Management's Discussion and Analysis

February 11, 2026

This management's discussion and analysis (MD&A) is intended to help the reader understand and assess trends and significant changes in the results of operations and financial condition of Yellow Pages Limited and its subsidiaries for the years ended December 31, 2025 and 2024 and should be read in conjunction with our Audited Consolidated Financial Statements and accompanying notes for the years ended December 31, 2025 and 2024. Please also refer to Yellow Pages Limited's press release announcing its results for the year ended December 31, 2025 issued on February 12, 2026. Quarterly reports, the Annual Report, Supplemental Disclosure and the Annual Information Form (AIF) can be found on SEDAR+ at www.sedarplus.ca and under the "Investor Relations – Reports & Filings" section of our corporate website: https://corporate.yp.ca/en. Press releases are available on SEDAR+ and under the "News – Press Releases" section of our corporate website.

The consolidated financial statements were prepared in accordance with IFRS® Accounting Standards and the financial information herein was derived from those statements.

All amounts in this MD&A are in Canadian dollars, unless otherwise specified. Please refer to the section "Definitions of non-GAAP Financial Measures Relative to Understanding Our Results" for a list of defined non-GAAP financial measures.

Our reporting structure reflects how we manage our business and how we classify our operations for planning and for measuring our performance.

In this MD&A, the words "we", "us", "our", the "Company", the "Corporation", "Yellow Pages" and "YP" refer to Yellow Pages Limited and its subsidiaries (including Yellow Pages Digital & Media Solutions Limited, YPG (USA) Holdings Inc., and Yellow Pages Digital & Media Solutions LLC).

Caution Regarding Forward-Looking Information

This MD&A contains assertions about the objectives, strategies, financial condition, and results of operations and businesses of YP (including, without limitation, payment of a cash dividend per share per quarter to its common shareholders). These statements are considered "forward-looking" because they are based on current expectations, as at February 11, 2026, about our business and the markets we operate in, and on various estimates and assumptions.

Forward-looking information and statements are based on several assumptions which may lead to actual results that differ materially from our expectations expressed in, or implied by, such forward-looking information and statements, and that our business strategies, objectives and plans may not be achieved. As a result, we cannot guarantee that any forward-looking statement will materialize and we caution you against relying on any of these forward-looking statements. Forward-looking information and statements are included in this MD&A for the purpose of assisting investors and others in understanding our business strategies, objectives and plans. Readers are cautioned that such information may not be appropriate for other purposes. In making certain forward-looking statements, we have made the following assumptions:

- that general economic conditions in Canada will not deteriorate significantly further;
- that we will be able to attract and retain key personnel in key positions;
- that we will be able to introduce, sell and provision the products and services that support our customer base and drive improvement in average spend per customer;
- that the decline in print revenues will remain at or below approximately 20% per annum;
- that gross profit margins will not deteriorate materially from current trend;
- that continuing reductions in spending will mitigate the cash flow impact of revenue declines on cash flows; and
- that exposure to foreign exchange risk arising from foreign currency transactions will remain insignificant.

Forward-looking information and statements are also based upon the assumption that none of the identified risk factors that could cause actual results to differ materially from the anticipated or expected results described in the forward-looking information and statements will occur.

When used in this MD&A, such forward-looking statements may be identified by words such as "aim", "anticipate", "believe", "could", "estimate", "expect", "goal", "intend", "objective", "may", "plan", "predict", "seek", "should", "strive", "target", "will", "would" and other similar terminology. These statements reflect current expectations regarding future events and operating performance and speak only as at the date of this MD&A. The Corporation assumes no obligation to update or revise them to reflect new events or circumstances, except as may be required pursuant to securities laws. Forward-looking statements involve significant risks and uncertainties, should not be read as guarantees of future results or performance, and will not necessarily be accurate indications of whether or not such results or performance will be achieved. A number of factors could cause actual results or performance to differ materially from the results or performance discussed in the forward-looking statements and could have a material adverse effect on the Corporation, its business, results from operations and financial condition, including, but not limited to, the following risk factors discussed under the "Risks and Uncertainties" section of this MD&A, and those described in the "Risk Factors" section of our AIF:

