

Q4 Company

NEWS RELEASE

Gannett Commences Exchange Offer and Consent Solicitation

2024-09-26

NEW YORK, NY--(BUSINESS WIRE)-- Gannett Co., Inc. ("Gannett", "we", "us", "our", or the "Company") (NYSE: GCI) announced today that the Company and its wholly-owned subsidiary, Gannett Holdings LLC ("Gannett Holdings") have commenced an offer to eligible holders to exchange (the "Exchange Offer") any and all outstanding 6.000% Senior Secured Notes due 2026 of Gannett Holdings, as set forth in the table below (the "Notes"), for, at the election of each holder of Notes, either (a) (i) first lien term loans (the "Term Loans") of Gannett Holdings and (ii) an upfront fee equal to 1.5% of such Term Loans (together with the Term Loans, the "Loan Option Consideration"); or (b) cash (the "Cash Option Consideration").

The following table sets forth the Exchange Consideration, Early Participation Premium and Total Consideration for Early Participation with respect to the exchange of the Notes:

Notes to be Exchanged	CUSIP/ISIN	Aggregate Principal Amount of Notes Outstanding	Exchange Consideration (1)(2)	Early Participation Premium (2)	Total Consideration For Early Participation (1)(2)(3)
6.000% Senior Secured Notes due 2026	36474G AA3 / US36474GAA31U 3647GA2 /USU3647GAA23	\$278,541,000	<u>Loan Option</u> : \$950 in Term Loans and 1.5% upfront fee <u>Cash Option</u> : \$950 cash	<u>Loan Option</u> : \$50 in Term Loans and 1.5% upfront fee <u>Cash Option</u> : \$50 cash	<u>Loan Option</u> : \$1,000 in Term Loans and 1.5% upfront fee <u>Cash Option</u> : \$1,000 cash

- (1) The Total Consideration for Early Participation or Exchange Consideration, as applicable, will be paid for each \$1,000 principal amount of Notes accepted for exchange. In addition, accrued and unpaid interest will be paid in cash on Notes exchanged in the Exchange Offer up to, but not including, the applicable settlement date.
- (2) Each Term Loan dollar figure represents the principal amount of such Term Loan being exchanged for each \$1,000 principal amount of the Notes. Tenders of Notes will be accepted only in a minimum principal amount equal to \$2,000 and integral multiples of \$1,000 in excess thereof.
- (3) The Total Consideration for Early Participation is equal to the Exchange Consideration plus the Early Participation Premium.

The Term Loans will be guaranteed on a senior secured basis by the Company, the direct parent of Gannett Holdings, and certain of the Company's present and future subsidiaries.

Concurrently with the Exchange Offer, Gannett and Gannett Holdings are soliciting consents (the "Consent Solicitation") to (i) eliminate substantially all of the restrictive covenants contained in the Indenture governing the Notes, dated as of October 15, 2021 (the "Indenture"), (ii) eliminate certain of the default provisions contained in the Indenture and (iii) amend certain related provisions to conform for such eliminations (collectively, the "Proposed Amendments"). Holders of Notes may not tender Notes without delivering the related Consents, and holders of Notes that tender Notes prior to the Expiration Time (as defined below) will be deemed automatically to have delivered a consent to the Proposed Amendments. The Exchange Offer is not conditioned on receipt of the requisite consents to the Proposed Amendments in the Consent Solicitation.

The Exchange Offer and Consent Solicitation are being made pursuant to the terms and subject to the conditions set forth in a confidential offer to exchange and consent solicitation statement dated September 26, 2024 (the "Offer to Exchange and Consent Solicitation Statement").

We may extend or terminate the Exchange Offer and/or the Consent Solicitation, in our sole and absolute discretion, and may otherwise amend or modify the Exchange Offer and/or the Consent Solicitation in any respect, at any time and for any reason, including based on the acceptance rate and outcome of the Exchange Offer or if any of the conditions to the Exchange Offer are not satisfied.

Holders who validly tender (and do not validly withdraw) their Notes at or prior to 5:00 p.m., New York City time, on October 10, 2024, unless extended (the "Early Tender Time"), will be eligible to receive, on the early settlement date, the applicable Total Consideration for Early Participation as set forth in the table above, which includes the applicable Early Participation Premium as set forth in the table above, for all such Notes that are accepted. The early settlement date will be promptly after the Early Tender Time and is expected to be the third business day after the Early Tender Time. Holders who validly tender (and do not validly withdraw) their Notes after the Early Tender Date but prior to 5:00 p.m., New York City time, on October 25, 2024, unless extended (the "Expiration Time"), will not be eligible to receive the applicable Early Participation Premium and, accordingly, will be eligible to receive, on the final settlement date, only the applicable Exchange Consideration as set forth in the table above, for all such Notes that are accepted. The final settlement date will be promptly after the Expiration Time and is expected to be the third business day after the Expiration Time. Holders electing the Loan Option Consideration must also timely complete and deliver certain lender documentation to the Exchange Agent (as defined below) at or prior to 12:00

p.m., New York City time one business day after the Early Tender Time or Expiration Time, as applicable, in order to receive the Loan Option Consideration.

