

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

**FORM 8-K**

CURRENT REPORT

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

Date of Report (Date of earliest event reported): February 6, 2025

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**LEE ENTERPRISES, INCORPORATED**

(Exact name of Registrant as specified in its charter)

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Delaware  
(State of Incorporation)

1-6227  
(Commission File Number)

42-0823980  
(I.R.S. Employer Identification No.)

4600 E. 53rd Street, Davenport, Iowa 52807  
(Address of Principal Executive Offices)

(563) 383-2100  
Registrant's telephone number, including area code

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

<b>Title of each class</b>	<b>Trading Symbol(s)</b>	<b>Name of each exchange on which registered</b>
Common Stock, par value \$.01 per share	LEE	The Nasdaq Global Select Market
Preferred Share Purchase Rights	LEE	The Nasdaq Global Select Market

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the Registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

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

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**Item 2.02. Results of Operations and Financial Condition.**

On February 6, 2025, Lee Enterprises, Incorporated (the "Company") reported its preliminary results for the first quarter ended December 29, 2024. In connection with the preliminary results, the Company issued a news release, which is attached hereto as Exhibit 99.1 ("News Release"). The Company also prepared presentation materials which were presented by management during the Company's earnings conference call, which are attached hereto as Exhibit 99.2 and have been made available on the Company's website, investors.lee.net ("Presentation Materials"). In addition to the information in the News Release, the Presentation Materials include content and financial figures showing its expectation to be sustainable without reliance on print media within five years.

The information furnished by and incorporated by reference in this Item 2.02, including the attached Exhibits, shall not be deemed filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

**Item 7.01. Regulation FD Disclosure**

The disclosure contained in Item 2.02 is incorporated herein by reference.

**Item 9.01. Financial Statements and Exhibits.**

(d)Exhibits

99.1	<a href="#">Earnings Release</a>
99.2	<a href="#">Presentation Materials</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

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**SIGNATURES**

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

**LEE ENTERPRISES, INCORPORATED**

Date: February 6, 2025

By: /s/ Timothy R. Millage  
Timothy R. Millage  
Vice President, Chief Financial Officer and Treasurer



## Lee Enterprises Reports First Quarter Results

Total Digital Revenue<sup>(1)</sup> increased 5% YOY<sup>(2)</sup>; represented 51% of total revenue  
Digital-only subscription revenue increased 14%<sup>(2)</sup>  
Amplified Digital<sup>®</sup> Agency revenue totaled \$24M, up 14% YOY<sup>(2)</sup>

DAVENPORT, Iowa (February 6, 2025) — Lee Enterprises, Incorporated (NASDAQ: LEE), a digital-first subscription platform providing high quality, trusted, local news, information and a major platform for advertising in 72 markets, today reported preliminary first quarter fiscal 2025 financial results<sup>(3)</sup> for the period ended December 29, 2024.

"Our first quarter results demonstrate the continued progression of our digital transformation. We achieved over \$300 million in Total Digital Revenue over the last twelve months, including over \$100 million in Amplified Digital Agency<sup>®</sup> revenue," said Kevin Mowbray, Lee's President and Chief Executive Officer.

"To accelerate our digital transformation, we recently announced a strategic partnership with Amazon Web Services (AWS). By leveraging AWS's cutting-edge cloud computing solutions, we aim to optimize content delivery, improve customer engagement, and drive innovative digital products across our extensive portfolio of publications. This partnership highlights our commitment to embracing advanced technologies to meet the evolving needs of our audience and advertisers while achieving long-term growth and scalability. With AWS's proven expertise, Lee Enterprises is well-positioned to drive sustainable growth, enhance efficiency, and deliver increased value to our shareholders," said Mowbray.

"As we look forward into the rest of the fiscal year, we expect digital revenue growth to accelerate achieving full year guidance of growth between 7% and 10%. In addition, we have identified approximately \$40 million of annualized cost reductions that we expect to have executed on by the end of the second quarter. We expect strong digital revenue growth combined with strong cost management of our print business to keep us on track to achieve our overall Adjusted EBITDA<sup>(1)</sup> guidance for the fiscal year," Mowbray added.

### Key First Quarter Highlights:

- Total operating revenue was \$145 million.
- Total Digital Revenue was \$73 million, a 5% increase over the prior year<sup>(2)</sup>, and represented 51% of our total operating revenue.
- Revenue from digital-only subscribers totaled \$22 million, up 14% over the prior year<sup>(2)</sup>.
- Digital advertising and marketing services revenue represented 70% of our total advertising revenue and totaled \$47 million.
- Digital services revenue, which is predominantly from BLOX Digital, totaled \$5 million in the quarter.
- Operating expenses totaled \$149 million and Cash Costs totaled \$139 million, flat and a 1% decrease compared to the prior year, respectively.
- Net loss totaled \$16 million and Adjusted EBITDA totaled \$8 million.

**Debt and Free Cash Flow:**

The Company has \$446 million of debt outstanding under our Credit Agreement<sup>(9)</sup> with BH Finance. The financing has favorable terms including a 25-year maturity, a fixed annual interest rate of 9.0%, no fixed principal payments, and no financial performance covenants.

As of and for the period ended December 29, 2024:

- The principal amount of debt totaled \$446 million.
- Cash on the balance sheet totaled \$6 million. Debt, net of cash on the balance sheet, totaled \$440 million.
- Capital expenditures totaled \$2 million for the quarter. We expect up to \$12 million of capital expenditures in FY25.
- We expect cash paid for income taxes to total between \$4 million and \$10 million in 2025.
- We do not expect any material pension contributions in the fiscal year as our plans are fully funded in the aggregate.