- Failure by the Corporation to stabilize or grow its revenues and customer base;
- Substantial competition could reduce the market share of the Corporation;
- A higher than anticipated rate of decline in print revenue resulting from changes in preferences and consumer habits;
- The inability of the Corporation to successfully enhance and expand its offering of digital and new media products;
- The inability of the Corporation to supply the relationships and technologies required to appropriately service the needs of its customers;
- A prolonged economic downturn in principal markets of the Corporation;
- A higher than anticipated proportion of revenues coming from the Corporation's digital products with lower margins, such as services and resale;
- The Corporation's inability to attract and retain key personnel;
- The Corporation's business depends on the usage of its online and mobile properties and failure to protect traffic across the Corporation's digital properties could impair its ability to grow revenues and expand its business;
- Failure by either the Corporation or the Telco Partners to fulfill their obligations set forth in the agreements between the Corporation and the Telco Partners or the termination of such agreements;
- Successfully prosecuted legal action against the Corporation;
- Work stoppages and other labour disturbances;
- Challenge by tax authorities of the Corporation's position on certain income tax matters;
- The loss of key relationships or changes in the level of service provided by mapping applications and search engines;
- The failure of the Corporation's computers and communication systems;
- The inability of the Corporation to generate sufficient funds from operations, debt financings or equity financing transactions;
- Incremental contributions by the Corporation to its pension plans;
- Declaration and payment of dividends cannot be guaranteed; and
- An outbreak or escalation of a contagious disease may adversely affect the Corporation's business.

Definitions of Non-GAAP Financial Measures Relative to Understanding Our Results

In this MD&A, we present several metrics used to explain our performance, including non-GAAP financial measures which are not defined under IFRS Accounting Standards. These non-GAAP financial measures are described below.

Adjusted EBITDA and Adjusted EBITDA Margin

We report on our 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 and Adjusted EBITDA margin are not performance measures defined under IFRS Accounting Standards and are not considered to be 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 Accounting Standards and are therefore not likely to be comparable with 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 17 of this MD&A.

Adjusted EBITDA is derived from revenues less operating costs, as shown in Yellow Pages Limited's consolidated statements of income. Adjusted EBITDA margin is defined as the percentage of Adjusted EBITDA to revenues. We use Adjusted EBITDA and Adjusted EBITDA margin to evaluate the performance of our business as these reflect its ongoing profitability. We believe 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 as a common measurement 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

Adjusted EBITDA less CAPEX and Adjusted EBITDA less CAPEX margin are non-GAAP financial measures and do not have any standardized meaning under IFRS Accounting Standards. Therefore, are unlikely to be comparable to similar measures presented by other publicly traded companies. We define Adjusted EBITDA less CAPEX as Adjusted EBITDA, as defined above, less CAPEX, which we define as additions to intangible assets and additions to property and equipment as reported in the Investing Activities section of the Company's consolidated statements of cash flows. Adjusted EBITDA less CAPEX margin is defined as the percentage of Adjusted EBITDA less CAPEX to revenues. We use Adjusted EBITDA less CAPEX and Adjusted EBITDA less CAPEX margin to evaluate the performance of our business as it reflects cash generated from business activities. We believe that certain investors and analysts use Adjusted EBITDA less CAPEX and Adjusted EBITDA less CAPEX margin to evaluate the performance of businesses in our industry. Adjusted EBITDA less CAPEX is also a component in the determination of short-term incentive compensation for management employees.

The most comparable financial measure under IFRS Accounting Standards 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 pages 7 and 13 of this MD&A for a reconciliation of Adjusted EBITDA less CAPEX.

This MD&A is divided into the following sections:

1. Our Business and Customer Offerings
2. Results
3. Liquidity and Capital Resources
4. Critical Assumptions and Estimates
5. Risks and Uncertainties
6. Controls and Procedures

1. Our Business and Customer Offerings

Our Business

Yellow Pages, a leading digital media and marketing solutions provider in Canada, offers targeted tools to local businesses, national brands and consumers allowing them to interact and transact within today's digital economy.

Customer Offerings

Yellow Pages offers small and medium-sized enterprises (SMEs) across Canada full-serve access to one of the country's most comprehensive suites of digital and traditional marketing solutions, notably online and mobile priority placement on Yellow Pages digital media properties, content syndication, search engine solutions, website fulfillment, social media campaign management, digital display advertising, reputation management as well as print advertising including printed directories and direct mail marketing. The Company's dedicated sales force and customer care team of approximately 250 professionals offer this full suite of marketing solutions to local businesses across the country, while also supporting the evolving needs of its existing customer base of 66,700 SMEs.

