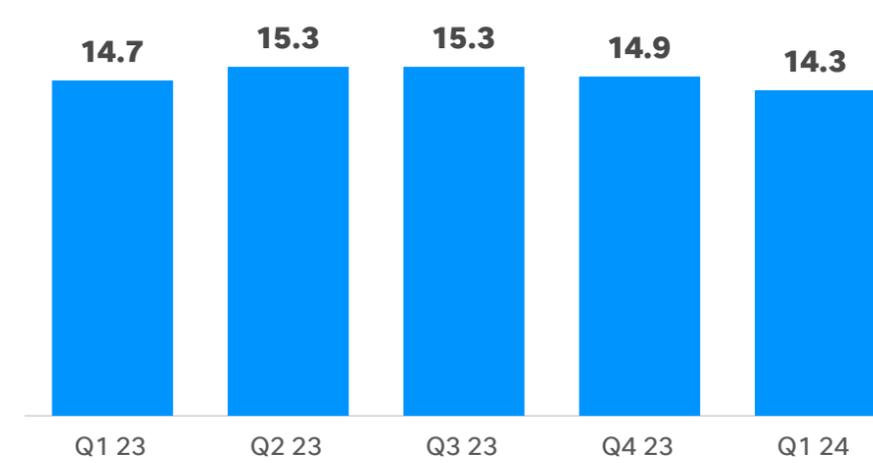
Digital Marketing Solutions: Drive DMS Growth

Digital Marketing Solutions - Core Platform

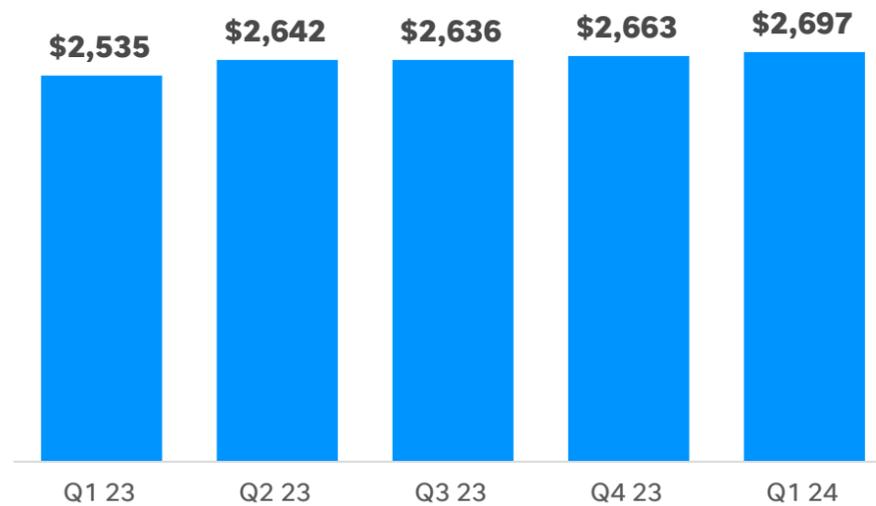
Revenues (M)⁽¹⁾



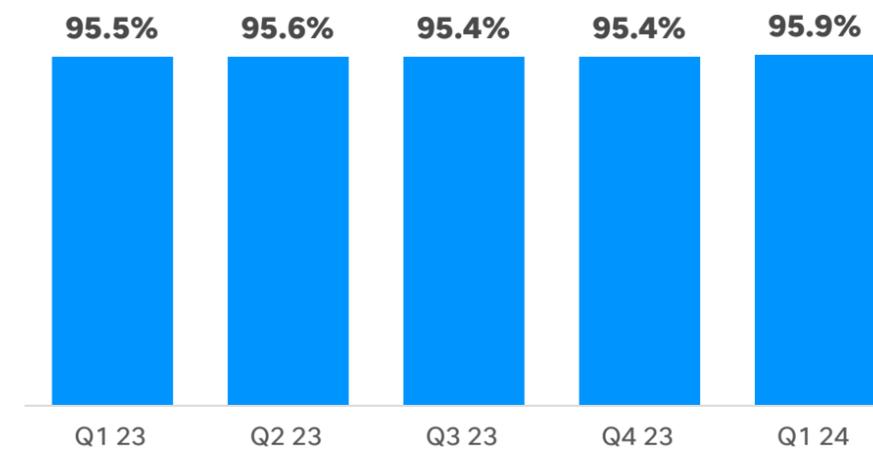
Average Customer Count (K)⁽¹⁾



ARPU⁽¹⁾



Customer Budget Retention⁽²⁾



1 Core platform average customer count, core platform revenues, and core platform ARPU are Key Performance Indicators ("KPIs"). See Appendix for information about our use of KPIs.

