

02-Nov-2022

# Quad/Graphics, Inc. (QUAD)

Q3 2022 Earnings Call

### CORPORATE PARTICIPANTS

Claire Ho

Anthony C. Staniak

Director-Corporate Communications, Quad/Graphics, Inc.

Chief Financial Officer, Quad/Graphics, Inc.

Joel Quadracci

Chairman, President & Chief Executive Officer, Quad/Graphics, Inc.

### MANAGEMENT DISCUSSION SECTION

**Operator**: Good morning, ladies and gentlemen, and welcome to Quad's Third Quarter Conference Call. During today's call, all participants will be in a listen-only mode. [Operator Instructions] A slide presentation accompanies today's webcast, and participants are invited to follow along advancing the slides themselves. To access the webcast, follow the instructions posted in the earnings release. Alternatively, you can access the slide presentation on the Investors section of Quad's website under the Events and Recent Presentations link. Please note today's event is being recorded.

At this time, I'd like to turn the conference call over to Claire Ho, Quad's Director of Corporate Communications. Claire, please go ahead.

#### Claire Ho

Director-Corporate Communications, Quad/Graphics, Inc.

Thank you, operator, and good morning, everyone. With me today are Joel Quadracci, Quad's Chairman, President and Chief Executive Officer; and Tony Staniak, Quad's Chief Financial Officer. Joel will lead off today's call with a business update and Tony will follow with a summary of Quad's third quarter 2022 financial results followed by Q&A.

I would like to remind everyone that this call is being webcast, and forward-looking statements are subject to Safe Harbor provisions as outlined in our quarterly news release and in today's slide presentation on slide 2. Quad's financial results are prepared in accordance with generally accepted accounting principles. However, this presentation also contains non-GAAP financial measures, including adjusted EBITDA, adjusted EBITDA margin, adjusted diluted earnings per share, free cash flow, net debt and debt leverage ratio. We have included in the slide presentation reconciliations of these non-GAAP financial measures to GAAP financial measures.

Finally, a replay of the call and the slide presentation will be available on the Investors section of quad.com shortly after our call concludes today.

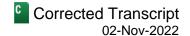
I will now handover the call to Joel.

#### Joel Quadracci

Chairman, President & Chief Executive Officer, Quad/Graphics, Inc.

Thank you, Claire, and good morning, everyone. I'm pleased to report that in the third quarter we delivered better than expected net sales of \$830 million, an 18% increase. This was the sixth consecutive quarter of sales growth for Quad, and reflects continued print segment share gains, increased pricing in response to inflationary cost

Q3 2022 Earnings Call



pressures and increased sales in our international locations. Our focus as a marketing experience company is driving segment share gains and new client wins. And as a result, we are raising our full year net sales guidance range from 3% to 7% growth to 8% to 10% growth. We've also narrowed our other guidance within the previously provided ranges to reflect our results through the first nine months of the year, which Tony will cover later in the call.

I'm pleased to share that the proactive investments we made in labor, inventory and equipment during the first half of 2022 are paying off now during our seasonally high production period. As a result, we achieved higher adjusted EBITDA in the third quarter on both a year-over-year and sequential basis. Notably, we are positioned to achieve higher year-over-year earnings in the fourth quarter as well. Despite ongoing challenges from macroeconomic headwinds, we continue to monitor and take action to mitigate inflationary cost pressures and supply chain constraints, including an inflationary offsetting price increase that will become effective January 1, 2023. Overall, we remain nimble and ready to adjust our operations as necessary to enhance our financial strength while continuing to serve our clients well.

Slide 4 shows how we continue to diversify our revenue into higher value and higher margin offerings. On a year-to-date basis, this helped us grow net sales by 14% when excluding the impact of the QuadExpress divestiture. Net sales grew in our targeted print and international segments, while large scale print decreased as a percentage of total net sales due to expected organic declines, primarily in retail inserts.