Media Properties

The Company's media properties, primarily desktop, mobile and print, continue to serve as effective marketplaces for Canadian local merchants, brands and consumers. The Company's network of media properties enables Canadians to discover businesses in their neighbourhoods across the services and retail verticals. Descriptions of the Company's digital media properties, are found below:

- YP™ – Available both online at YP.ca and as a mobile application, YP allows users to discover and transact within their local neighbourhoods through comprehensive merchant profiles, relevant editorial content, reviews and booking functionalities;
- Canada411 (C411) – One of Canada's most frequented and trusted online and mobile destinations for personal and local business information;
- The Corporation is the official directory publisher for Bell, Telus, Bell Aliant, Bell MTS, and a number of other incumbent telephone companies; and
- 411.ca – A digital directory service to help users find and connect with people and local businesses.

Key Analytics

The success of our business is dependent upon decelerating the rate of revenue decline ("bending the revenue curve") as well as continuing to improve operating and capital spending efficiency. Our longer-term success is dependent upon growth or stability in digital revenues and retaining and growing our customer base. Key analytics for the year ended December 31, 2025 include:

- Total Revenues – Total Revenues decreased 7.4% year-over-year and amounted to $198.9 million for the year ended December 31, 2025, compared to the decrease of 10.3% reported last year.
- Digital revenues – Digital revenues decreased 6.3% year-over-year and amounted to $161.3 million for the year ended December 31, 2025, compared to the decrease of 9.6% reported last year.
- Adjusted EBITDA[1] – Adjusted EBITDA declined to $43.0 million or 21.6% of revenues for the year ended December 31, 2025, relative to $50.8 million or 23.7% of revenues for the same period last year.
- Adjusted EBITDA less CAPEX[1] – Adjusted EBITDA less CAPEX decreased to $41.5 million or 20.9% of revenues for the year ended December 31, 2025 compared to $48.4 million or 22.5% of revenues for the same period last year.
- YP Customer Count[2] – YP's customer count decreased to 66,700 customers for the year ended December 31, 2025, as compared to 74,000 customers for same period last year. The customer count reduction of 7,300 for the year ended December 31, 2025 compares to a decline of 7,800 in the comparable period of the previous year.
- Headcount[3] – Headcount decreased to 499 employees as at December 31, 2025 compared to 565 employees at December 31, 2024, a decrease of 11.7%.

[1] *Adjusted EBITDA and Adjusted EBITDA less CAPEX are non-GAAP financial measures and do not have any standardized meaning under IFRS Accounting Standards. Therefore, they are unlikely to be comparable to similar measures presented by other issuers. Definitions of these non-GAAP financial measures are provided on page 3 of this MD&A.*
[2] *YP Customer Count is defined as the number of customers advertising through one of our products as at the end of the reporting period on a trailing twelve-month basis excluding 411.ca customers.*
[3] *The Company defines headcount as total employees including contracted employees but excluding employees on short term and long-term disability leave, and on maternity leave.*

2. Results

This section provides an overview of our financial performance in 2025 compared to 2024 and 2023. We present several metrics to help investors better understand our performance, including certain metrics which are not measures recognized by IFRS Accounting Standards. Definitions of these non-GAAP financial metrics are provided on page 3 of this MD&A and are important aspects which should be considered when analyzing our performance.

Highlights

(In thousands of Canadian dollars, except per share and percentage information)

For the years ended December 31,	2025	2024	2023
Revenues	**$ 198,877**	$ 214,829	$ 239,432
Income from operations before depreciation and amortization, and restructuring and other charges (Adjusted EBITDA[1])	**$ 43,042**	$ 50,836	$ 76,860
Adjusted EBITDA margin[1]	**21.6%**	23.7%	32.1%
Net income	**$ 18,107**	$ 24,977	$ 47,399
Basic income per share	**$ 1.33**	$ 1.84	$ 2.70
CAPEX[1]	**$ 1,540**	$ 2,480	$ 3,960
Adjusted EBITDA less CAPEX[1]	**$ 41,502**	$ 48,356	$ 72,900
Adjusted EBITDA less CAPEX margin[1]	**20.9%**	22.5%	30.4%
Cash flows from operating activities[2]	**$ 35,047**	$ 39,024	$ 46,767

[1] *CAPEX, Adjusted EBITDA and Adjusted EBITDA less CAPEX are non-GAAP financial measures and do not have any standardized meaning under IFRS Accounting Standards. Therefore, they are unlikely to be comparable to similar measures presented by other issuers. Definitions of these non-GAAP financial measures are provided on page 3 of this MD&A.*

