3rd Quarter 2022 Earnings Call

November 2, 2022

Call Participants & Forward-Looking Statements

Joel Quadracci
Chairman, President & Chief Executive Officer

Tony Staniak
Chief Financial Officer

Forward-Looking Statements

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 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 and the materials to manufacture ink; the impact of inflationary cost pressures and supply chain shortages, as well as rising interest rates; the impact of decreasing demand for printed materials and significant overcapacity in a highly competitive environment creates downward pricing pressures and potential under-utilization of assets; the negative impacts the COVID-19 pandemic has had and will continue to have on the Company’s business, financial condition, cash flows, results of operations and supply chain, including rising inflationary cost pressures on raw materials, distribution and labor, and future uncertain impacts; the failure to attract and retain qualified talent across the enterprise; the impact of increased business complexity as a result of the Company’s transformation to a marketing experience company; the impact of digital media and similar technological changes, including digital substitution by consumers; the inability of the Company to reduce costs and improve operating efficiency rapidly enough to meet market conditions; the impact of changes in postal rates, service levels or regulations, including delivery delays due to ongoing COVID-19 impacts on daily operational staffing at the United States Postal Service; the impact of a data-breach of sensitive information, ransomware attack or other cyber incident on the Company; the impact negative publicity could have on our business; the impact of changing future economic conditions; the failure of clients to perform under contracts or to renew contracts with clients on favorable terms or at all; the fragility and decline in overall distribution channels; 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 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 risks associated with the operations outside of the United States (“U.S.”), including costs incurred or reputational damage suffered due to improper conduct of its employees, contractors or agents, and geopolitical events like war and terrorism; significant investments may be needed to maintain the Company’s platforms, processes, systems, client and product technology and marketing 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 COVID-19 may have on the Company’s ability to continue to be in compliance with these restrictive covenants; the impact of regulatory matters and legislative developments or changes in laws, including changes in cyber-security, 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.

Third Quarter 2022 Results

18%

Net Sales Growth

Print Segment Share Gains

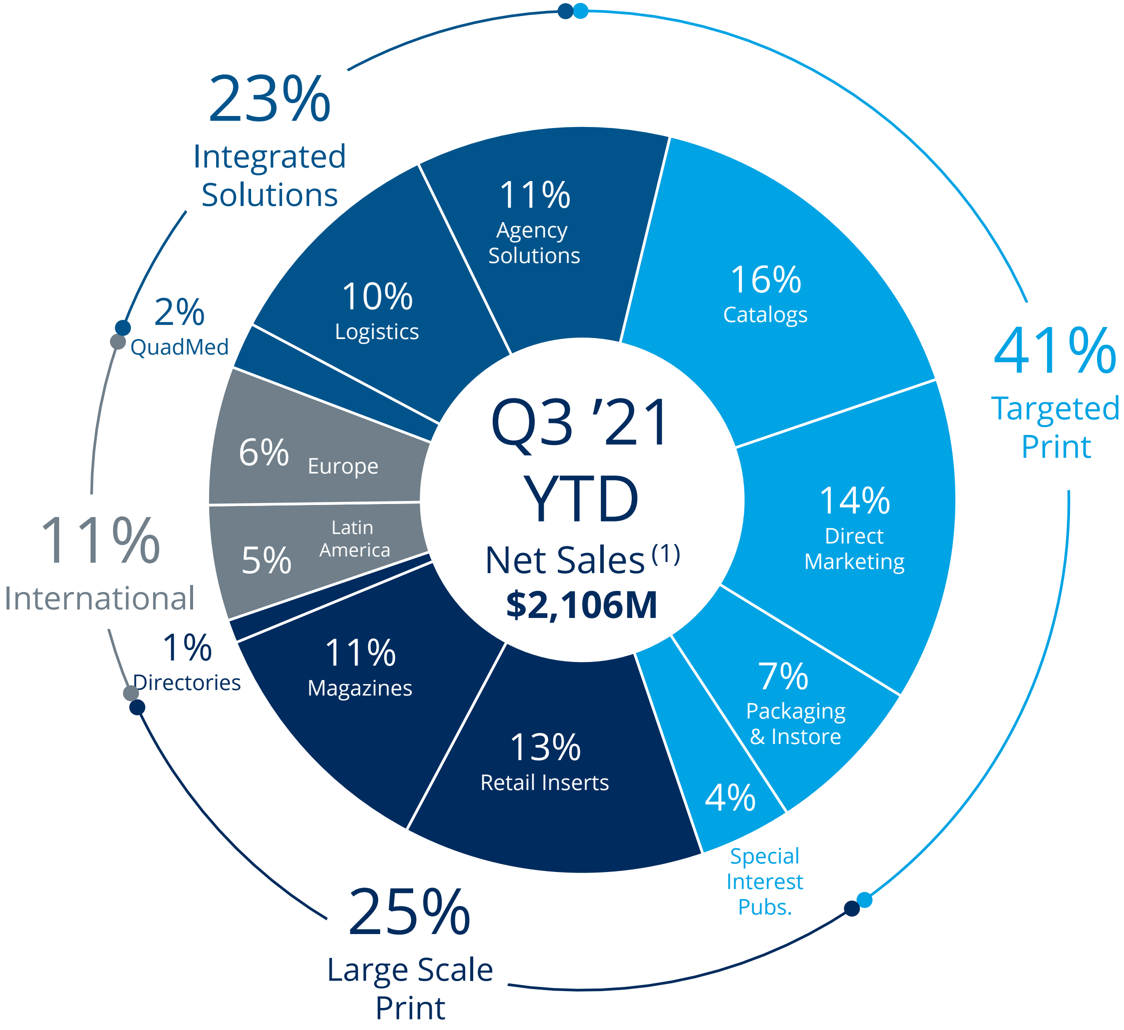
Increased Pricing in Response to Inflationary Cost Pressures