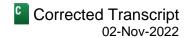
The increase in our international segment is primarily driven by stronger sales in Latin America. For example, Mexico sales have been bolstered by higher exports into the US, and Mexico is proving to be a high quality, low cost alternative to Asia.

Turning to slide 5, we are proud of the effectiveness of our business strategy to sustain our leadership in commercial printing, while also transforming it into a marketing experience or MX company. The world's best brands increasingly recognize the unique value we provide to our holistic multi-channel, through-the-line marketing solutions. As an MX company, we guide brands through every effort intended to drive an action, from consumer awareness and trust to brand preference and purchase. We will continue to give our clients a more streamlined, flexible and frictionless way to go to market and reach consumers while enhancing our competitive position to drive profitable growth.

On slide 6, we highlighted our three key competitive advantages, integrated marketing platform excellence, innovation and culture and social purpose. We continue to strategically invest in our platform, including creative, analytic, print and production capabilities. Recent investments include advancements in data signals, insights and analytics and next-gen printing capabilities with 100% variable print. We also continue to invest in our talent bringing aboard experienced professional support, our integrated offering and accelerate sales growth. In addition, we just opened a new location at [ph] 30 Irving Place (00:06:07) in New York City, right in the heart of Union Square District. The location is a strategic investment in our brand and will not only serve our local talent, but provide a space to boost clients' marketing experience through conversation, collaboration and sales interaction.

As a marketing experience company, we are making investments in brand marketing, including introducing Quad to new and expanded audiences, as shown on slide 7. In October, we participated in Advertising Week in New York and the Masters of Marketing Annual Conference in Orlando to strengthen existing client relationships and uncover new partnership opportunities for applying our unique technology and scalable solutions. During the quarter, we also facilitated thought leadership discussions among senior brand marketers from Fortune 500 and other leading companies within the Brand Innovators community.

Q3 2022 Earnings Call



This week, our Chief Marketing Officer, Josh Golden, is speaking at the Annual Forbes CMO Summit in Miami, where he will provide insights about the marketing industry's need for a differentiated through-the-line offering to help us close the persistent gap between creative and production. Next week, we will host our Quad Packaging Sustainability Symposium for clients where we will address sustainability trends, new legislation about green washing and product recyclability and perspectives from Quad clients including CVS Health Corporation and the Kodiak Cakes brands.

As part of the symposium, attendees will be able to tour our [ph] Packaging Insight (00:07:40) location in Greenville, South Carolina, and learn how we test brand packaging performance, consumer attention and shelf impact in a simulated shopping environment using advanced biometric technologies.

Turning to slide 8, we are growing our presence with brands in the critical expansion categories of finance, healthcare, retail, consumer packaged goods and direct-to-consumer. For example, a large and complex legacy branded insurance and financial services company chose to expand our relationship to include integrated, creative and media solutions. The company was looking for fresh ideas to creatively bring its brand story to life across all business lines as it transforms from an institutional agent-first model to a digitally savvy, direct-to-consumer model. The company also wanted to make better use of the data in order to connect more effectively and authentically with consumers.

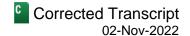
We were already exceptionally familiar with the company having successfully partnered with it on direct mail production for more than 15 years. We presented an integrated strategy propelled by audience insights and consumer connections planning for driving peak performance through data driven orchestration of the right brand actions in the right moments for the right audiences.

We also introduced the client to our solutions for advanced measurement and accountability to quantify and predict the impact of its marketing efforts. While our work for this client is only just getting underway, we are proud to be the digital agency for three of its most important business lines. We successfully competed against some of the largest agency holding companies for this work.

On slide 9, we show how we drive business results for our clients through a relentless focus on innovation, even on things as standard as mailing envelopes. Knowing that marketers face a new set of challenges with the cookieless future, we spearheaded a campaign for SiriusXM that fully integrated both digital marketing with traditional mail and data capture and a focused target market. One to one flow codes and a highly designed and engaging outer envelope increased customer interactions by 30% and delivered first-party user scanned data for the client to better identify audiences and their passions. This innovation is just one more way we are helping our network of brands, publishers and direct marketers monetize their offline and online media more effectively.