2 Customer budget retention is calculated as 1 minus the average of churned budgets in a given month divided by starting budgets in the same period, averaged across the quarter.

Appendix

Gannett Diversified Revenues⁽¹⁾

<i>(\$ in millions)</i>	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Full Year 2023	Full Year 2023 % of Total	Q1 2024	Q1 2024 % of Total
Digital advertising	\$80.2	\$81.5	\$80.8	\$91.1	\$333.6	12.5%	\$84.5	13.3%
Digital marketing services	\$112.7	\$122.5	\$121.9	\$119.8	\$477.0	17.9%	\$116.4	18.3%
Digital-only subscription	\$35.8	\$37.9	\$40.0	\$41.9	\$155.6	5.8%	\$43.5	6.8%
Digital other	\$18.8	\$20.2	\$21.0	\$24.3	\$84.2	3.2%	\$23.1	3.6%
Digital	\$247.5	\$262.1	\$263.6	\$277.1	\$1,050.4	39.4%	\$267.5	42.1%
Print advertising	\$148.0	\$149.3	\$137.2	\$142.2	\$576.5	21.6%	\$134.7	21.2%
Print circulation	\$205.5	\$195.8	\$187.1	\$183.9	\$772.2	29.0%	\$173.3	27.3%
Commercial and other	\$68.0	\$65.2	\$65.0	\$66.2	\$264.4	9.9%	\$60.3	9.5%
Print and commercial	\$421.4	\$410.3	\$389.2	\$392.3	\$1,613.2	60.6%	\$368.3	57.9%
Total	\$668.9	\$672.4	\$652.9	\$669.4	\$2,663.6	100.0%	\$635.8	100.0%

¹ Small discrepancies may exist due to rounding of revenue or percentage categories.

Debt and Leverage Overview

<i>(\$ in millions)</i>	Rate	Balance as of March 31, 2024
2024 Notes	4.75%	\$3.3
2027 Notes	6.0%	\$485.3
Senior Secured Term Loan (due 2026) ⁽¹⁾	10.44% ⁽²⁾	\$347.1
2026 Senior Notes	6.0%	\$278.5
Total Debt Outstanding	7.38% Blended Rate	\$1,114.2
Q1 2024 LTM Adjusted EBITDA ⁽³⁾		\$262.4
Cash and cash equivalents on the Balance Sheet		\$93.3
Gross Leverage Ratio ⁽⁴⁾		4.2x
Net Leverage Ratio ⁽⁵⁾		3.9x
First Lien Net Leverage ⁽⁶⁾		2.0x

1 On January 31, 2022, the Company amended its Senior Secured Term Loan, which is due in 2026, to provide for incremental term loans in an aggregate principal amount not to exceed \$50 million and to transition the interest rate base from LIBOR to Adjusted Term SOFR due to regulatory requirements.

2 Adjusted term SOFR + 5.00% per annum plus the applicable credit spread adjustment--11.448 bps for one-month Term SOFR, 26.161 bps for three-month Term SOFR and 42.826 bps for six-month Term SOFR.

3 Adjusted EBITDA is a non-GAAP measure. A reconciliation of non-GAAP measures is located in the Appendix of the Presentation.

4 Gross leverage ratio is calculated by dividing total debt by Q1 2024 LTM Adjusted EBITDA.

5 Net leverage ratio is calculated by subtracting cash on the balance sheet from total debt and dividing it by Q1 2024 LTM Adjusted EBITDA.

6 First Lien Net Leverage ratio is calculated by subtracting cash on the balance sheet from the sum of both the Senior Secured Term Loan and the 2026 Senior Notes and dividing it by Q1 2024 LTM Adjusted EBITDA. 2027 Notes are second lien as of the completion of the Senior Secured Term Loan refinancing in October 2021.