**Conference Call Information:**

As previously announced, we will hold an earnings conference call and audio webcast today at 9 a.m. Central Time. The live webcast will be accessible at [www.lee.net](http://www.lee.net) and will be available for replay 24 hours later. Analysts have been invited to ask questions on the call. Questions from other participants may be submitted by participating in the webcast. To participate in the live conference call via telephone, please visit [www.lee.net](http://www.lee.net). Upon registering, a dial-in number and unique PIN will be provided to join the conference call.

**About Lee:**

Lee Enterprises is a major subscription and advertising platform and a leading provider of local news and information, with daily newspapers, rapidly growing digital products and nearly 350 weekly and specialty publications serving 72 markets in 25 states. Our core commitment is to provide valuable, intensely local news and information to the communities we serve. Our markets include St. Louis, MO; Buffalo, NY; Omaha, NE; Richmond, VA; Lincoln, NE; Madison, WI; Davenport, IA; and Tucson, AZ. Lee Common Stock is traded on NASDAQ under the symbol LEE. For more information about Lee, please visit [www.lee.net](http://www.lee.net).

FORWARD-LOOKING STATEMENTS — The Private Securities Litigation Reform Act of 1995 provides a “safe harbor” for forward-looking statements. This release contains information that may be deemed forward-looking that is based largely on our current expectations, and is subject to certain risks, trends and uncertainties that could cause actual results to differ materially from those anticipated. Among such risks, trends and other uncertainties, which in some instances are beyond our control, are:

- We may be required to indemnify the previous owners of BH Media or The Buffalo News for unknown legal and other matters that may arise;
- Our ability to manage declining print revenue and circulation subscribers;
- The impact and duration of adverse conditions in certain aspects of the economy affecting our business;
- Changes in advertising and subscription demand;
- Changes in technology that impact our ability to deliver digital advertising;
- Potential changes in newsprint, other commodities and energy costs;
- Interest rates;
- Labor costs;
- Significant cyber security breaches or failure of our information technology systems;
- Our ability to achieve planned expense reductions and realize the expected benefit of our acquisitions;
- Our ability to maintain employee and customer relationships;
- Our ability to manage increased capital costs;
- Our ability to maintain our listing status on NASDAQ;
- Competition; and

- Other risks detailed from time to time in our publicly filed documents.

Any statements that are not statements of historical fact (including statements containing the words "may", "will", "would", "could", "believes", "expects", "anticipates", "intends", "plans", "projects", "considers" and similar expressions) generally should be considered forward-looking statements. Statements regarding our plans, strategies, prospects and expectations regarding our business and industry and our responses thereto may have on our future operations, are forward-looking statements. They reflect our expectations, are not guarantees of performance and speak only as of the date the statement is made. Readers are cautioned not to place undue reliance on such forward-looking statements, which are made as of the date of this report. We do not undertake to publicly update or revise our forward-looking statements, except as required by law.

Contact:  
IR@lee.net  
(563) 383-2100

**CONSOLIDATED STATEMENTS OF OPERATIONS**  
(UNAUDITED)

	Three months ended		
	December 29, 2024	December 24, 2023	Percent Change
<i>(Thousands of Dollars, Except Per Common Share Data)</i>			
<b>Operating revenue:</b>			
Print advertising revenue	19,861	24,435	(19)%
Digital advertising revenue	46,729	46,452	1 %
Advertising and marketing services revenue	66,590	70,887	(6)%
Print subscription revenue	43,432	51,872	(16)%
Digital subscription revenue	21,565	19,467	11 %
Subscription revenue	64,997	71,339	(9)%
Print other revenue	7,888	8,492	(7)%
Digital other revenue	5,087	4,960	3 %
Other revenue	12,975	13,452	(4)%
<b>Total operating revenue</b>	<b>144,562</b>	<b>155,678</b>	<b>(7)%</b>
<b>Operating expenses:</b>			
Compensation	60,254	59,676	1 %
Newsprint and ink	3,616	4,843	(25)%
Other operating expenses	74,680	74,776	— %
Depreciation and amortization	6,265	7,295	(14)%
Assets (gain) on sales, impairments and other, net	(929)	(1,469)	(37)%
Restructuring costs and other	5,150	4,265	21 %
<b>Total operating expenses</b>	<b>149,036</b>	<b>149,386</b>	<b>— %</b>
Equity in earnings of associated companies	1,122	1,541	(27)%
<b>Operating (loss) income</b>	<b>(3,352)</b>	<b>7,833</b>	<b>NM</b>
<b>Non-operating (expense) income:</b>			
Interest expense	(10,282)	(10,131)	1 %
Pension and OPEB related benefit and other, net	653	186	NM
Curtailment/Settlement gains	—	3,593	NM
<b>Total non-operating expense, net</b>	<b>(9,629)</b>	<b>(6,352)</b>	<b>52 %</b>
(Loss) income before income taxes	(12,981)	1,481	NM
Income tax expense	3,243	248	NM
<b>Net (loss) income</b>	<b>(16,224)</b>	<b>1,233</b>	<b>NM</b>
Net income attributable to non-controlling interests	(524)	(545)	(4)%
(Loss) income attributable to Lee Enterprises, Incorporated	(16,748)	688	NM
Other comprehensive loss, net of income taxes	(115)	(2,314)	(95)%
<b>Comprehensive loss attributable to Lee Enterprises, Incorporated</b>	<b>(16,863)</b>	<b>(1,626)</b>	<b>NM</b>
<b>(Loss) earnings per common share:</b>			
Basic:	(2.80)	0.12	NM
Diluted:	(2.80)	0.12	NM