On slide 10, we highlighted our third competitive advantage, commitment to culture and social purpose. We continuously create a better way through our approach to environmental, social and governance matters. In fact, Quad's ESG strategy has been validated by trusted third-parties such as EcoVadis, which recently awarded Quad a bronze medal for the quality of our ESG strategy, and the Wisconsin Sustainable Business Council, which just awarded us Green Masters status for our sustainable business actions. We also just released our 2022 ESG update, which details progress on our commitments to create positive, sustainable change. The update is available for viewing and download on quad.com, or you can scan the flow code shown on slide 10 of today's presentation.

Q3 2022 Earnings Call



When it comes to the environment, we have multiple initiatives in place to reduce our environmental impact. We are also committed to environmental education and are pleased to share we are featured on a new episode of the Emmy award-winning video series Into the Outdoors, which regularly airs on PBS. We were selected to be part of the programming for our commitment to environmentalism, sustainability and stewardship, including our work to galvanize the next generation of environmental stewards. To see the episode, scan the other flow code on slide 10.

In the social space, we are advancing on our goal to build a more comprehensive and sustainable DEI strategy that not only benefits our employees, but also our industry and the communities we call home. Our DEI task force is taking action, implementing projects that foster a culture of inclusion with measurement and monitoring to hold ourselves accountable. While we still have work to do, Quad has advanced on several social commitments, including improving the representation of the women and people of color among our US employee base and US management team.

In particular, our agency solutions group has made gains in attracting more diverse talents and implementing more inclusive hiring practices. We also just opened a new recruiting and training hub based in Milwaukee Central City. We are working with the community to remove barriers to employment, such as training and transportation and create greater awareness around career opportunities with growth trajectories. This location builds on the momentum established with trusted community partners such as Running Rebels and The BrandLab.

Turning to slide 11, before I turn the call over to Tony, I want to recognize our very own Kelly Burt, Vice President of Sales and Business Development for In-Store, for being recognized among the 2022 Women of Excellence by the Path to Purchase Institute. Kelly, who was lauded for excellence in business management, including growing new business and market share with integrity and creativity, was recognized along with leaders from other large brands such as PepsiCo and Albertsons. So, congratulations, Kelly.

On a more personal note, I was honored to see my late mother and Quad Co-Founder, Betty Quadracci, recognized for Advancing Inclusive Leadership in the Wisconsin business community. In October, Milwaukee Women inc celebrated Betty for her role in founding their organization, which is focused on achieving balanced representation of women on Boards of Directors. I am proud of my mother's lasting legacy to maximize the performance of Wisconsin businesses.

I will now turn over the call to Tony for a financial review.

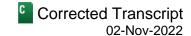
### Anthony C. Staniak

Chief Financial Officer, Quad/Graphics, Inc.

Thanks, Joel, and good morning, everyone. Slide 12 provides a snapshot of our third quarter 2022 financial results. As Joel highlighted, we continue to be pleased with our consistent net sales growth. Compared to 2021 and excluding divestitures, we achieved 9% growth in the first quarter of 2022, 14% growth in the second quarter and 18% growth in the third quarter. This now represents six consecutive quarters of year-over-year net sales growth going back to the second quarter of 2021.

In addition, the proactive investments we made during the first half of the year in hiring and training labor proved effective during the third quarter, driving strong operational performance, very high client satisfaction with on-time deliveries and increased adjusted EBITDA from the prior year. We expect adjusted EBITDA growth in the fourth quarter also.