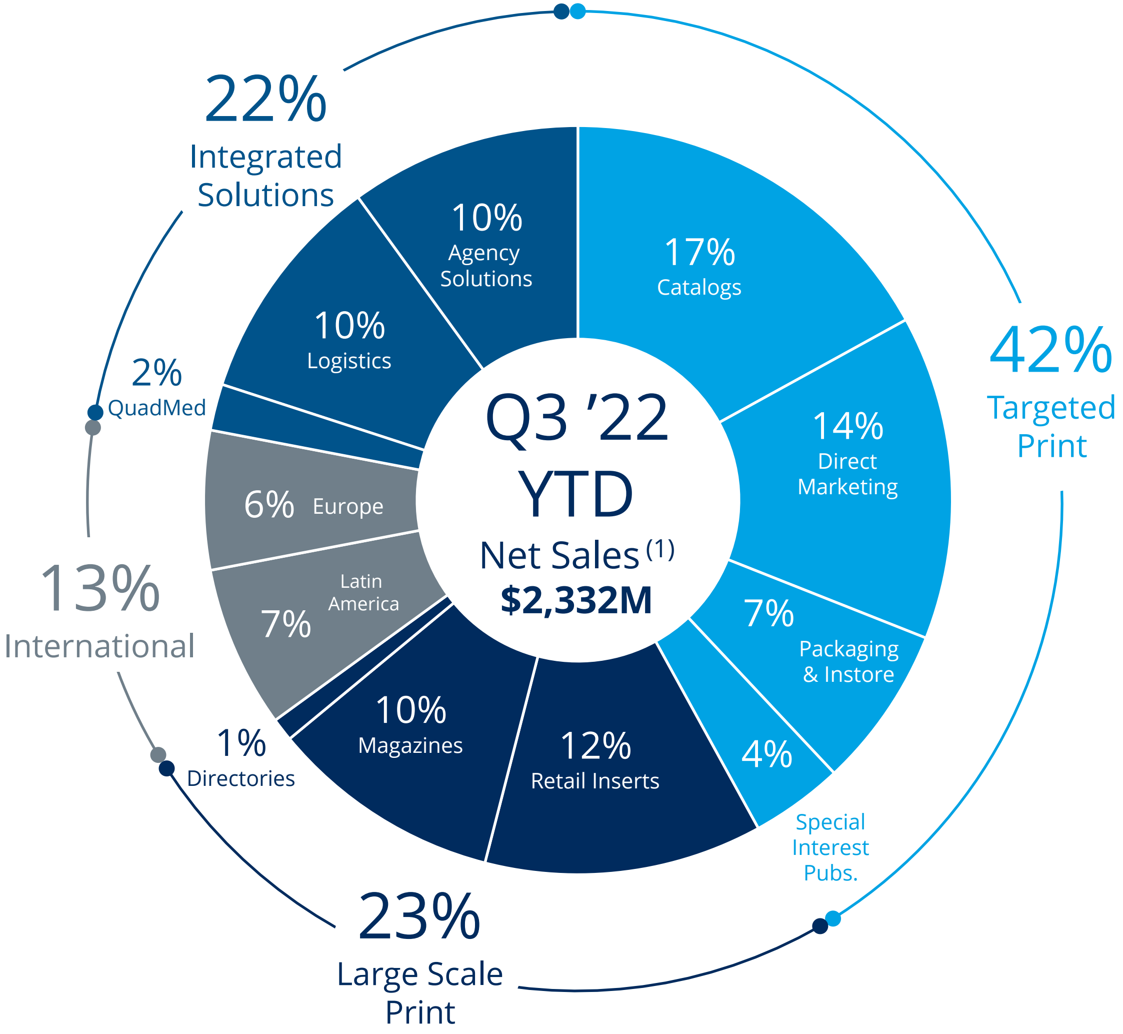
Increased Sales in International Locations