**DIGITAL / PRINT REVENUE COMPOSITION**  
(UNAUDITED)

	Three months Ended	
	December 29, 2024	December 24, 2023
<i>(Thousands of Dollars)</i>		
Digital Advertising and Marketing Services Revenue	46,729	46,452
Digital Only Subscription Revenue	21,565	19,467
Digital Services Revenue	5,087	4,960
<b>Total Digital Revenue</b>	<b>73,381</b>	<b>70,879</b>
Print Advertising Revenue	19,861	24,435
Print Subscription Revenue	43,432	51,872
Other Print Revenue	7,888	8,492
<b>Total Print Revenue</b>	<b>71,181</b>	<b>84,799</b>
<b>Total Operating Revenue</b>	<b>144,562</b>	<b>155,678</b>

**RECONCILIATION OF NON-GAAP FINANCIAL MEASURES**  
(UNAUDITED)

The table below reconciles the non-GAAP financial performance measure of Adjusted EBITDA to Net loss, its most directly comparable U.S. GAAP measure:

<i>(Thousands of Dollars)</i>	Three months ended	
	December 29, 2024	December 24, 2023
Net (loss) income	(16,224)	1,233
Adjusted to exclude		
Income tax expense	3,243	248
Non-operating expenses, net	9,629	6,352
Equity in earnings of TNI and MNI	(1,122)	(1,541)
Depreciation and amortization	6,265	7,295
Restructuring costs and other	5,150	4,265
Assets gain on sales, impairments and other, net	(929)	(1,469)
Stock compensation	430	214
Add:		
Ownership share of TNI and MNI EBITDA (50%)	1,167	2,052
Adjusted EBITDA	7,609	18,649

The table below reconciles the non-GAAP financial performance measure of Cash Costs to Operating expenses, the most directly comparable U.S. GAAP measure:

<i>(Thousands of Dollars)</i>	Three months ended	
	December 29, 2024	December 24, 2023
Operating expenses	149,036	149,386
Adjustments		
Depreciation and amortization	6,265	7,295
Assets (gain) loss on sales, impairments and other, net	(929)	(1,469)
Restructuring costs and other	5,150	4,265
Cash Costs	138,550	139,295

The table below reconciles the non-GAAP financial performance measure of Same-store Revenues to Operating Revenues, its most directly comparable U.S. GAAP measure:

<i>(Thousands of Dollars)</i>	Three months ended		Percent Change
	December 29, 2024	December 24, 2023	
Print Advertising Revenue	19,861	24,435	(19)%
Exited operations	(39)	(923)	NM
Same-store, Print Advertising Revenue	19,822	23,512	(16)%
Digital Advertising and Marketing Services Revenue	46,729	46,452	1%
Exited operations	(1)	(484)	NM
Same-store, Digital Advertising and Marketing Services Revenue	46,728	45,968	2%
Total Advertising Revenue	66,590	70,887	(6)%
Exited operations	(40)	(1,406)	NM
Same-store, Total Advertising Revenue	66,550	69,481	(4)%
Print Subscription Revenue	43,432	51,872	(16)%
Exited operations	(2)	(446)	NM
Same-store, Print Subscription Revenue	43,430	51,426	(16)%
Digital Subscription Revenue	21,565	19,467	11%
Exited operations	(1)	(472)	NM
Same-store, Digital Subscription Revenue	21,564	18,995	14%
Total Subscription Revenue	64,997	71,339	(9)%
Exited operations	(3)	(918)	NM
Same-store, Total Subscription Revenue	64,994	70,421	(8)%
Print Other Revenue	7,888	8,492	(7)%
Exited operations	—	(8)	NM
Same-store, Print Other Revenue	7,888	8,484	(7)%
Digital Other Revenue	5,087	4,960	3%
Exited operations	—	—	NM
Same-store, Digital Other Revenue	5,087	4,960	3%
Total Other Revenue	12,975	13,452	(4)%
Exited operations	—	(8)	NM
Same-store, Total Other Revenue	12,975	13,444	(3)%
Total Operating Revenue	144,562	155,678	(7)%
Exited operations	(43)	(2,332)	NM
Same-store, Total Operating Revenue	144,519	153,346	(6)%