[2] *Includes funding of post-employment benefit plans of $12.0 million for the year ended December 31, 2023, pursuant to the respective plan of arrangement (see section "Pension Contributions" for details).*

Consolidated Operating and Financial Results

(In thousands of Canadian dollars, except per share and percentage information)

For the years ended December 31,	2025	% of Revenues	2024	% of Revenues	2023	% of Revenues
Revenues	**$ 198,877**		$ 214,829		$ 239,432	
Cost of sales	**101,132**	**50.9%**	104,762	48.8%	108,328	45.2%
Gross profit	**97,745**	**49.1%**	110,067	51.2%	131,104	54.8%
Other operating costs	**54,703**	**27.5%**	59,231	27.6%	54,244	22.7%
Income from operations before depreciation and amortization, and restructuring and other charges (Adjusted EBITDA)	**43,042**	**21.6%**	50,836	23.7%	76,860	32.1%
Depreciation and amortization	**12,320**	**6.2%**	13,436	6.3%	13,659	5.7%
Restructuring and other charges	**4,260**	**2.1%**	2,027	0.9%	2,205	0.9%
Income from operations	**26,462**	**13.3%**	35,373	16.5%	60,996	25.5%
Financial charges, net	**1,704**	**0.9%**	945	0.4%	732	0.3%
Settlement loss on annuity purchase	**3,970**	**2.0%**	–	n/a	–	n/a
Income before income taxes	**20,788**	**10.5%**	34,428	16.0%	60,264	25.2%
Provision for income taxes	**2,681**	**1.3%**	9,451	4.4%	12,865	5.4%
Net income	**$ 18,107**	**9.1%**	$ 24,977	11.6%	$ 47,399	19.8%
Basic income per share	**$ 1.33**		$ 1.84		$ 2.70	
Diluted income per share	**$ 1.31**		$ 1.82		$ 2.65	

Analysis of Consolidated Operating and Financial Results

The Chief Executive Officer ("CEO") is the Chief Operating Decision Maker and she uses Income from operations before depreciation and amortization and restructuring and other charges (Adjusted EBITDA) less CAPEX, to measure performance. Definitions of these non-GAAP financial measures are provided on page 3 of this MD&A. The CEO also reviews revenues by similar products and services, such as Print and Digital.

Fiscal year 2025 versus 2024

Revenues

(In thousands of Canadian dollars, except percentage information)

For the years ended December 31,		2025		2024	% Change
Digital	**$**	**161,314**	$	172,088	(6.3%)
Print		**37,563**		42,741	(12.1%)
Total revenues	**$**	**198,877**	$	214,829	(7.4%)

Total revenues for the year ended December 31, 2025 decreased by 7.4% to $198.9 million, as compared to $214.8 million for the same period last year. The decrease in revenues is mainly due to the decline of our higher margin digital media and print products and to a lesser extent to our lower margin digital services products, thereby creating pressure on our gross profit margins.

Total digital revenues decreased 6.3% year-over-year and amounted to $161.3 million for the year ended December 31, 2025, as compared to $172.1 million for the same period last year. The revenue decline for the year ended December 31, 2025, was mainly attributable to a decrease in digital customer count, partially offset by an increase in the average spend per customer.

Total print revenues decreased 12.1% year-over-year and amounted to $37.6 million for the year ended December 31, 2025. The revenue decline is mainly due to the decrease in the number of print customers while the spend per customer has improved year-over-year driven by price increases.

The decline rate of total revenues, digital revenues and print revenues all improved year-over-year. Total revenues decline of 7.4% for 2025 compares to 10.3% reported for 2024. The print revenue decline of 12.1% for 2025, compares to 13.0% for 2024. The digital revenue decline of 6.3% compares to a decline of 9.6% for the year ended 2024. The improvement of the revenue decline rates for total, print and digital revenues was mainly due to the stabilization of the customer count decline rate and an increase in average spend per customer, due in part to price increases.

Gross Profit

(In thousands of Canadian dollars, except percentage information)

For the years ended December 31,		2025	% of Revenues		2024	% of Revenues	% Change
Total gross profit	**$**	**97,745**	**49.1%**	$	110,067	51.2%	(11.2%)

Gross profit decreased to $97.7 million or 49.1% of revenues for the year ended December 31, 2025, compared to $110.1 million, or 51.2% of total revenues, for the same period last year. The decrease in gross profit and gross profit margin is a result of the pressures from lower revenues, the change in product mix and continued investments in our tele-sales force capacity, partially offset by continued optimizations in cost of sales and increases in pricing.

