



*First Quarter 2023*

**Supplemental Disclosure**

# 1. Selected Financial Information

(in thousands of canadian dollars)

	FY 2020	FY 2021	FY 2022	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23
<b>Revenues \$</b>																
<b>Total</b>	333,538	287,646	268,278	88,308	88,280	80,281	76,669	73,514	74,588	70,920	68,624	67,789	69,584	66,310	64,595	62,715
Digital	252,252	221,471	209,130	67,610	64,433	61,305	58,904	57,000	55,700	54,973	53,798	52,587	52,804	52,230	51,509	49,593
Print	81,286	66,175	59,148	20,698	23,847	18,976	17,765	16,514	18,888	15,947	14,826	15,202	16,780	14,080	13,086	13,122
<b>Revenue YoY %</b>																
<b>Total</b>	(17.0%)	(13.8%)	(6.7%)	(14.8%)	(17.2%)	(18.2%)	(18.0%)	(16.8%)	(15.5%)	(11.7%)	(10.5%)	(7.8%)	(6.7%)	(6.5%)	(5.9%)	(7.5%)
Digital	(15.6%)	(12.2%)	(5.6%)	(13.1%)	(15.8%)	(17.5%)	(16.0%)	(15.7%)	(13.6%)	(10.3%)	(8.7%)	(7.7%)	(5.2%)	(5.0%)	(4.3%)	(5.7%)
Print	(21.2%)	(18.6%)	(10.6%)	(20.0%)	(20.8%)	(20.4%)	(23.9%)	(20.2%)	(20.8%)	(16.0%)	(16.5%)	(7.9%)	(11.2%)	(11.7%)	(11.7%)	(13.7%)
<b>Gross Profit</b>																
Gross Profit \$	205,749	170,954	155,907	53,887	57,637	47,801	46,425	43,950	44,754	42,133	40,117	40,450	40,041	37,589	37,827	34,873
Gross Profit %	61.7%	59.4%	58.1%	61.0%	65.3%	59.5%	60.6%	59.8%	60.0%	59.4%	58.5%	59.7%	57.5%	56.7%	58.6%	55.6%
<b>Adjusted EBITDA<sup>1</sup></b>																
Adjusted EBITDA \$	129,442	102,000	96,568	32,563	41,928	27,312	27,639	26,583	24,440	26,617	24,360	25,411	23,788	26,390	20,979	20,755
YP Adjusted EBITDA margin %	38.8%	35.5%	36.0%	36.9%	47.5%	34.0%	36.0%	36.2%	32.8%	37.5%	35.5%	37.5%	34.2%	39.8%	32.5%	33.1%
<b>CAPEX<sup>1</sup></b>																
CAPEX \$	5,573	5,074	5,004	1,231	1,528	1,339	1,474	1,240	1,345	1,269	1,220	1,502	1,234	1,282	986	946
CAPEX % of revenues	1.7%	1.8%	1.9%	1.4%	1.7%	1.7%	1.9%	1.7%	1.8%	1.8%	1.8%	2.2%	1.8%	1.9%	1.5%	1.5%
<b>Adjusted EBITDA less CAPEX<sup>1</sup></b>																
Adjusted EBITDA less CAPEX \$	123,869	96,926	91,564	31,332	40,400	25,972	26,165	25,343	23,095	25,348	23,140	23,909	22,554	25,108	19,993	19,809
YP Adjusted EBITDA less CAPEX margin %	37.1%	33.7%	34.1%	35.5%	45.8%	32.4%	34.1%	34.5%	31.0%	35.7%	33.7%	35.3%	32.4%	37.9%	31.0%	31.6%

# 2. YP Customer Information

(on a trailing twelve month basis)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23
<b>Customer Count</b>	145,700	138,400	132,100	125,400	119,400	113,000	108,800	104,700	101,200	97,800	94,800	92,100	89,700
<b>Net Annual Change in Customers</b>	(33,100)	(32,200)	(29,900)	(27,900)	(26,300)	(25,400)	(23,300)	(20,700)	(18,200)	(15,200)	(14,000)	(12,600)	(11,500)
<b>ARPC<sup>2</sup></b>	\$ 2,571	\$ 2,537	\$ 2,536	\$ 2,540	\$ 2,544	\$ 2,569	\$ 2,583	\$ 2,607	\$ 2,649	\$ 2,690	\$ 2,714	\$ 2,714	\$ 2,730

## Definitions:

Customer Count : Number of YP customers advertising through one of our products as at the end of the reporting period on a trailing twelve month basis. These do not include 411.ca customers.