## NOTES

- (1) Total Digital Revenue is defined as digital advertising and marketing services revenue (including Amplified Digital<sup>®</sup> Agency), digital-only subscription revenue and digital services revenue.
- (2) Same-store revenues is a non-GAAP performance measure based on U.S. GAAP revenues for Lee for the current period, excluding exited operations. Exited operations include (1) business divestitures and (2) the elimination of stand-alone print products discontinued within our markets.
- (3) This earnings release is a preliminary report of results for the periods included. The reader should refer to the Company's most recent reports on Form 10-Q and on Form 10-K for definitive information.
- (4) The following are non-GAAP (Generally Accepted Accounting Principles) financial measures for which reconciliations to relevant U.S GAAP measures are included in tables accompanying this release:
  - *Adjusted EBITDA* is a non-GAAP financial performance measure that enhances financial statement users overall understanding of the operating performance of the Company. The measure isolates unusual, infrequent or non-cash transactions from the operating performance of the business. This allows users to easily compare operating performance among various fiscal periods and how management measures the performance of the business. This measure also provides users with a benchmark that can be used when forecasting future operating performance of the Company that excludes unusual, nonrecurring or one-time transactions. Adjusted EBITDA is a component of the calculation used by stockholders and analysts to determine the value of our business when using the market approach, which applies a market multiple to financial metrics. It is also a measure used to calculate the leverage ratio of the Company, which is a key financial ratio monitored and used by the Company and its investors. Adjusted EBITDA is defined as net income (loss), plus non-operating expenses, income tax expense, depreciation and amortization, assets loss (gain) on sales, impairments and other, restructuring costs and other, stock compensation and our 50% share of EBITDA from TNI and MNI, minus equity in earnings of TNI and MNI.
  - Cash Costs represent a non-GAAP financial performance measure of operating expenses which are measured on an accrual basis and settled in cash. This measure is useful to investors in understanding the components of the Company's cash-settled operating costs. Periodically, the Company provides forward-looking guidance of Cash Costs, which can be used by financial statement users to assess the Company's ability to manage and control its operating cost structure. Cash Costs are defined as compensation, newsprint and ink and other operating expenses. Depreciation and amortization, assets loss (gain) on sales, impairments and other, other non-cash operating expenses and other expenses are excluded. Cash Costs also exclude restructuring costs and other, which are typically paid in cash.
- (5) The Company's debt is the \$576 million term loan under a credit agreement with BH Finance LLC dated January 29, 2020 (the "Credit Agreement"). Excess Cash Flow is defined under the Credit Agreement as any cash greater than \$20,000,000 on the balance sheet in accordance with U.S. GAAP at the end of each fiscal quarter, beginning with the quarter ending June 28, 2020.
- (6) TNI refers to TNI Partners publishing operations in Tucson, AZ. MNI refers to Madison Newspapers, Inc. publishing operations in Madison, WI.

# FIRST QUARTER FY2025 EARNINGS

FEBRUARY 6, 2025



## SAFE HARBOR

The information provided in this presentation may include forward-looking statements relating to future events or the future financial performance of the Company. Because such statements are subject to risks and uncertainties, actual results may differ materially from those expressed or implied by such forward-looking statements. Words such as “aims”, “anticipates,” “plans,” “expects,” “intends,” “will,” “potential,” “hope” and similar expressions are intended to identify forward-looking statements. These forward-looking statements are based upon current expectations of the Company and involve assumptions that may never materialize or may prove to be incorrect. Actual results and the timing of events could differ materially from those anticipated in such forward-looking statements as a result of various risks and uncertainties. Detailed information regarding factors that may cause actual results to differ materially from the results expressed or implied by statements relating to the Company may be found in the Company’s periodic filings with the Commission, including the factors described in the sections entitled “Risk Factors,” copies of which may be obtained from the SEC’s website at [www.sec.gov](http://www.sec.gov). The Company does not undertake any obligation to update forward-looking statements contained in this presentation.



# LEE'S THREE PILLAR DIGITAL GROWTH STRATEGY

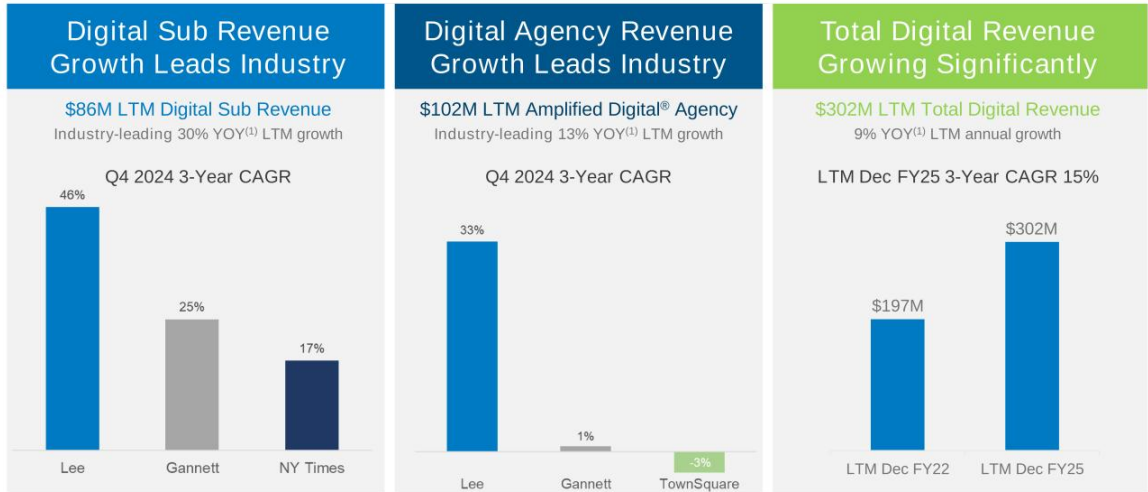
LEE IS RAPIDLY TRANSFORMING FROM A PRINT-CENTRIC TO A DIGITAL-CENTRIC COMPANY



Lee expects the Three Pillar Digital Growth Strategy to drive more than \$450 million of digital revenue by 2028, resulting in a business that is sustainable and vibrant from solely our digital products



# INDUSTRY-LEADING DIGITAL GROWTH

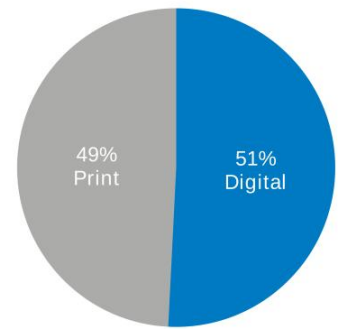


<sup>(1)</sup> Same-store revenues is a non-GAAP performance measure based on U.S. GAAP revenues for Lee for the current period, excluding exited operations. Exited operations include (1) business divestitures and (2) the elimination of stand-alone print products discontinued within our markets.