Adjusted EBITDA[1]

(In thousands of Canadian dollars, except percentage information)

For the years ended December 31,		2025	% of Revenues		2024	% of Revenues	% Change
Total Adjusted EBITDA	**$**	**43,042**	**21.6%**	$	50,836	23.7%	(15.3%)

[1] *Adjusted EBITDA is a non-GAAP financial measure and does not have any standardized meaning under IFRS Accounting Standards. Therefore, it is unlikely to be comparable to similar measures presented by other issuers. Definitions of non-GAAP financial measures are provided on page 3 of this MD&A.*

For the year ended December 31, 2025 Adjusted EBITDA decreased by $7.8 million or 15.3% to $43.0 million, compared to $50.8 million for the same period last year. The Adjusted EBITDA margin decreased during the year ended December 31, 2025 to 21.6%, compared to 23.7% for the same period last year. The decrease in Adjusted EBITDA and Adjusted EBITDA margin for the year ended December 31, 2025 is the result of revenue pressures and the ongoing investments in our tele-sales force capacity, and the impact of the Company's share price on cash settled stock-based compensation expense, partially offset by optimizations in cost of sales and reductions in other operating costs including reductions in our workforce and associated employee expenses. The change in YP's share price resulted in a recovery of $1.3 million for the year ended December 31, 2025, compared to a recovery of $1.7 million for the same period last year. Revenue pressures and change in product mix, partially offset by continued optimizations and cost reductions, will continue to cause pressure on margins in upcoming quarters.

Adjusted EBITDA less CAPEX[1]

(In thousands of Canadian dollars, except percentage information)

For the years ended December 31,		2025	% of Revenues		2024	% of Revenues	% Change
Adjusted EBITDA	**$**	**43,042**	**21.6%**	$	50,836	23.7%	(15.3%)
CAPEX		**1,540**	**0.8%**		2,480	1.2%	(37.9%)
Total Adjusted EBITDA less CAPEX	**$**	**41,502**	**20.9%**	$	48,356	22.5%	(14.2%)

[1] *Adjusted EBITDA less CAPEX is a non-GAAP financial measure and does not have any standardized meaning under IFRS Accounting Standards. Therefore, it is unlikely to be comparable to similar measures presented by other issuers. Definitions of non-GAAP financial measures are provided on page 3 of this MD&A.*

For the year ended December 31, 2025 Adjusted EBITDA less CAPEX decreased by $6.9 million or 14.2% to $41.5 million, compared to $48.4 million for the same period last year. The Adjusted EBITDA less CAPEX margin decreased during the year ended December 31, 2025 to 20.9%, compared to 22.5% for the same period last year. The decrease in Adjusted EBITDA less CAPEX and Adjusted EBITDA less CAPEX margin for the year ended December 31, 2025 is driven by the decrease in Adjusted EBITDA, partially offset by the decrease in CAPEX spend year-over-year.

Depreciation and Amortization

Depreciation and amortization decreased to $12.3 million for the year ended December 31, 2025 compared to $13.4 million for the same period last year primarily due to lower software development expenditures in recent years.

Restructuring and Other Charges

(In thousands of Canadian dollars)

For the years ended December 31,		2025		2024
Severance, benefits and outplacement	**$**	**4,061**	$	1,410
Impairment of right-of-use assets and future lease costs for previously vacated office space		**116**		521
Other costs		**83**		96
Total restructuring and other charges	**$**	**4,260**	$	2,027

Yellow Pages Limited recorded restructuring and other charges of $4.3 million during the year ended December 31, 2025 consisting mainly of restructuring charges of $4.1 million associated with workforce reductions, a $0.1 million charge related to lease costs for previously vacated office space, and $0.1 million of other costs.

Yellow Pages Limited recorded restructuring and other charges of $2.0 million during the year ended December 31, 2024 consisting mainly of restructuring charges of $1.4 million associated with workforce reductions, a $0.5 million charge related to future lease costs for previously vacated office space, and $0.1 million of other costs.

Financial Charges, net

Financial charges increased to $1.7 million for the year ended December 31, 2025 compared to $0.9 million for the same period last year. The increase during the year ended December 31, 2025 is mainly due to foreign exchange.

Settlement loss on annuity purchase

Yellow Pages Limited recorded a settlement loss on annuity purchase of $4.0 million during the year ended December 31, 2025. (refer to the section *"Annuity Purchase"* of this MD&A for details).