We delivered a sixth consecutive quarter of Net Sales growth

Net Sales Breakdown

Third Quarter Year to Date





(1) Net sales for all periods presented have been adjusted to exclude divestitures

Quad: A Marketing Experience Company

Business Strategy

Insights & Analytics

Technology Solutions

Managed Services

Agency & Studio Solutions

Media

Print

In-Store

Packaging

We will strategically invest in our platform to give our clients a more streamlined, flexible and frictionless way to go to market and reach consumers

Our Key Competitive Advantages

Our key competitive advantages power our strategic priorities and distinguish Quad as a Marketing Experience Company

Introducing Quad to New and Expanded Audiences

ADVERTISINGWEEK

Forbes CMO SUMMIT PRESENTED BY LIVE NATION

Brand INNOVATORS

ANA | 2022 ANA MASTERS OF MARKETING

Quad

PACKAGING SUSTAINABILITY SYMPOSIUM

To strengthen our brand as a marketing experience company, we continue to make investments in how we market ourselves, including introducing Quad to new and expanded audiences

Recent Success Story

Opportunity

- Large and complex legacy brand insurance and financial services company sought a partner to:
  - Creatively bring its brand story to life
  - Make better use of data in order to connect more effectively and authentically with consumers

Quad Solution

- Presented an integrated creative and media strategy that is propelled by audience insights and connections planning for driving peak performance through data-driven orchestration of the right brand actions in the right moments for the right audiences
- Introduced the brand to advanced measurement and accountability to quantify and predict the impact of its marketing efforts

OUTCOME

- Quad became digital agency for three of the client's most important business lines

Recent Success Story

Sirius XM

Opportunity

- To help strategic marketers like Sirius XM overcome challenges with the “cookie-less” future, we spearheaded a campaign that fully integrates digital marketing with traditional mail and data capture

Quad Solution

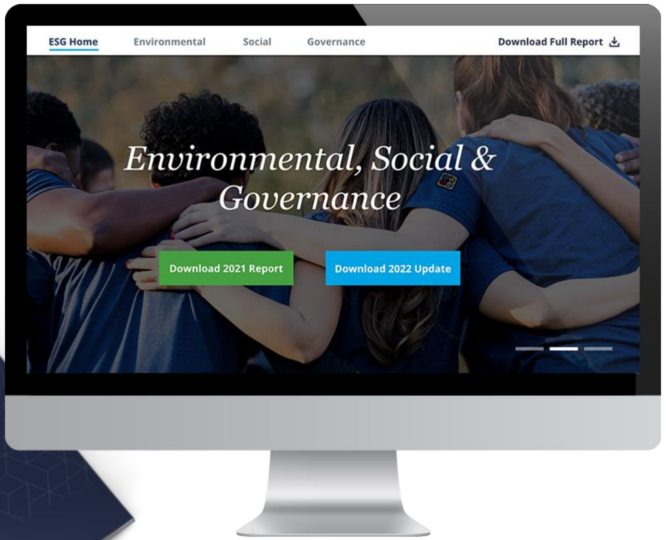
- Introduced innovation for monetizing offline and online media more effectively