## DIGITAL REVENUE CONTINUES TO GROW

	Q1 FY25	% of Total Revenue	% Variance to Prior Year <sup>(1)</sup>
Digital Advertising	\$47M	32%	+2% YOY
Amplified Digital <sup>®</sup> Agency	\$24M	17%	+14% YOY
Digital-only Subscription	\$22M	15%	+14% YOY
Digital Other	\$5M	3%	+3% YOY
<b>Total Digital Revenue</b>	<b>\$73M</b>	<b>51%</b>	<b>+5% YOY</b>

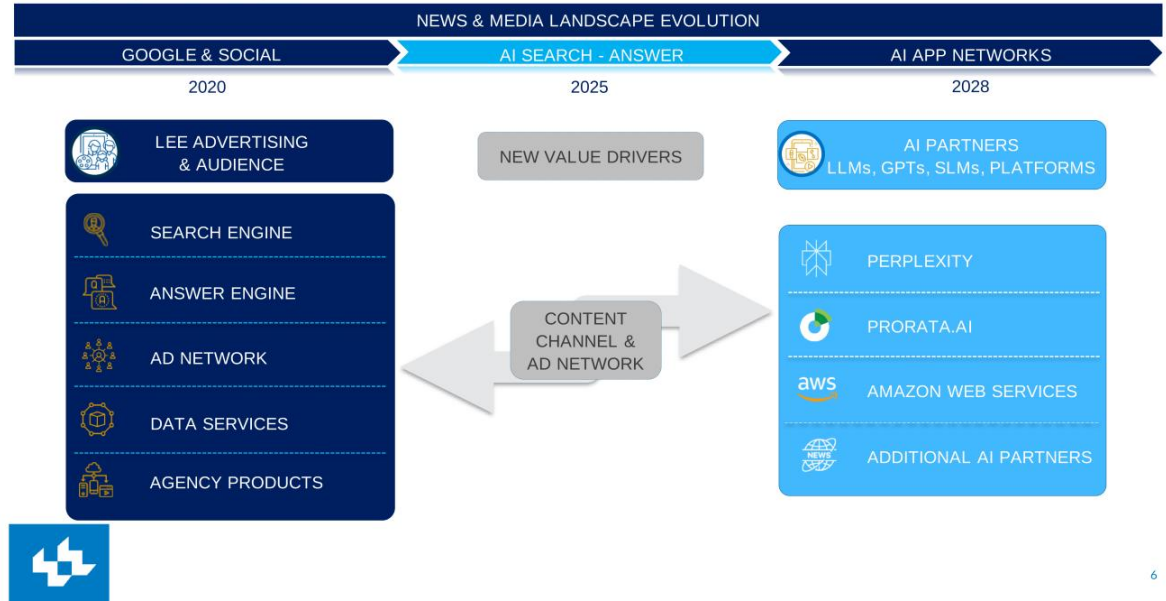
Q1 FY2025 Revenue Mix



<sup>(1)</sup> Same-store revenues is a non-GAAP performance measure based on U.S. GAAP revenues for Lee for the current period, excluding exited operations. Exited operations include (1) business divestitures and (2) the elimination of stand-alone print products discontinued within our markets.

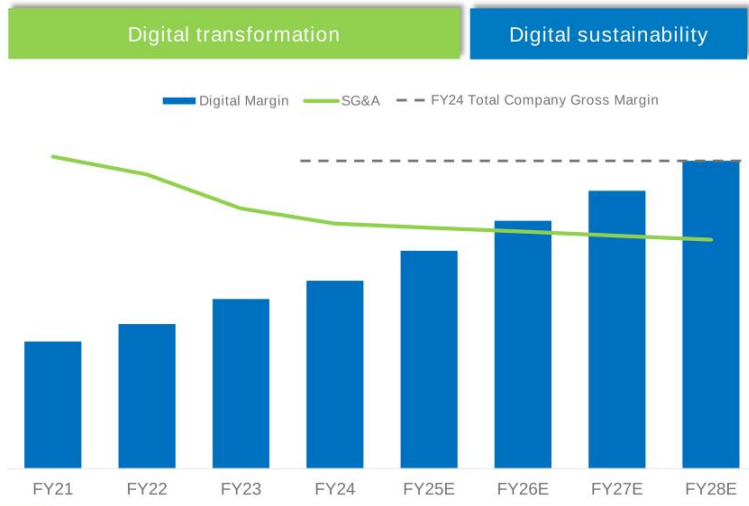
# AI CREATES A NEW ECONOMIC MODEL

PARTNERSHIPS DRIVE THE MODEL



# LEE NEARS SUSTAINABILITY FROM DIGITAL REVENUE

GROSS MARGIN



## KEY HIGHLIGHTS

- Digital revenue replacing print revenue and growing at 17% CAGR since 2021
- Digital gross margin<sup>(1)</sup> growing at a 13% CAGR since 2021
- Digital subscription revenue and gross margin growing at a 44% CAGR since 2021
- Amplified Digital<sup>®</sup> Agency revenue growing at a 34% CAGR since 2021
- Digital gross margin<sup>(1)</sup> expected to exceed total SG&A costs in FY26
- Digital gross margin<sup>(1)</sup> remains strong at 72% margin



<sup>(1)</sup> Digital Gross Margin is a non-GAAP performance measure calculated by Digital Revenue less Cost of Good Sold ("COGS") directly tied to digital products. Digital Margin excludes all Selling, General, and Administrative ("SG&A") costs.