Provision for Income Taxes

The combined statutory provincial and federal tax rates were 26.41% for the year ended December 31, 2025 and 26.43% for the same period in 2024. The Company recorded an income tax expense of $2.7 million for the year ended December 31, 2025, including the recognition of previously unrecognized tax attributes and temporary difference of $2.8 million. In comparison, the Company recorded an income tax expense of $9.5 million for the year ended December 31, 2024. The effective tax rates were 12.89% for the year ended December 31, 2025 and 27.45% for the same period in 2024.

The difference between the effective and the statutory rates for the year ended December 31, 2025 is mainly due to the recognition of previously unrecognized tax attributes and temporary differences and the non-deductibility of certain expenses for tax purposes. For the year ended December 31, 2024, the difference is mainly due to the non-deductibility of certain expenses for tax purposes.

Net income

Net income decreased to $18.1 million for the year ended December 31, 2025 compared to net income of $25.0 million for the same period last year. The decrease in net income for the year ended December 31, 2025 is mainly due to lower Adjusted EBITDA, the increase in restructuring and other charges, the increase in financial charges, and the settlement loss on annuity purchase, partially offset by the decrease in depreciation and amortization and income taxes.

Fiscal year 2024 versus 2023

Revenues

(In thousands of Canadian dollars, except percentage information)

For the years ended December 31,		2024		2023	% Change
Digital	$	172,088	$	190,324	(9.6%)
Print		42,741		49,108	(13.0%)
Total revenues	$	214,829	$	239,432	(10.3%)

Total revenues for the year ended December 31, 2024 decreased by 10.3% to $214.8 million, as compared to $239.4 million for the same period in 2023. The decrease in revenues was mainly due to the decline of our higher margin digital media and print products and to a lesser extent to our lower margin digital services products, thereby creating pressure on our gross profit margins.

Total digital revenues decreased 9.6% year-over-year and amounted to $172.1 million for the year ended December 31, 2024, as compared to $190.3 million for the same period in 2023. The revenue decline for the year ended December 31, 2024, was mainly attributable to a decrease in digital customer count and to a lesser extent, a decrease in the average spend per customer.

Total print revenues decreased 13.0% year-over-year and amounted to $42.7 million for the year ended December 31, 2024. The revenue decline was mainly due to the decrease in the number of print customers while the spend per customer had improved year-over-year driven by price increases.

The decline rate of total revenues and print revenues improved year-over-year while the digital revenue rate of decline increased slightly. Total revenue decline of 10.3% for 2024 compared to 10.8% reported for 2023. The print revenue decline of 13.0% for 2024, compared to 17% for 2023. The digital revenue decline of 9.6% compared to a decline of 9.0% for the year ended 2023. The improvement in the decline rate of total revenues was partly due to the deceleration of the customer count decline rate fueled by an increase in new customer acquisitions and price increases, partially offset by an increase in churn. In addition, 2023 decline rates were negatively impacted by customer claim rates remaining stable, while 2022 benefited from a substantial improvement in customer claims.

Gross Profit

(In thousands of Canadian dollars, except percentage information)

For the years ended December 31,	2024	% of Revenues	2023	% of Revenues	% Change
Total gross profit	$ 110,067	51.2%	$ 131,104	54.8%	(16.0%)

Gross profit decreased to $110.1 million or 51.2% of revenues for the year ended December 31, 2024, compared to $131.1 million, or 54.8% of total revenues, for the same period in 2023. The decrease in gross profit and gross profit margin was a result of the pressures from lower revenues, change in product mix and continued investments in our tele-sales force capacity, partially offset by continued optimizations in cost of sales and increases in pricing.

Adjusted EBITDA[1]

(In thousands of Canadian dollars, except percentage information)

For the years ended December 31,	2024	% of Revenues	2023	% of Revenues	% Change
Total Adjusted EBITDA	$ 50,836	23.7%	$ 76,860	32.1%	(33.9%)

[1] *Adjusted EBITDA is a non-GAAP financial measure and does not have any standardized meaning under IFRS Accounting Standards. Therefore, it is unlikely to be comparable to similar measures presented by other issuers. Definitions of non-GAAP financial measures are provided on page 3 of this MD&A.*