Net Annual Change in Customers : Net change in customer count on a year-over-year basis

ARPC<sup>2</sup>: YP Average contracted revenue per customer on a trailing twelve month basis excluding 411.ca

<sup>(1)</sup> Adjusted EBITDA, Adjusted EBITDA margin, CAPEX, Adjusted EBITDA less CAPEX and Adjusted EBITDA less CAPEX margin are non-GAAP financial measures and do not have any standardized meaning under IFRS. Therefore, they are unlikely to be comparable to similar measures presented by other public companies. Refer to the section on Non-GAAP financial measures at the end of this document for more details.

<sup>(2)</sup> ARPC is a non-GAAP financial ratio and does not have any standardized meaning under IFRS. Therefore, is unlikely to be comparable to similar measures presented by other public companies. Refer to the section on Non-GAAP financial measures at the end of this document for more details and the closest comparable measure.

## Non-GAAP Financial Measures

### Adjusted EBITDA and Adjusted EBITDA margin

In order to provide a better understanding of the results, the Company uses the terms Adjusted EBITDA and Adjusted EBITDA margin. Adjusted EBITDA, or Income from operations before depreciation and amortization and restructuring and other charges (defined herein as Adjusted EBITDA), as shown in Yellow Pages Limited's consolidated statements of income. Adjusted EBITDA margin is defined as the percentage of Adjusted EBITDA to revenues. Adjusted EBITDA and Adjusted EBITDA margin are not performance measures defined under IFRS and are not considered an alternative to income from operations or net income in the context of measuring Yellow Pages performance. Adjusted EBITDA and Adjusted EBITDA margin do not have a standardized meaning under IFRS and are therefore not likely to be comparable to similar measures used by other publicly traded companies. Adjusted EBITDA and Adjusted EBITDA margin should not be used as exclusive measures of cash flow since they do not account for the impact of working capital changes, income taxes, interest payments, pension funding, capital expenditures, debt principal reductions and other sources and uses of cash, which are disclosed on page 10 of the May 10, 2023 MD&A.

Management uses Adjusted EBITDA and Adjusted EBITDA margin to evaluate the performance of its business as it reflects its ongoing profitability. Management believes that certain investors and analysts use Adjusted EBITDA and Adjusted EBITDA margin to measure a company's ability to service debt and to meet other payment obligations or to value companies in the media and marketing solutions industry as well as to evaluate the performance of a business.

### Adjusted EBITDA less CAPEX and Adjusted EBITDA less CAPEX margin

The Company also uses Adjusted EBITDA less CAPEX and Adjusted EBITDA less CAPEX margin, whereby Adjusted EBITDA less CAPEX is defined as Adjusted EBITDA, as defined above, less CAPEX which we define as additions to intangible assets and additions to property and equipment. Adjusted EBITDA less CAPEX margin is defined as the percentage of Adjusted EBITDA less CAPEX to revenues. Adjusted EBITDA less CAPEX and Adjusted EBITDA less CAPEX margin are non-GAAP financial measures and do not have any standardized meaning under IFRS and therefore, are unlikely to be comparable to similar measures presented by other publicly traded companies. We use Adjusted EBITDA less CAPEX and Adjusted EBITDA less CAPEX margin to evaluate the performance of our business as it reflects its ongoing profitability.

The most comparable IFRS financial measure to Adjusted EBITDA less Capex is income from operations before depreciation and amortization, and restructuring and other charges (defined above as Adjusted EBITDA) as shown in Yellow Pages Limited's consolidated statements of income. Refer to page 7 of the May 10, 2023 MD&A for a reconciliation of Adjusted EBITDA less CAPEX.

### Average Revenue per Customer (ARPC)

ARPC is a non-GAAP financial ratio and does not have any standardized meaning under IFRS and therefore, is unlikely to be comparable to similar measures presented by other publicly traded companies. We use ARPC to monitor the success of our revenue initiatives. ARPC is calculated by dividing the contracted revenue of the YP segment on a trailing twelve-month basis over the Customer count at the end of the reporting period on a trailing twelve-month basis. The most comparable financial measure to ARPC is ARPC calculated by dividing the revenue of the YP segment as reported on Yellow Pages Limited's consolidated statements of income on a trailing twelve-month basis over the Customer count at the end of the reporting period on a trailing twelve month basis as shown below.

#### **ARPC (Using YP Reported Revenue)**

(on a trailing twelve month basis)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23
<b>ARPC</b>	\$ 2,653	\$ 2,661	\$ 2,652	\$ 2,660	\$ 2,670	\$ 2,700	\$ 2,718	\$ 2,747	\$ 2,786	\$ 2,831	\$ 2,872	\$ 2,913	\$ 2,934