Q3 2022 Earnings Call



We are closely monitoring the economy and will remain disciplined with our capital allocation. Our primary focus heading into the fourth quarter remains debt reduction. While our debt leverage ratio increased to 3.07 times as of September 30, 2022, I want to remind our audience that the third quarter is traditionally our annual high point for working capital. Thus, we believe that with the seasonally strong fourth quarter free cash flow we have projected, we will achieve the year-end debt leverage guidance of approximately 2.25 times.

We also repurchased 3.1 million shares of Class A common stock, which represents more than 5% of Quad's outstanding shares for \$10 million year-to-date. We will continue to pursue opportunities with our share repurchase program at times in the future.

Net sales were \$830 million in the third quarter, up 18% from 2021. On a year-to-date basis, net sales were \$2.3 billion, up 11% from 2021. After excluding the 2021 QuadExpress divestiture, net sales increased 14% for the nine-month period compared to the same period in 2021. Net sales growth was achieved due to print segment share gains, increased pricing in response to inflationary pressures and increased sales in our international locations. We will continue to be nimble with our pricing to mitigate the negative impacts of supply chain disruption and cost inflation. Adjusted EBITDA was \$69 million in the third quarter of 2022, as compared to \$55 million in the third quarter of 2021, when excluding a \$13 million non-recurring gain from a property insurance claim in 2021.

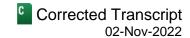
The adjusted EBITDA increase of over 25% was driven by continued sales growth and proactive investments made in labor, inventory and equipment during the first half of 2022 to increase production efficiency in the second half of 2022 during our seasonally higher production period. On a year-to-date basis, adjusted EBITDA was \$173 million in 2022 as compared to \$201 million in 2021. The decline in the year-to-date period was primarily due to cost inflation, investments made in hiring and training labor in the first half of the year, the negative impact of supply chain disruptions on our productivity and a \$13 million gain from a property insurance claim in 2021, which were partially offset by increased earnings from net sales growth. Adjusted diluted earnings per share was \$0.32 in the third quarter of 2022, a 78% increase compared to \$0.18 in the third quarter of 2021. This increase was primarily due to increased recurring earnings and was also benefited by our recent stock buybacks. Year-to-date, adjusted diluted earnings per share was \$0.49 consistent with \$0.50 in the same period last year.

Free cash flow decreased \$60 million to negative \$80 million for the first nine months of 2022, primarily due to higher working capital driven by inflationary cost increases, supply chain disruption and higher net sales. We also invested \$50 million year-to-date in capital expenditures consistent with our long term automation strategy. We will continue to invest in our business to seize opportunities, including accelerating our growth, winning additional segment share and/or reducing our costs. As a reminder, the company historically generates the majority of its free cash flow in the fourth quarter of the year.

Slide 13 includes a summary of our debt capital structure. Net debt increased by \$91 million to \$715 million at September 30, 2022, as compared to \$624 million as of December 31, 2021. And the debt leverage ratio increased 68 basis points to 3.07 times at the end of the third quarter. The increase in net debt and the debt leverage ratio was primarily due to the investment in working capital in preparation for our peak production season.

When removing the impacts of seasonality, over the past 12 months, net debt decreased \$84 million, representing a reduction of over 10% in our net debt. Our long term targeted leverage range is 2 to 2.5 times. And with the expected seasonally strong fourth quarter cash flow, we continue to believe we will achieve the midpoint of 2.25 times by the end of the year.

Q3 2022 Earnings Call



During the third quarter, we maintained our strong liquidity with up to \$245 million of availability under our revolving credit agreement and \$14 million of cash on hand. Our nearest significant debt maturity is \$88 million occurring in January 2024 and the vast majority of the debt maturities are not due until late 2026.

Our 2022 guidance has been updated as shown on slide 14. Our annual net sales growth range, which was originally 3% to 7% growth, is now projected to increase to 8% to 10% growth. As we are now three-fourths of the way through the year, we are also narrowing our other guidance ranges. All of the following updated guidance is within the ranges we previously provided. The adjusted EBIT guidance range is \$235 million to \$255 million. Free cash flow guidance range is \$70 million to \$90 million. And year-end debt leverage guidance is unchanged at approximately 2.25 times.