For the year ended December 31, 2024 Adjusted EBITDA decreased by $26.0 million or 33.9% to $50.8 million, compared to $76.9 million for the same period in 2023. The Adjusted EBITDA margin decreased during the year ended December 31, 2024 to 23.7%, compared to 32.1% for the same period in 2023. The decrease in Adjusted EBITDA and Adjusted EBITDA margin for the year ended December 31, 2024 was the result of revenue pressures and the ongoing investments in our tele-sales force capacity, increase in bad debt expense, the nature of IT spend, whereby more of the expense was classified as operating rather than capital and the impact of the Company's share price on cash settled stock-based compensation expense, partially offset by optimizations in cost of sales and reductions in other operating costs including reductions in our workforce and associated employee expenses. The revaluation of the cash settled stock-based compensation liabilities based on the change in YP's share price resulted in a recovery of $1.7 million for the year ended December 31, 2024, compared to a recovery of $4.4 million for the same period in 2023.

Adjusted EBITDA less CAPEX[1]

(In thousands of Canadian dollars, except percentage information)

For the years ended December 31,	2024	% of Revenues	2023	% of Revenues	% Change
Adjusted EBITDA	$ 50,836	23.7%	$ 76,860	32.1%	(33.9%)
CAPEX	2,480	1.2%	3,960	1.7%	(37.4%)
Total Adjusted EBITDA less CAPEX	$ 48,356	22.5%	$ 72,900	30.4%	(33.7%)

[1] *Adjusted EBITDA less CAPEX is a non-GAAP financial measure and does not have any standardized meaning under IFRS Accounting Standards. Therefore, it is unlikely to be comparable to similar measures presented by other issuers. Definitions of non-GAAP financial measures are provided on page 3 of this MD&A.*

For the year ended December 31, 2024 Adjusted EBITDA less CAPEX decreased by $24.5 million or 33.7% to $48.4 million, compared to $72.9 million for the same period in 2023. The Adjusted EBITDA less CAPEX margin decreased during the year ended December 31, 2024 to 22.5%, compared to 30.4% for the same period in 2023. The decrease in Adjusted EBITDA less CAPEX and Adjusted EBITDA less CAPEX margin for the year ended December 31, 2024 was driven by the decrease in Adjusted EBITDA, partially offset by the decrease in CAPEX spend year-over-year, due in part, to the nature of Information Technology ("IT") spend, whereby more of the expense was classified as operating rather than capital.

Depreciation and Amortization

Depreciation and amortization decreased to $13.4 million for the year ended December 31, 2024 compared to $13.7 million for the same period in 2023 primarily due to lower software development expenditures in recent years.

Restructuring and Other Charges

(In thousands of Canadian dollars)

For the years ended December 31,		2024		2023
Severance, benefits and outplacement	$	1,410	$	1,097
Impairment of right-of-use assets and future operation costs related to lease contracts for previously vacated office space		521		939
Other costs		96		169
Total restructuring and other charges	$	2,027	$	2,205

Yellow Pages Limited recorded restructuring and other charges of $2.0 million during the year ended December 31, 2024 consisting mainly of restructuring charges of $1.4 million associated with workforce reductions and $0.5 million charge related to future operation costs provisioned related to lease contracts for previously vacated office space and $0.1 million of other costs.

Yellow Pages Limited recorded restructuring and other charges of $2.2 million during the year ended December 31, 2023 consisting mainly of restructuring charges of $1.1 million associated with workforce reductions and $0.4 million charge related to future operation costs provisioned related to lease contracts for previously vacated office space, as well as a $0.5 million charge related to the impairment of property and equipment and right-of-use assets related to previously vacated office space and $0.2 million of other costs.

Financial Charges, net

Financial charges increased to $0.9 million for the year ended December 31, 2024 compared to $0.7 million for the same period in 2023. The increase during the year ended December 31, 2024 was mainly related to the decrease in interest income on cash balances being offset by lower interest expense on the defined benefit obligation and lease obligations and foreign exchange.

Provision for Income Taxes

The combined statutory provincial and federal tax rates were 26.43% for the year ended December 31, 2024 and 26.44% for the same period in 2023. The Company recorded an income tax expense of $9.5 million for the year ended December 31, 2024. In comparison, the Company recorded an income tax expense of $12.9 million for the year ended December 31, 2023, including the recognition of previously unrecognized tax attributes and temporary differences of $3.4 million.

The difference between the effective and the statutory rates for the year ended December 31, 2024 was mainly due to the non-deductibility of certain expenses for tax purposes and for 2023 was mainly due to the recognition of previously unrecognized tax attributes and temporary differences and the non-deductibility of certain expenses for tax purposes.

