

# The Detroit Legal News Company

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Dear Detroit Legal News Company Shareholder,

As we approach Election Day, I urge you to exercise your civic duty and vote. At Inland Press, we are in a sprint to the election, November 5<sup>th</sup>, working diligently to get all the campaign work in the mail on schedule. The primary schedule was busy, as we had anticipated. However, the general election work didn't get going until the second week in September, which was a bit later than previous cycles. The volumes are about what we expected, just condensed into a shorter timeframe. Our new equipment, combined with now having mailing operations in-house, has dramatically improved our productivity.

While the Graphics East acquisition earlier this year has generally been positive, we have seen issues regarding the mix of work and personnel head counts. More amounts of their work entailed higher levels of labor, requiring added staffing. This increased our cost of sales above projected amounts. Management is carefully analyzing this on a client and process basis to determine how to get this number much closer to historical averages. The costs of integrating the acquisition into our facility in Detroit were substantially higher than expected.

The newspaper operation continues to realize expected file volumes. I'm happy to announce our contract with the City of Detroit has been renewed for three more years. We've been the official publication of the City for over 100 years, which is a point of great pride for us. The publication in Western Michigan that we purchased last year has been beneficial, and we continue looking for additional acquisitions that fit our criteria.

The Board determined that we would pay a dividend of \$2.00 per share for the third quarter of 2024. The dividend is payable to shareholders of record as of October 10, 2024. Your check is enclosed.

As always, I look forward to discussing any questions or comments you may have. The third quarter 2024 summary income statement is on the reverse side of this letter.

Sincerely,



Bradley L. Thompson II  
Chairman

SELECTED FINANCIAL DATA  
THIRD QUARTER, 2024  
(UNAUDITED)

	<u>2024</u>	<u>2023</u>
SALES	16,200,127	11,919,304
COST OF SALES	<u>9,236,428</u>	<u>6,381,533</u>
GROSS PROFIT	6,693,699	5,537,771
SELLING G AND A	<u>5,928,740</u>	<u>4,771,760</u>
OPERATING PROFIT	1,034,959	766,011
OTHER INCOME	<u>332,456</u>	<u>275,684</u>
INCOME BEFORE TAX	1,367,415	1,041,695
INCOME TAX EXPENSE	<u>(205,112)</u>	<u>(272,500)</u>
NET INCOME	1,162,303	769,195
NONCONTROLLING INTEREST	<u>(276,497)</u>	<u>(297,454)</u>
NET INCOME DLN	<u>885,806</u>	<u>471,741</u>
EARNINGS PER SHARE	\$23.46	\$12.49

*Note: The summary above is not a complete income statement. The summary above is unaudited and subject to adjustment. Unaudited financial statements are not subject to testing by independent certified public accountants and do not include the notes that are part of audited financial statements. This communication does not include all the material information that a reasonable investor would want to know in connection with the purchase or sale of the Company's securities.*

*Note Regarding Forward-Looking Statements: Some of the statements and assumptions in this communication may be considered forward-looking statements. Important factors could cause actual results to differ, possibly materially, from those in the forward-looking statements. Forward-looking statements should not be read as a guarantee of future performance or results, and will not necessarily be accurate indications of the times at, or by which, such performance or results will be achieved. Forward-looking information is based on information available at the time and/or management's good faith belief with respect to future events, and is subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in the statements.*