Featured 1:1 Flowcodes™ on a highly designed and engaging outer envelope

OUTCOME

- Increased customer interactions by 30% and delivered first-party user scan data for the client to better identify audiences and their passions

Commitment to Culture & Social Purpose



Quad's 2022 ESG Update is available for download at www.Quad.com/company/ESG/

Into the Outdoors

Commitment to Culture & Social Purpose

Sales and Business Development VP Kelly Burt

Recognized by the Path to Purchase Institute
for Business Excellence as part of its
Women of Excellence awards program

Quad Co-Founder Betty Quadracci

Recognized by Milwaukee Women Inc.
for her legacy of advancing inclusive leadership
in the Wisconsin business community

Financial Overview

	Third Quarter		Year-to-Date	
US $ Millions (Except Per Share Data)	**September 30, 2022**	**September 30, 2021**	**September 30, 2022**	**September 30, 2021**
STATEMENT OF OPERATIONS				
Net Sales	$ 829.9	$ 706.1	$ 2,331.8	$ 2,105.8
Cost of Sales	673.5	574.1	1,911.2	1,688.1
Selling, General and Administrative Expenses	90.8	68.7	256.8	229.3
Adjusted EBITDA (1)	**$ 68.8**	**$ 67.5**	**$ 173.3**	**$ 200.6**
Adjusted EBITDA Margin (1)	**8.3%**	**9.6%**	**7.4%**	**9.5%**
Adjusted Diluted Earnings Per Share (1)	**$ 0.32**	**$ 0.18**	**$ 0.49**	**$ 0.50**
STATEMENT OF CASH FLOWS				
Net Cash Provided By (Used In) Operating Activities			$ (30.3)	$ 22.1
Capital Expenditures			(49.5)	(41.6)
Free Cash Flow (1)			**$ (79.8)**	**$ (19.5)**

(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 a reconciliation of Adjusted Diluted Earnings Per Share as Non-GAAP measures

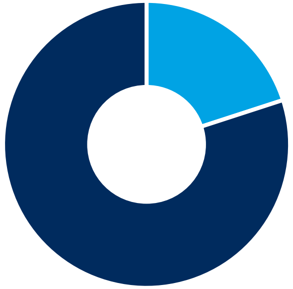
Debt Capital Structure

3.07x

Debt Leverage Ratio (1)
as of September 30, 2022

19%

Fixed



81%

Floating

5.7%

Blended Interest Rate
as of September 30, 2022

$14 million

Cash on Hand
as of September 30, 2022

$245 million

Unused Capacity under Revolver
as of September 30, 2022
Subject to Certain Covenants

January 2024

Next Significant Debt Maturity of
$88 Million

Projecting to achieve approximately 2.25x Debt Leverage Ratio at year-end due to strong fourth quarter Free Cash Flow

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

2022 Guidance Update

Full-Year 2022	Original Guidance	Updated Guidance
Annual Net Sales Change (1)	3% to 7% growth	8% to 10% growth
Full-Year Adjusted EBITDA (2)	$230 to $270 million	$235 to $255 million
Free Cash Flow (2)	$70 to $100 million	$70 to $90 million
Year-End Debt Leverage Ratio (2)(3)	Approximately 2.25x	Approximately 2.25x

Raised net sales guidance from 3%-7% growth to 8%-10% growth due to segment share gains, effective response to inflationary cost pressures and increased sales in our international locations.
Narrowed all other guidance within previously provided ranges

(1) Annual Net Sales Change excludes the Net Sales impact from the divestiture of QuadExpress, which was sold on June 30, 2021
(2) See slide 17 for definitions of our Non-GAAP measures
(3) Debt Leverage Ratio is calculated at the midpoint of the Adjusted EBITDA guidance