Non-GAAP Reconciliation

The Company uses non-GAAP financial performance and liquidity measures to supplement the financial information presented on a U.S. generally accepted accounting principles ("U.S. GAAP") basis. These non-GAAP financial performance and liquidity measures, which may not be comparable to, and may be defined differently than, similarly titled measures used or reported by other companies, should not be considered in isolation from or as a substitute for the related U.S. GAAP measures and should be read together with financial information presented on a U.S. GAAP basis.

We define our non-GAAP financial performance and liquidity measures as follows:

Adjusted EBITDA is a non-GAAP financial performance measure we believe offers a useful view of the overall and segment operations of our business. We define Adjusted EBITDA as Net income (loss) attributable to Gannett before (1) Income tax expense (benefit), (2) Interest expense, (3) Gains or losses on the early extinguishment of debt, (4) Non-operating pension income, (5) Loss on convertible notes derivative, (6) Depreciation and amortization, (7) Integration and reorganization costs, (8) Third-party debt expenses and acquisition costs, (9) Asset impairments, (10) Goodwill and intangible impairments, (11) Gains or losses on the sale or disposal of assets, (12) Share-based compensation, (13) Other non-operating (income) expense, net, and (14) Non-recurring items. The most directly comparable U.S. GAAP financial performance measure is Net income (loss) attributable to Gannett.

Adjusted EBITDA margin is a non-GAAP financial performance measure we believe offers a useful view of the overall and segment operations of our business. We define Adjusted EBITDA margin as Adjusted EBITDA divided by total Revenues.

Adjusted Net income (loss) attributable to Gannett is a non-GAAP financial performance measure we believe offers a useful view of the overall operations of our business and is useful to analysts and investors in evaluating the results of operations and operational trends. We define Adjusted Net income (loss) attributable to Gannett as Net income (loss) attributable to Gannett before (1) Gains or losses on the early extinguishment of debt, (2) Loss on convertible notes derivative, (3) Integration and reorganization costs, (4) Third-party debt expenses and acquisition costs, (5) Asset impairments, (6) Goodwill and intangibles impairments, (7) Gains or losses on the sale or disposal of assets, (8) Other items, including (Gain) loss on sale of investments, and (9) the tax impact of the above items.

Free cash flow is a non-GAAP liquidity measure that adjusts our reported U.S. GAAP results for items we believe are critical to the ongoing success of our business. We define Free cash flow as Cash provided by (used for) operating activities as reported on the condensed consolidated statements of cash flows less capital expenditures, which results in a figure representing Free cash flow available for use in operations, additional investments, debt obligations, and returns to stockholders. The most directly comparable U.S. GAAP financial liquidity measure is Cash provided by (used for) operating activities.

Same store revenues is a non-GAAP financial performance measure based on our U.S. GAAP revenues for the current period, excluding (1) acquired revenues, (2) currency impact, and (3) exited operations.

Management's Use of Non-GAAP Measures

Adjusted EBITDA, Adjusted EBITDA margin, Adjusted Net income (loss) attributable to Gannett, Free cash flow and Same store revenues are not measurements of financial performance or liquidity under U.S. GAAP and should not be considered in isolation or as an alternative to net income (loss), margin, income (loss) from operations, cash flow provided by (used for) operating activities, revenues, or any other measure of performance or liquidity derived in accordance with U.S. GAAP. We believe these non-GAAP financial performance and liquidity measures, as we have defined them, are helpful in identifying trends in our day-to-day performance because the items excluded have little or no significance on our day-to-day operations. These measures provide an assessment of core expenses and afford management the ability to make decisions which are expected to facilitate meeting current financial goals as well as achieve optimal financial performance.

We use Adjusted EBITDA, Adjusted EBITDA margin, Adjusted Net income (loss) attributable to Gannett, Free cash flow and Same store revenues as measures of our day-to-day operating performance, which is evidenced by the publishing and delivery of news and other media and excludes certain expenses that may not be indicative of our day-to-day business operating results.