Notes tendered for exchange in the Exchange Offer may be withdrawn and the related consents may be revoked at any time at or prior to the Early Tender Time, but not thereafter.

The Offer to Exchange and Consent Solicitation Statement will be distributed only to holders of the Notes. The complete terms and conditions of the Exchange Offer and the Consent Solicitation are described in the Offer to Exchange and Consent Solicitation Statement, a copy of which may be obtained by contacting Epiq Corporate Restructuring, LLC (the "Exchange Agent"), the exchange agent and information agent in connection with the Exchange Offer and the Consent Solicitation, at (646) 362-6336 or Registration@epiqglobal.com, with reference to "Gannett" in the subject line.

This press release does not constitute an offer to sell or purchase, or a solicitation of an offer to sell or purchase, or the solicitation of tenders or consents with respect to, any security. No offer, solicitation, purchase or sale will be made in any jurisdiction in which such an offer, solicitation, or sale would be unlawful. The Exchange Offer and Consent Solicitation are being made solely pursuant to the Offer to Exchange and Consent Solicitation Statement and only to such persons and in such jurisdictions as is permitted under applicable law.

Other Refinancing Transactions

The Exchange Offer and Consent Solicitation are part of the debt refinancing transactions that Gannett is undertaking pursuant to its previously announced commitment letter (the "Commitment Letter"). The Commitment Letter provides for a new senior secured credit facility (the "Term Loan Facility") with funds managed by affiliates of Apollo (NYSE:APO) ("Apollo Funds") of up to \$900 million. Holders of the Notes electing the Loan Option Consideration will receive Term Loans under the Term Loan Facility. The net proceeds of the Term Loan Facility will be used to repay in full our five-year senior secured term loan facility maturing on October 15, 2026, pay the Cash Option Consideration on the settlement dates of the Exchange Offer and repurchase for cash up to 50% of Gannett's outstanding 6.000% Senior Secured Convertible Notes due 2027 (the "2027 Notes"). Net proceeds of the Term Loan Facility may also be used to later redeem any Notes not tendered in the Exchange Offer. Concurrently with the Exchange Offer, we intend to repurchase for cash up to 50% of the aggregate principal amount of the outstanding 2027 Notes at a rate of \$1,110 per \$1,000 principal amount of 2027 Notes and to exchange up to 50% of the aggregate principal amount of the outstanding 2027 Notes for new 6.000% Senior Secured Convertible Notes due 2031.

About Gannett

Gannett Co., Inc. (NYSE: GCI) is a diversified media company with expansive reach at the national and local level dedicated to empowering and enriching communities. We seek to inspire, inform, and connect audiences as a sustainable, growth focused media and digital marketing solutions company. We endeavor to deliver essential content, marketing solutions, and experiences for curated audiences, advertisers, consumers, and stakeholders by leveraging our diverse teams and suite of products to enrich the local communities and businesses we serve. Our current portfolio of trusted media brands includes the USA TODAY NETWORK, comprised of the national publication, USA TODAY, and local media organizations in the United States, and Newsquest, a wholly-owned subsidiary operating in the United Kingdom. Our digital marketing solutions brand, LocaliQ, uses innovation and software to enable small and medium-sized businesses to grow, and USA TODAY NETWORK Ventures, our events division, creates impactful consumer engagements, promotions, and races.

Our website address is www.gannett.com. We use our website as a channel of distribution for important company information, including press releases and other news and presentations, which is accessible on the Investor Relations and News and Events subpages of our website.

Cautionary Statement Regarding Forward-Looking Statements

Certain items in this press release may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including, among others, statements regarding our ability to refinance our debt facilities, maturity of debt, note repurchases, exchanges and redemptions, uses of proceeds, expectations (including timing) with respect to the Exchange Offer and Consents Solicitation, availability of future financing and interest expense. Words such as "expect(s)", "intend", "will", "believe(s)", "anticipate(s)" and similar expressions are intended to identify such forward-looking statements. These statements are based on management's current expectations and beliefs and are subject to a number of risks and uncertainties. These and other risks and uncertainties could cause actual results to differ materially from those described in the forward-looking statements, many of which are beyond our control. The Company can give no assurance its expectations regarding the Exchange Offer and Consents Solicitation or any other proposed financing or liability management transactions, or otherwise, will be attained. Accordingly, you should not place undue reliance on any forward-looking statements contained in this press release. For a discussion of some of the risks and important factors that could cause actual results to differ from such forward-looking statements, see the section entitled "Risk Factors" in the Offer to Exchange and Consent Solicitation Statement and the risks and other factors detailed in the Company's 2023 Annual Report on Form 10-K and from time to time in other filings with the Securities and Exchange Commission. Furthermore, new risks and uncertainties emerge from time to time, and it is not possible for the Company to predict or assess the impact of every factor that may cause its actual results to differ from those contained in any forward-looking statements. Such forward-looking statements speak only as of the date of this press release. Except to the extent required by law, the Company expressly disclaims any obligation to release publicly any

updates or revisions to any forward-looking statements contained herein to reflect any change in the Company's expectations with regard thereto or change in events, conditions or circumstances on which any statement is based.

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