Our financial objectives include accelerating our business as a marketing experience company to fuel net sales growth, driving profitability through sales growth, effective cost management and productivity improvements, maintaining a strong balance sheet with a primary focus on reducing debt through the generation of strong free cash flow as well as a balanced approach to capital allocation, including pursuing opportunities to return capital to shareholders through stock buybacks or dividends. These efforts will further strengthen our balance sheet and liquidity, enhancing our financial flexibility to accelerate and scale our strategy as a marketing experience company while driving shareholder value.

With that, I'd like to turn the call back to Claire for questions.

### QUESTION AND ANSWER SECTION

#### Claire Ho

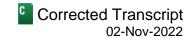
Director-Corporate Communications, Quad/Graphics, Inc.

Thank you, Tony. Because we compiled questions in advance of today's call, we will not ask for callers to enter the queue. Thank you to everyone who submitted a question. We have four questions that were submitted. Our first question relates to industry and segment trends and asks, you highlighted print segment share gains and increased international sales as two contributors to strong sales growth. Can you provide some additional commentary on those areas and also comment on any trends you're seeing across the other industries and segments you operate in?

Joel Quadracci Chairman, President & Chief Executive Officer, Quad/Graphics, Inc.

Yeah Claire, thank you. Thank you for the question. Yeah, international sales, as I said in the script, was a good contributor. Again, what we're seeing in our Mexican operations especially and we think will spread into the other areas in South America, is that it's a great, strong alternative to a lot of the printed products that were typically supplied out of Asia. And so we're seeing that market increase dramatically and really help us kind of change the product mix. But then if you look at sort of our core product lines that we talk about in print, so people can understand where is decline and where is growth, we always look at large scale print as being made up of retail inserts and publications. The retail inserts for the quarter were off about 20%, which has been expected and we've consistently talked about the expectation of continued decline as people kind of shift away from a product that is distributed through the newspapers to the consumer as newspaper circulation has come down, but even in that, you have to bifurcate retail inserts into sort of big-box retail versus grocery. Groceries tend - tends to be a little bit more stable. But all in all, that decline, we expect to continue. But keep in mind, we're doing a lot of other products and services for retailers. And so as they sort of see the decline in retail, they still need to get to the

Q3 2022 Earnings Call



consumer. And so that's where we have an uptick in efforts with direct mail sales or we're doing a lot of in-store signage that continues to grow. And so it's an area that's important to us in terms of the retail clients, because oftentimes they're ones who really can benefit from our products and services to drive their sales.

Publications is another area that we've seen regular decline and expect more. And it was off about 15% in the quarter, but about 6% of that decline was made up of a sort of a rejiggering of some portfolios due to change in ownership with one client making up the bulk of it. So you saw some titles like InStyle, Martha Stewart and Shape and Parents that were around for a long time suddenly cease production. And then on top of that, pressure on the advertising climate. But publications, we believe for the long term, will continue to play a role, but we know how to manage it.

When you flip to targeted print, which is catalog, direct mail, packaging and in-store, it's a different story. Whereas in catalog, the catalog books that we do were actually up 10% in the quarter and number of pages up over 3%, much of that was from organic growth, so from some of our customers who have grown with us, but also segment share gains that we've had throughout the year. On the direct mail side, the industry was off about 11% in the quarter, which sometimes could be a sort of a bellwether for a slowing economy. Our Q – our DM volume was actually off only about 1%, but the revenue from that volume was up 18% because of inflationary cost increases, increased paper sales as well as product mix to more complicated, targeted direct mail.

And on the packaging side, we were up over 15% for the quarter, which is an interesting story as well because we started to look at our – the products that we produce and where can we add the most value, and our platform is best [indiscernible] (00:25:44). And that's where we started doing some higher end COVID tests from what happened with the pandemic and we've been very successful in creating a whole new relationship there, and we expect to expand into other types of kits in the future, but continue on with COVID tests because they're not going to disappear anytime soon.