Limitations of Non-GAAP Measures

Each of our non-GAAP measures have limitations as analytical tools. They should not be viewed in isolation or as a substitute for U.S. GAAP measures of earnings or cash flows. Material limitations in making the adjustments to our earnings to calculate Adjusted EBITDA and Adjusted Net income (loss) attributable to Gannett using these non-GAAP financial measures as compared to U.S. GAAP net income (loss) include: the cash portion of interest / financing expense, income tax (benefit) provision, and charges related to asset impairments, which may significantly affect our financial results.

Management believes these items are important in evaluating our performance, results of operations, and financial position. We use non-GAAP financial performance and liquidity measures to supplement our U.S. GAAP results in order to provide a more complete understanding of the factors and trends affecting our business.

Adjusted EBITDA, Adjusted EBITDA margin, Adjusted Net income (loss) attributable to Gannett, Free cash flow and Same store revenues are not alternatives to net income (loss), margin, income (loss) from operations, cash flows provided by (used for) operations, revenues, or any other measure of performance or liquidity derived in accordance with U.S. GAAP. As such, they should not be considered or relied upon as substitutes or alternatives for any such U.S. GAAP financial measures. We strongly urge you to review the reconciliations of Net income (loss) attributable to Gannett to Adjusted EBITDA, Adjusted EBITDA margin, Net income (loss) attributable to Gannett to Adjusted Net income (loss) attributable to Gannett, Cash provided by (used for) operations to Free cash flow and Revenues to Same Store revenues included elsewhere in this Presentation along with our condensed consolidated financial statements included in our Quarterly Report on Form 10-Q. We also strongly urge you not to rely on any single financial performance or liquidity measure to evaluate our business. In addition, because Adjusted EBITDA, Adjusted EBITDA margin, Adjusted Net income (loss) attributable to Gannett, Free cash flow and Same store revenues are not measures of financial performance under U.S. GAAP and are susceptible to varying calculations, the Adjusted EBITDA, Adjusted EBITDA margin, Adjusted Net income (loss) attributable to Gannett, Free cash flow and Same store revenues measures as presented in this Presentation may differ from and may not be comparable to similarly titled measures used by other companies.

Non-GAAP Outlook

Our 2024 business outlook and our mid-term 2024-2025 outlook included in this Presentation include certain non-GAAP financial performance and liquidity measures, including Same store revenues, Adjusted EBITDA, Free cash flow, and Free cash flow CAGR. CAGR is a compound annual growth rate over the time period noted for Free cash flow. We believe providing expected Free cash flow CAGR as part of our outlook is meaningful to share with investors and an indication of what management believes is an important measure of growth. The outlook for each of these non-GAAP items does not factor in the impact of any future acquisitions or dispositions. We have provided these non-GAAP measures for future guidance for the same reasons that were outlined above for historical non-GAAP measures.

We have not reconciled non-GAAP forward-looking Same store revenues, Adjusted EBITDA, Free cash flow, and Free cash flow CAGR to their most directly comparable U.S. GAAP measure, as permitted by Item 10(e)(1)(i)(B) of Regulation S-K. Such reconciliations would require unreasonable efforts to estimate and quantify various necessary U.S. GAAP components largely because forecasting or predicting our future operating results is subject to many factors or future events out of our control, is unavailable, or is not readily predictable, and could significantly impact, either individually or in the aggregate, our comparable U.S. GAAP measures. Accordingly, we are unable to provide a full reconciliation of the non-GAAP measures used in our outlook without unreasonable efforts.

Key Performance Indicators

A key performance indicator ("KPI") is generally defined as a quantifiable measurement or metric used to gauge performance, specifically to help determine strategic, financial, and operational achievements, especially compared to those of similar businesses.

We define Digital-only average revenue per user ("ARPU") as digital-only subscription average monthly revenues divided by the average digital-only paid subscriptions within the respective period. We define Core platform ARPU as core platform average monthly revenues divided by average monthly customer count within the period. We define Core platform revenues as revenue derived from customers utilizing our proprietary digital marketing services platform that are sold by either our direct or local market teams.

Management believes Digital-only ARPU, Core platform ARPU, digital-only paid subscriptions, core platform revenues, and core platform average customer count are KPIs that offer useful information in understanding consumer behavior, trends in our business, and our overall operating results. Management utilizes these KPIs to track and analyze trends across our segments.