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 (Loss) 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"), restructuring, impairment and transaction-related charges, gains from sale and leaseback, loss on debt extinguishment, equity in earnings of unconsolidated entity, and the Adjusted EBITDA for unconsolidated equity method investments (calculated in a consistent manner with the calculation for Quad).
- EBITDA Margin and Adjusted EBITDA Margin is 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 (Loss) Per Share is defined as earnings (loss) before income taxes and equity in earnings of unconsolidated entity excluding restructuring, impairment and transaction-related charges and gains from sale and leaseback, 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	**2022**	**2021**
Net earnings	$ 13.7	$ 14.3
Interest expense	12.1	15.0
Income tax expense	2.6	2.3
Depreciation and amortization	34.8	38.7
EBITDA [Non-GAAP]	$ 63.2	$ 70.3
EBITDA Margin [Non-GAAP]	7.6%	10.0%
Restructuring, impairment and transaction-related charges	5.6	7.4
Gain from sale and leaseback	—	(10.8)
Other [(1)]	—	0.6
Adjusted EBITDA [Non-GAAP] [(2)]	**$ 68.8**	**$ 67.5**
Adjusted EBITDA Margin [Non-GAAP]	**8.3%**	**9.6%**

(1) Other includes the following items: (a) the equity in earnings of unconsolidated entity, which includes the results of operations for an investment in an entity where Quad has the ability to exert significant influence, but not control, and is accounted for using the equity method of accounting; and (b) the Adjusted EBITDA for unconsolidated equity method investments, which was calculated in a consistent manner with the calculation above for Quad.

(2) The Company made a change in its definition of Adjusted EBITDA to include net pension income. This change is reflected in both periods presented.

Adjusted EBITDA

Year-to-Date

	Nine Months Ended September 30,	
US $ Millions	**2022**	**2021**
Net earnings	$ 18.0	$ 58.9
Interest expense	32.3	45.1
Income tax expense	4.0	4.1
Depreciation and amortization	106.6	119.3
EBITDA [Non-GAAP]	$ 160.9	$ 227.4
EBITDA Margin [Non-GAAP]	6.9%	10.8%
Restructuring, impairment and transaction-related charges	12.4	(3.4)
Gains from sale and leaseback	—	(24.5)
Other (1)	—	1.1
Adjusted EBITDA [Non-GAAP] (2)	**$ 173.3**	**$ 200.6**
Adjusted EBITDA Margin [Non-GAAP]	**7.4%**	**9.5%**

(1) Other includes the following items: (a) the equity in earnings of unconsolidated entity, which includes the results of operations for an investment in an entity where Quad has the ability to exert significant influence, but not control, and is accounted for using the equity method of accounting; and (b) the Adjusted EBITDA for unconsolidated equity method investments, which was calculated in a consistent manner with the calculation above for Quad.

(2) The Company made a change in its definition of Adjusted EBITDA to include net pension income. This change is reflected in both periods presented.

Free Cash Flow
Year-to-Date

	Nine Months Ended September 30,	
US $ Millions	**2022**	**2021**
Net cash provided by (used in) operating activities	$ (30.3)	$ 22.1
Less: purchases of property, plant and equipment	(49.5)	(41.6)
Free Cash Flow [Non-GAAP]	**$ (79.8)**	**$ (19.5)**

Net Debt and Debt Leverage Ratio

US $ Millions	September 30, 2022	December 31, 2021
Total debt and finance lease obligations on the balance sheets	$ 729.3	$ 803.7
Less: Cash and cash equivalents	14.0	179.9
Net Debt [Non-GAAP]	$ 715.3	$ 623.8
Divided by: trailing twelve months Adjusted EBITDA [Non-GAAP] (1)	$ 233.2	$ 260.5
Debt Leverage Ratio [Non-GAAP]	**3.07x**	**2.39x**

(1) The Company made a change in its definition of Adjusted EBITDA to include net pension income. This change is reflected in all periods presented. The calculation of Adjusted EBITDA for the trailing twelve months ended September 30, 2022, and December 31, 2021, was as follows:

		Add	Subtract	
	Year Ended	Nine Months Ended		Trailing Twelve Months Ended
	December 31, 2021	September 30, 2022	September 30, 2021	September 30, 2022
Net earnings (loss)	$ 37.8	$ 18.0	$ 58.9	$ (3.1)
Interest expense	59.6	32.3	45.1	46.8
Income tax expense	9.5	4.0	4.1	9.4
Depreciation and amortization	157.3	106.6	119.3	144.6
EBITDA [Non-GAAP]	$ 264.2	$ 160.9	$ 227.4	$ 197.7
Restructuring, impairment and transaction-related charges	18.9	12.4	(3.4)	34.7
Gains from sale and leaseback	(24.5)	—	(24.5)	—
Loss on debt extinguishment	0.7	—	—	0.7
Other	1.2	—	1.1	0.1
Adjusted EBITDA [Non-GAAP]	**$ 260.5**	**$ 173.3**	**$ 200.6**	**$ 233.2**

Balance Sheet

US $ Millions	September 30, 2022	December 31, 2021
ASSETS		
Cash and cash equivalents	$ 14.0	$ 179.9
Receivables, less allowance for credit losses	399.2	362.0
Inventories	323.2	226.2
Prepaid expenses and other current assets	42.4	41.0
Property, plant and equipment—net	681.8	727.0
Operating lease right-of-use assets—net	118.5	125.7
Goodwill	86.4	86.4
Other intangible assets—net	54.0	75.3
Other long-term assets	74.2	66.5
Total assets	**$ 1,793.7**	**$ 1,890.0**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Accounts payable	$ 446.5	$ 367.3
Other current liabilities	237.8	314.3
Current portion of debt and finance lease obligations	53.6	247.4
Current portion of operating lease obligations	28.7	28.1
Long-term debt and finance lease obligations	675.7	556.3
Operating lease obligations	93.3	99.8
Deferred income taxes	15.8	11.9
Other long-term liabilities	104.6	128.1
Total liabilities	**1,656.0**	**1,753.2**
Total shareholders' equity	**137.7**	**136.8**
Total liabilities and shareholders' equity	**$ 1,793.7**	**$ 1,890.0**

Adjusted Diluted Earnings Per Share

Third Quarter

	Three Months Ended September 30,	
US $ Millions (Except Per Share Data)	**2022**	**2021**
Earnings before income taxes and equity in earnings of unconsolidated entity	$ 16.3	$ 16.4
Restructuring, impairment and transaction-related charges	5.6	7.4
Gain from sale and leaseback	—	(10.8)
Adjusted net earnings, before income taxes [Non-GAAP]	21.9	13.0
Income tax expense at 25% normalized tax rate	5.5	3.3
Adjusted net earnings [Non-GAAP]	$ 16.4	$ 9.7
Basic weighted average number of common shares outstanding	50.1	51.3
Plus: effect of dilutive equity incentive instruments	1.5	1.8
Diluted weighted average number of common shares outstanding	51.6	53.1
Adjusted Diluted Earnings Per Share [Non-GAAP]	**$ 0.32**	**$ 0.18**
Diluted earnings per share [GAAP]	$ 0.27	$ 0.27

Adjusted Diluted Earnings Per Share

Year-to-Date

	Nine Months Ended September 30,	
US $ Millions (Except Per Share Data)	**2022**	**2021**
Earnings before income taxes and equity in earnings of unconsolidated entity	$ 22.0	$ 62.9
Restructuring, impairment and transaction-related charges	12.4	(3.4)
Gains from sale and leaseback	—	(24.5)
Adjusted net earnings, before income taxes [Non-GAAP]	34.4	35.0
Income tax expense at 25% normalized tax rate	8.6	8.8
Adjusted net earnings [Non-GAAP]	$ 25.8	$ 26.2
Basic weighted average number of common shares outstanding	51.2	51.3
Plus: effect of dilutive equity incentive instruments	1.8	1.5
Diluted weighted average number of common shares outstanding	53.0	52.8
Adjusted Diluted Earnings Per Share [Non-GAAP]	**$ 0.49**	**$ 0.50**
Diluted earnings per share [GAAP]	$ 0.34	$ 1.12