And that sort of — we used that as an opportunity to get out of some product lines, like pasta boxes, that are very low margin and really shouldn't be holding up the capacity when we can create value in other marketplaces. And so then in-store, the final one was up 19% in the quarter, and that's from new client wins and bringing in segment share in that area. So when you look at it, again, we look at large scale and targeted print a little bit differently. We have to offset the decline that happens in large scale, but we've done that through the same relationships and new relationships into targeted print. And then on top of that, you look at clients we're bringing in on the agency solutions side and many of these other clients who are expanding into the agency solutions side for us. And so that kind of rounds out what we saw in the quarter.

#### Claire Ho

 ${\it Director-Corporate\ Communications,\ Quad/Graphics,\ Inc.}$ 

Thank you, Joel. Our next question is regarding the current economy and its impact on retail clients. It asks, can you comment on any areas of the business that may be starting to see some impact from the recent economic downturn? How much of your business is tied to retail and apparel customers that are noting slowdowns?

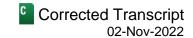
#### Joel Quadracci

Chairman, President & Chief Executive Officer, Quad/Graphics, Inc.

Well, I think it's a mixed bag. And we saw retailers grappling with things all year from having too much inventory because passed supply chain, making bets on the – and ending up with the wrong inventory. But I think one of the noticeable things that we're seeing is just in the [ph] fog (00:27:35), kind of a look at a change in how they view Black Friday, which typically drives a lot of volume in a short amount of time. We've seen a lot of retailers sort of announce backing off from that. And so that's one noticeable thing that we've seen, but we're not sure and we're



Q3 2022 Earnings Call



watching to see if that's a trend or a one-time thing. And I think a lot of people are still trying to figure that out. So, we're watching everything closely. But I think between the segment share gains that we've been experiencing and our ability to act really quickly, and we have historically shown that, we're prepared for whatever the economy throws at us.

#### Claire Ho

Director-Corporate Communications, Quad/Graphics, Inc.

Thank you. Our next question is regarding supply chain constraints. It asks, can you provide some commentary on any supply chain constraints you experienced during the quarter? How has Quad positioned itself to ensure it has the necessary paper inventory and labor to fill its peak demand?

### Joel Quadracci

Chairman, President & Chief Executive Officer, Quad/Graphics, Inc.

Yeah. So there's two questions there. One is supply chain and one is labor. And I think the biggest supply chain issue that this industry has been dealing with is paper shortages and that's because of a disruption in the available capacity. Some of the capacity has shifted to other parts of the industry in packaging or have shut based on what demand has done. But we ended up navigating it pretty well this year because we were able to buy ahead and work with mills and customers. And that's one of the reasons for increased working capital, but it was to make sure we had the paper to print on. But we also worked with a lot of our clients to manage that. And so I'd say that paper will continue to be something we have to navigate. And - but we're well positioned for it. And then all the other sort of stuff, that supply chain, that people are seeing, are being managed.

The [indiscernible] (00:29:28), but it's not as bad as it was. And I think that we're in a good shape there. Labor was the other thing we've been talking a lot. We talked about a lot last year with the low unemployment rate. And what we did based on what we were seeing, with where things are at, is we started hiring much earlier, so that we could really take advantage of the timeframe to gear up for the busy season as opposed to starting at our typical time and that involved wage increases, but also a very holistic approach to attracting labor as well as retaining labor.

And I think that's an important note because in a low unemployment environment, you also have high turnover and that's a place we're working very hard on. But we're happy to say that in this busy season, we were 700 people short when we were looking at it from last year and we actually are where we need to be and we've actually slowed down some of the hiring based on our success. So very, very pleased with that, which has allowed us to get through this busy season with very few hiccups. And I'll tell you our on-time delivery is like well above where we expected it to be based on those challenges from last year.