The following tables provide information regarding certain KPIs for the Domestic Gannett Media, Newsquest and DMS segments:

<i>(in thousands, except ARPU)</i>	3 months ended March 31, 2024	3 months ended March 31, 2023	Change	% Change
Domestic Gannett Media:				
Digital-only ARPU	\$7.28	\$5.88	\$1.40	24 %
Newsquest:				
Digital-only ARPU	\$6.03	\$6.41	(\$0.38)	(6)%
Total Gannett:				
Digital-only ARPU	\$7.22	\$5.90	\$1.32	22 %
DMS:				
Core platform revenues	\$116,050	\$111,407	\$4,643	4 %
Core platform ARPU	\$2,697	\$2,535	\$162	6 %
Core platform average customer count	14.3	14.7	(0.4)	(3)%

<i>(in thousands)</i>	As of March 31, 2024	As of March 31, 2023	Change	% Change
Digital-only paid subscriptions:				
Domestic Gannett Media:	1,927	1,962	(35)	(2)%
Newsquest:	90	61	29	48 %
Total Gannett	2,017	2,023	(6)	— %

Gannett Non-GAAP Reconciliation⁽¹⁾

Adjusted EBITDA

<i>(in thousands)</i>	3 months ended March 31, 2024				
	Domestic Gannett Media	Newsquest	Digital Marketing Solutions	Corporate and other	Total Consolidated
Net income (loss) attributable to Gannett	\$5,463	\$14,544	\$609	\$(105,384)	\$(84,768)
Provision for income taxes	—	—	—	10,078	10,078
Interest expense	—	—	—	26,565	26,565
Gain on early extinguishment of debt	—	—	—	(617)	(617)
Non-operating pension income	(1,306)	(1,840)	—	—	(3,146)
Depreciation and amortization	24,877	2,035	5,880	5,506	38,298
Integration and reorganization costs	14,889	169	25	2,798	17,881
Third-party debt expenses and acquisition costs	—	—	—	178	178
Asset impairments	—	—	—	45,989	45,989
Loss (gain) on sale or disposal of assets, net	904	(445)	89	4	552
Share-based compensation expense	—	—	—	2,826	2,826
Other non-operating (income) expense, net	(347)	(300)	1,546	918	1,817
Non-recurring items	—	—	630	1,306	1,936
Adjusted EBITDA (non-GAAP basis)	\$44,480	\$14,163	\$8,779	\$(9,833)	\$57,589
Net income (loss) attributable to Gannett margin	1.1%	24.2%	0.5%	NM	(13.3)%
Adjusted EBITDA margin (non-GAAP basis)	9.0%	23.5%	7.5%	NM	9.1%

¹ Small discrepancies may exist due to rounding of revenue or percentage categories.

Gannett Non-GAAP Reconciliation⁽¹⁾

Adjusted EBITDA

<i>(in thousands)</i>	3 months ended March 31, 2023				
	Domestic Gannett Media	Newsquest	Digital Marketing Solutions	Corporate and other	Total Consolidated
Net income (loss) attributable to Gannett	\$23,009	\$12,018	\$5,623	\$(30,306)	\$10,344
Benefit for income taxes	—	—	—	(17,329)	(17,329)
Interest expense	—	—	—	28,330	28,330
Gain on early extinguishment of debt	—	—	—	(496)	(496)
Non-operating pension income	303	(2,118)	—	—	(1,815)
Depreciation and amortization	31,751	1,758	5,860	4,329	43,698
Integration and reorganization costs	4,049	600	20	7,458	12,127
Third-party debt expenses and acquisition costs	—	—	—	229	229
Asset impairments	5	—	—	—	5
(Gain) loss on sale or disposal of assets, net	(16,271)	3	35	(1,448)	(17,681)
Share-based compensation expense	—	—	—	3,736	3,736
Other non-operating expense (income), net	1,567	502	145	(993)	1,221
Non-recurring items	4	83	—	446	533
Adjusted EBITDA (non-GAAP basis)	\$44,417	\$12,846	\$11,683	\$(6,044)	\$62,902
Net income attributable to Gannett margin	4.3%	20.3%	5.0%	NM	1.5%
Adjusted EBITDA margin (non-GAAP basis)	8.4%	21.7%	10.4%	NM	9.4%

¹ Small discrepancies may exist due to rounding of revenue or percentage categories.