## FIRST QUARTER 2025 RESULTS


### Q1 Revenue

Total Digital Revenue \$73M, +5% YOY on a Same-store basis<sup>(1)</sup>


- Digital subscription revenue \$22M, +14%<sup>(1)</sup>
- Digital advertising revenue \$47M, +2%<sup>(1)</sup>
  - Amplified Digital<sup>®</sup> revenue \$24M, +14%<sup>(1)</sup>

Total Print Revenue \$71M, -15%<sup>(1)</sup>

Total Operating Revenue \$145M, -6%<sup>(1)</sup>

 Continued digital revenue growth

 Strong cost control of legacy business

 Investments to drive digital transformation

### Q1 Cash Costs<sup>(2)</sup>

- Total Cash Costs \$139M, -1% YOY

### Q1 Adjusted EBITDA<sup>(2)</sup>

- Adjusted EBITDA \$8M



<sup>(1)</sup> Same-store revenues is a non-GAAP performance measure based on U.S. GAAP revenues for Lee for the current period, excluding exited operations. Exited operations include (1) business divestitures and (2) the elimination of stand-alone print products discontinued within our markets.

<sup>(2)</sup> Adjusted EBITDA and Cash Costs are non-GAAP financial measures. See appendix.

## STRONG TRACK RECORD OF SUSTAINABLE COST MANAGEMENT



Cost management: Identified approximately \$40 million of annualized cost reductions that we expect to have been executed by the end of the second quarter

### KEY TAKEAWAYS

- Proficient in driving efficiencies
  - Current base of \$187M of direct costs associated with our legacy revenue streams that will be managed with associated revenue trends
  - Ongoing initiatives aimed at optimizing manufacturing, distribution, and corporate services
- Digital transformation fueled by thoughtful investments
  - Significant investments in talent and technology to fund successful execution of Lee's Three Pillar Digital Growth Strategy
  - Incremental investments in marketing & branding to drive Digital Subscription revenue growth
  - Digital COGS investments to support revenue growth at BLOX Digital and Amplified Digital® Agency



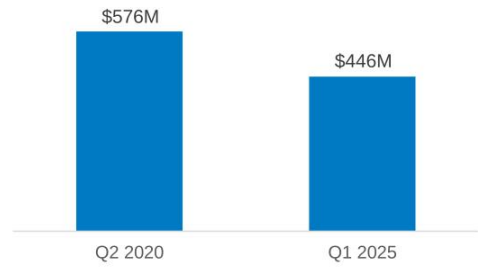
Managing legacy business & investing in digital future

<sup>(1)</sup> Adjusted EBITDA and Cash Costs are non-GAAP financial measures. See appendix.

## CREDIT AGREEMENT REPRESENTS STRATEGIC ASSET

- \$130M debt reduction since refinancing in March 2020
- Favorable credit agreement with Berkshire Hathaway
  - 25-year runway with no breakage costs or prepayment penalties
  - Fixed annual interest rate, no financial performance covenants and no fixed amortization
- Pension plans now frozen and fully funded in the aggregate with no material pension contributions expected in 2025
- Asset sales of \$5M in the quarter
  - Identified approximately \$25M of noncore assets to monetize

### Significant Gross Debt Reduction



Monetization of noncore assets will propel debt reduction

# LONG-TERM OUTLOOK: DIGITAL REVENUE

DIGITAL REVENUE GROWTH IS FUELED BY AMPLIFIED AND DIGITAL SUBSCRIPTION GROWTH

- Amplified Digital<sup>®</sup> Agency will drive digital marketing services revenue growth
- Our owned & operated digital products provide a unique opportunity to grow high margin digital advertising revenue
- We expect significant growth in digital subscribers
  - Expect 1.2 million digital subscribers by 2028
- Drive digital subscription revenue through ARPU expansion
  - Maximizing ARPU through data and sophisticated analytics
- Strategic Artificial Intelligence (AI) partnerships expected to unlock new opportunities and accelerate digital revenue growth



Lee expects \$450 million in Digital Revenue in 2028

<sup>(1)</sup> FY25 represents the midpoint of our FY25 Outlook.

## 2025 OUTLOOK

Key Metric	2025 Outlook
Total Digital Revenue	YOY growth in the range of 7% - 10%
Adjusted EBITDA <sup>(1)</sup>	YOY growth in the low-single digits



<sup>(1)</sup> Adjusted EBITDA is a non-GAAP financial measure. See appendix.



## NON-GAAP RECONCILIATION

The Company uses non-GAAP financial performance measures to supplement the financial information presented on a U.S. GAAP basis. These non-GAAP financial measures, which may not be comparable to similarly titled measures 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.

The Company defines its non-GAAP measures as follows:

Adjusted EBITDA is a non-GAAP financial performance measure that enhances financial statement users overall understanding of the operating performance of the Company. The measure isolates unusual, infrequent or non-cash transactions from the operating performance of the business. This allows users to easily compare operating performance among various fiscal periods and how management measures the performance of the business. This measure also provides users with a benchmark that can be used when forecasting future operating performance of the Company that excludes unusual, nonrecurring or one-time transactions. Adjusted EBITDA is a component of the calculation used by stockholders and analysts to determine the value of our business when using the market approach, which applies a market multiple to financial metrics. It is also a measure used to calculate the leverage ratio of the Company, which is a key financial ratio monitored and used by the Company and its investors. Adjusted EBITDA is defined as net income (loss), plus non-operating expenses, income tax expense, depreciation and amortization, assets loss (gain) on sales, impairments and other, restructuring costs and other, stock compensation and our 50% share of EBITDA from TNI and MNI, minus equity in earnings of TNI and MNI.