#### Claire Ho

Director-Corporate Communications, Quad/Graphics, Inc.

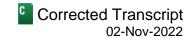
Thank you, Joel. Our last question is regarding stock buybacks. It asks, with the increasing share repurchases you have done as of late, do you anticipate continuing these levels of repurchase activity in the near term? Any additional insight you can provide on how you're thinking about repurchases and your capital allocation priorities going forward?

#### Joel Quadracci

Chairman, President & Chief Executive Officer, Quad/Graphics, Inc.

Yeah. Thanks. Thanks, Claire. As we said last quarter, we're going to pursue opportunities to repurchase shares and we did that recently based on where the share price was. We felt that there was good value there and it was

Q3 2022 Earnings Call



a compelling use of capital. And we will do that in the future when we feel there is a compelling use of capital. We repurchased over 5% of our outstanding shares, repurchased dilution that had taken place over the years on the equity grants. And again, as part balanced capital allocation, we will look for opportunities in the future when it makes sense.

#### Claire Ho

Director-Corporate Communications, Quad/Graphics, Inc.

Thank you, Tony. This concludes the Q&A portion of today's call, and now, I would like to turn the call back to Joel for closing remarks.

### Joel Quadracci

Chairman, President & Chief Executive Officer, Quad/Graphics, Inc.

Thank you, Claire, and thank you everyone for joining today's call. I just want to close by reiterating my thanks to our employees for their continued hard work, especially during our peak demand for our products and services. And I remain very confident in our team and our strategy and in our future as a marketing experience company that helps brands reimagine their marketing to be more streamlined, impactful, flexible and frictionless.

With that, thank you again and have a good day. We look forward to speaking with you next quarter.

**Operator:** Ladies and gentlemen, that does conclude today's conference call. We do thank you for joining. You may now disconnect your lines.

#### Disclaime

The information herein is based on sources we believe to be reliable but is not guaranteed by us and does not purport to be a complete or error-free statement or summary of the available data. As such, we do not warrant, endorse or guarantee the completeness, accuracy, integrity, or timeliness of the information. You must evaluate, and bear all risks associated with, the use of any information provided hereunder, including any reliance on the accuracy, completeness, safety or usefulness of such information is not intended to be used as the primary basis of investment decisions. It should not be construed as advice designed to meet the particular investment needs of any investor. This report is published solely for information purposes, and is not to be construed as financial or other advice or as an offer to sell or the solicitation of an offer to buy any security in any state where such an offer or solicitation would be illegal. Any information expressed herein on this date is subject to change without notice. Any opinions or assertions contained in this information do not represent the opinions or beliefs of FactSet CallStreet, LLC, or one or more of its employees, including the writer of this report, may have a position in any of the securities discussed herein.

THE INFORMATION PROVIDED TO YOU HEREUNDER IS PROVIDED "AS IS," AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, FactSet Calistreet, LLC and its licensors, Business associates and suppliers disclaim all warranties with respect to the same, express, implied and statutory, including without limitation any implied warranties of merchantability, fitness for a particular purpose, accuracy, completeness, and non-infringement. To the maximum extent permitted by applicable law, neither factset callstreet, llc nor its officers, members, directors, partners, affiliates, business associates, licensors or suppliers will be liable for any indirect, incidental, special, consequential or punitive damages, including without limitation damages for lost profits or revenues, goodwill, work stoppage, security breaches, viruses, computer failure or malfunction, use, data or other intangible losses or commercial damages, even if any of such parties is advised of the possibility of such losses, arising under or in connection with the information provided herein or any other subject matter hereof.

The contents and appearance of this report are Copyrighted FactSet CallStreet, LLC 2022 CallStreet and FactSet CallStreet, LLC are trademarks and service marks of FactSet CallStreet, LLC. All other trademarks mentioned are trademarks of their respective companies. All rights reserved.