Gannett Non-GAAP Reconciliation⁽¹⁾

Adjusted Net Income attributable to Gannett and Free Cash Flow

<i>(in thousands)</i>	3 months ended March 31, 2024
Net loss attributable to Gannett	\$(84,768)
Gain on early extinguishment of debt	(617)
Integration and reorganization costs	17,881
Third-party debt expenses and acquisition costs	178
Asset impairments	45,989
Loss on sale or disposal of assets, net	552
Other items	(14)
Tax impact of above items	(15,626)
Adjusted Net loss attributable to Gannett	\$(36,425)

<i>(in thousands)</i>	3 months ended March 31, 2023
Cash flow from operating activities (GAAP basis)	\$22,451
Capital expenditures	(12,999)
Free cash flow (non-GAAP basis)	\$9,452

Gannett Same Store Non-GAAP Revenues Metrics and Reconciliations⁽¹⁾

2024 and 2023 Same Store Year-over-Year Revenues

	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023	Q1 2024
Same Store Year-Over-Year Total revenues	(9.3)%	(8.6)%	(8.4)%	(8.0)%	(8.6)%	(5.1)%

<i>(in thousands)</i>	3 months ended March 31, 2024	3 months ended March 31, 2023	\$ Variance	% Variance
Total Revenues	\$635,761	\$668,917	\$(33,156)	(5.0)%
Acquired revenues	—	—		
Currency impact	(2,343)	—		
Exited operations	—	(1,648)		
Same Store Total Revenues	\$633,418	\$667,269	\$(33,851)	(5.1)%

<i>(in thousands)</i>	Full Year ended December 31, 2023	Full Year ended December 31, 2022	\$ Variance	% Variance
Total Revenues	\$2,663,550	\$2,945,303	\$(281,753)	(9.6)%
Acquired revenues	(9,074)	—		
Currency impact	(247)	—		
Exited operations	—	(41,809)		
Same Store Total Revenues	\$2,654,229	\$2,903,494	\$(249,265)	(8.6)%

<i>(in thousands)</i>	3 months ended December 31, 2023	3 months ended December 31, 2022	\$ Variance	% Variance
Total Revenues	\$669,405	\$730,664	\$(61,259)	(8.4)%
Acquired revenues	—	—		
Currency impact	(3,152)	—		
Exited operations	—	(6,510)		
Same Store Total Revenues	\$666,253	\$724,154	\$(57,901)	(8.0)%

<i>(in thousands)</i>	3 months ended September 30, 2023	3 months ended September 30, 2022	\$ Variance	% Variance
Total Revenues	\$652,871	\$717,902	\$(65,031)	(9.1)%
Acquired revenues	-	-		
Currency impact	(3,749)	-		
Exited operations	-	(8,989)		
Same Store Total Revenues	\$649,122	\$708,913	\$(59,791)	(8.4)%

<i>(in thousands)</i>	3 months ended June 30, 2023	3 months ended June 30, 2022	\$ Variance	% Variance
Total Revenues	\$672,357	\$748,660	\$(76,303)	(10.2)%
Acquired revenues	-	-		
Currency impact	901	-		
Exited operations	-	(12,429)		
Same Store Total Revenues	\$673,258	\$736,231	\$(62,973)	(8.6)%

<i>(in thousands)</i>	3 months ended March 31, 2023	3 months ended March 30, 2022	\$ Variance	% Variance
Total Revenues	\$668,917	\$748,077	\$(79,160)	(10.6)%
Acquired revenues	(9,074)	-		
Currency impact	5,753	-		
Exited operations	-	(13,881)		
Same Store Total Revenues	\$665,596	\$734,196	\$(68,600)	(9.3)%

¹ Same store revenues is a non-GAAP performance measure based on U.S. GAAP revenues for the current period, excluding (1) acquired revenues, (2) currency impact, and (3) exited operations. Exited operations include (1) businesses divested and (2) the elimination of stand-alone print products discontinued within the media markets.