Cash Costs represent a non-GAAP financial performance measure of operating expenses which are measured on an accrual basis and settled in cash. This measure is useful to investors in understanding the components of the Company's cash-settled operating costs. Periodically, the Company provides forward-looking guidance of Cash Costs, which can be used by financial statement users to assess the Company's ability to manage and control its operating cost structure. Cash Costs are defined as compensation, newsprint and ink and other operating expenses. Depreciation and amortization, assets loss (gain) on sales, impairments and other, other non-cash operating expenses and other expenses are excluded. Cash Costs also exclude restructuring costs and other, which are typically paid in cash.

Same-store revenues is a non-GAAP performance measure based on U.S. GAAP revenues for Lee for the current period, excluding exited operations. Exited operations include (1) business divestitures and (2) the elimination of stand-alone print products discontinued within our markets.

Gross Margin is a non-GAAP financial performance measure that enhances financial statement users overall understanding of the operating performance of the Company. The measure isolates operating costs that directly support revenue. Depreciation and amortization, assets loss (gain) on sales, impairments and other, net, other non-cash operating expenses, Selling, General, and Administrative ("SG&A") compensation and SG&A other operating expenses are excluded from Gross Margin.

TNI and MNI – TNI refers to TNI Partners publishing operations in Tucson, AZ. MNI refers to Madison Newspapers, Inc. publishing operations in Madison, WI.

### Management's Use of Non-GAAP Measures

These Non-GAAP Measures are not measurements of financial performance under U.S. GAAP and should not be considered in isolation or as an alternative to income from operations, net income (loss), revenues, or any other measure of performance or liquidity derived in accordance with U.S. GAAP. We believe these non-GAAP financial 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 controllable 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 these Non-GAAP 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. Material limitations in making the adjustments to our earnings to calculate Adjusted EBITDA 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 measures to supplement our U.S. GAAP results in order to provide a more complete understanding of the factors and trends affecting our business.



## QUARTERLY REVENUE COMPOSITION

(Millions of Dollars)	Q1 FY2024	Q2 FY2024	Q3 FY2024	Q4 FY2024	FY 2024	Q1 FY2025
Digital Advertising and Marketing Services	46.5	45.4	49.9	52.5	194.2	46.7
YoY % <sup>(1)</sup>	-1.1%	-0.2%	1.6%	7.5%	2.0%	1.7%
Digital Only Subscription Revenue	19.5	20.3	20.7	23.9	84.3	21.6
YoY % <sup>(1)</sup>	60.2%	47.6%	34.1%	29.9%	41.2%	13.5%
Digital Services Revenue	5.0	5.1	5.2	5.3	20.5	5.1
YoY % <sup>(1)</sup>	4.9%	7.6%	6.0%	5.1%	5.9%	2.6%
<b>Total Digital Revenue<sup>(2)</sup></b>	<b>70.9</b>	<b>70.8</b>	<b>75.8</b>	<b>81.6</b>	<b>299.1</b>	<b>73.4</b>
YoY % <sup>(1)</sup>	11.0%	10.7%	9.2%	13.0%	11.0%	4.9%
% of Total Revenue	45.5%	48.3%	50.3%	51.5%	48.9%	50.8%
Print Advertising Revenue	24.4	18.7	18.9	19.4	81.5	19.9
YoY % <sup>(1)</sup>	-27.6%	-29.4%	-24.8%	-13.9%	-24.5%	-15.7%
Print Subscription Revenue	51.9	49.0	47.6	49.1	197.6	43.4
YoY % <sup>(1)</sup>	-22.5%	-23.5%	-22.4%	-15.9%	-21.2%	-15.5%
Other Print Revenue	8.5	8.1	8.3	8.4	33.3	7.9
YoY % <sup>(1)</sup>	-22.8%	-15.5%	-14.4%	-5.3%	-15.0%	-7.0%
<b>Total Print Revenue</b>	<b>84.8</b>	<b>75.8</b>	<b>74.8</b>	<b>76.9</b>	<b>312.3</b>	<b>71.2</b>
YoY % <sup>(1)</sup>	-24.0%	-24.3%	-22.2%	-14.3%	-21.5%	-14.7%
<b>Total Revenue</b>	<b>155.7</b>	<b>146.5</b>	<b>150.6</b>	<b>158.6</b>	<b>611.4</b>	<b>144.6</b>
YoY % <sup>(1)</sup>	-11.3%	-10.6%	-9.1%	-2.2%	-8.3%	-5.8%



<sup>(1)</sup> Same-store revenues is a non-GAAP performance measure based on U.S. GAAP revenues for Lee for the current period, excluding exited operations. Exited operations include (1) business divestitures and (2) the elimination of stand-alone print products discontinued within our markets.

<sup>(2)</sup> Total Digital Revenue is defined as digital advertising and marketing services revenue (including Amplified), digital-only subscription revenue and digital services revenue.

Rounding – Items may not foot due to rounding.

## RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

(Millions of Dollars)	Q1 FY2025
Net loss	(16.2)
Adjusted to exclude	
Income tax expense	3.2
Non-operating expenses, net	9.6
Equity in earnings of TNI and MNI	(1.1)
Depreciation and amortization	6.3
Restructuring costs and other	5.1
Assets gain on sales, impairments and other, net	(0.9)
Stock compensation	0.4
Add	
Ownership share of TNI and MNI EBITDA (50%)	1.2
Adjusted EBITDA	7.6

Adjusted EBITDA is a non-GAAP financial performance measure that enhances financial statement users' overall understanding of the operating performance of the Company. The measure isolates unusual, infrequent or non-cash transactions from the operating performance of the business. This allows users to easily compare operating performance among various fiscal periods and how management measures the performance of the business. This measure also provides users with a benchmark that can be used when forecasting future operating performance of the Company that excludes unusual, nonrecurring or one-time transactions. Adjusted EBITDA is a component of the calculation used by stockholders and analysts to determine the value of our business when using the market approach, which applies a market multiple to financial metrics. It is also a measure used to calculate the leverage ratio of the Company, which is a key financial ratio monitored and used by the Company and its investors. Adjusted EBITDA is defined as net income (loss), plus non-operating expenses, income tax expense, depreciation and amortization, assets loss (gain) on sales, impairments and other, restructuring costs and other, stock compensation and our 50% share of EBITDA from TNI and MNI, minus equity in earnings of TNI and MNI.

TNI and MNI – TNI refers to TNI Partners publishing operations in Tucson, AZ. MNI refers to Madison Newspapers, Inc. publishing operations in Madison, WI.

Rounding – Items may not visually foot due to rounding.



## RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

(Millions of Dollars)	Q1 FY2025	Q1 FY2024
Operating Expenses	149.0	149.4
Adjusted to exclude		
Depreciation and amortization	6.3	7.3
Assets gain on sales, impairments and other, net	(0.9)	(1.5)
Restructuring costs and other	5.1	4.3
Cash Costs	138.6	139.3

Cash Costs represent a non-GAAP financial performance measure of operating expenses which are measured on an accrual basis and settled in cash. This measure is useful to investors in understanding the components of the Company's cash-settled operating costs. Periodically, the Company provides forward-looking guidance of Cash Costs, which can be used by financial statement users to assess the Company's ability to manage and control its operating cost structure. Cash Costs are defined as compensation, newsprint and ink and other operating expenses. Depreciation and amortization, assets loss (gain) on sales, impairments and other, other non-cash operating expenses and other expenses are excluded. Cash Costs also exclude restructuring costs and other, which are typically paid in cash.

Rounding – Items may not visually foot due to rounding.



## SAME-STORE NON-GAAP REVENUE RECONCILIATION<sup>(1)</sup>

(Millions of Dollars)	Q1 FY2025	Q1 FY2024	\$ Change	% Change		(Millions of Dollars)	Q1 FY2025	Q1 FY2024	\$ Change	% Change
Print Advertising Revenue	19.9	24.4	(4.6)	-18.7%		Print Other Revenue	7.9	8.5	(0.6)	-7.1%
Exited operations	(0.0)	(0.9)	0.9	NM		Exited operations	-	(0.0)	0.0	NM
Same-store, Print Advertising Revenue	19.8	23.5	(3.7)	-15.7%		Same-store, Print Other Revenue	7.9	8.5	(0.6)	-7.0%
Digital Advertising and Marketing Services Revenue	46.7	46.5	0.3	0.6%		Digital Other Revenue	5.1	5.0	0.1	2.6%
Exited operations	(0.0)	(0.5)	0.5	NM		Exited operations	-	-	-	NM
Same-store, Digital Advertising and Marketing Services	46.7	46.0	0.8	1.7%		Same-store, Digital Other Revenue	5.1	5.0	0.1	2.6%
Total Advertising Revenue	66.6	70.9	(4.3)	-6.1%		Total Other Revenue	13.0	13.5	(0.5)	-3.5%
Exited operations	(0.0)	(1.4)	1.4	NM		Exited operations	-	(0.0)	0.0	NM
Same-store, Total Advertising Revenue	66.5	69.5	(2.9)	-4.2%		Same-store, Total Other Revenue	13.0	13.4	(0.5)	-3.5%

(Millions of Dollars)	Q1 FY2025	Q1 FY2024	\$ Change	% Change		(Millions of Dollars)	Q1 FY2025	Q1 FY2024	\$ Change	% Change
Print Subscription Revenue	43.4	51.9	(8.4)	-16.3%		Total Operating Revenue	144.6	155.7	(11.1)	-7.1%
Exited operations	(0.0)	(0.4)	0.4	NM		Exited operations	(0.0)	(2.3)	2.3	NM
Same-store, Print Subscription Revenue	43.4	51.4	(8.0)	-15.5%		Same-store, Total Operating Revenue	144.5	153.3	(8.8)	-5.8%
Digital Subscription Revenue	21.6	19.5	2.1	10.8%						
Exited operations	(0.0)	(0.5)	0.5	NM						
Same-store, Digital Subscription Revenue	21.6	19.0	2.6	13.5%						
Total Subscription Revenue	65.0	71.3	(6.3)	-8.9%						
Exited operations	(0.0)	(0.9)	0.9	NM						
Same-store, Total Subscription Revenue	65.0	70.4	(5.4)	-7.7%						

<sup>(1)</sup> Same-store revenues is a non-GAAP performance measure based on U.S. GAAP revenues for Lee for the periods presented, excluding exited operations. Exited operations include (1) businesses divested and (2) the elimination of stand-alone print products discontinued within our markets.



Rounding – Items may not foot due to rounding.