Net income

Net income decreased to $25.0 million for the year ended December 31, 2024 compared to net income of $47.4 million for the same period in 2023. The decrease in net income for the year ended December 31, 2024 was mainly due to lower Adjusted EBITDA, partially offset by the decrease in income taxes.

Summary of Consolidated Quarterly Results

The following table shows selected consolidated financial data of Yellow Pages for the eight most recent quarters.
(In thousands of Canadian dollars, except per share and percentage information)

	2025				2024			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Total revenues	**$ 48,045**	$ 48,342	$ 51,682	$ 50,808	$ 51,401	$ 52,619	$ 55,838	$ 54,971
Operating costs	**37,549**	38,365	40,998	38,923	43,158	40,093	41,068	39,674
Income from operations before depreciation and amortization, and restructuring and other charges (Adjusted EBITDA[1])	**10,496**	9,977	10,684	11,885	8,243	12,526	14,770	15,297
Adjusted EBITDA margin[1]	**21.8%**	20.6%	20.7%	23.4%	16.0%	23.8%	26.5%	27.8%
Depreciation and amortization	**3,082**	3,008	2,963	3,267	3,189	3,180	3,788	3,279
Restructuring and other charges	**666**	1,046	846	1,702	903	508	174	442
Income from operations	**6,748**	5,923	6,875	6,916	4,151	8,838	10,808	11,576
Financial charges, net	**325**	406	718	255	81	270	387	207
Settlement loss on annuity purchase	**–**	–	3,970	–	–	–	–	–
Income before income taxes	**6,423**	5,517	2,187	6,661	4,070	8,568	10,421	11,369
(Recovery of) provision for income taxes	**(1,132)**	1,471	644	1,698	1,383	2,299	2,795	2,974
Net income	**$ 7,555**	$ 4,046	$ 1,543	$ 4,963	$ 2,687	$ 6,269	$ 7,626	$ 8,395
Basic income per share	**$ 0.56**	$ 0.30	$ 0.11	$ 0.37	$ 0.20	$ 0.46	$ 0.56	$ 0.62
Diluted income per share	**$ 0.55**	$ 0.29	$ 0.11	$ 0.35	$ 0.20	$ 0.46	$ 0.55	$ 0.61

[1] *Adjusted EBITDA and Adjusted EBITDA margin are non-GAAP financial measures and do not have any standardized meaning under IFRS Accounting Standards. Therefore, are unlikely to be comparable to similar measures presented by other issuers. Definitions of non-GAAP financial measures are provided on page 3 of this MD&A.*

Sequential quarterly revenue trends are impacted by the print publication distribution schedules, with the second quarter being the strongest quarter. Year-over-year the quarterly revenues have decreased principally due to lower customer count partially offset by increases in pricing, resulting in higher spend per customer for both print and digital.

The decline rate for total revenues showed improvement every quarter on a year-over-year basis during 2025. These improvements were due to better spend per customer in digital and print, the stabilization of the customer count decline rate as well as improvement in customer claims. The improved spend per customer is due in part to increased pricing. Revenues were impacted by Canada Post's labour disruption in the third quarter of 2025 whereby approximately $0.5 million of print revenues was deferred and recognized in our fourth quarter results.

Quarterly Operating costs decreased year-over-year driven by efficiencies from optimization in cost of sales and reductions in other operating costs including reductions in our workforce and associated employee expenses as well as the impact of the Company's share price on cash settled stock-based compensation expense and lower variable compensation expense, partially offset by ongoing investments in our tele-sales force capacity. The reductions in operating expenses in the third and fourth quarter of 2025 were partly driven by the decreased compensation resulting from the changes in the executive management team effective during the third quarter of 2025. Furthermore, during the fourth quarter of 2025, the revaluation of the cash settled stock-based compensation liabilities based on the change in YP's share price resulted in a recovery related to stock-based compensation expense of $0.3 million whereas in the fourth quarter of 2024 the revaluation of the cash settled stock-based compensation liabilities based on the change in YP's share price resulted in a charge related to stock-based compensation expense of $1.5 million.

Revenue pressures and change in product mix, and the ongoing investment in our salesforce partially offset by continued cost optimization, has continued to put pressure on the Adjusted EBITDA margin.

The Company's restructuring and other charges mainly related to workforce reductions and future operating costs related to lease contracts for previously vacated offices.

Analysis of Fourth Quarter 2025 Results

Revenues

(In thousands of Canadian dollars, except percentage information)

For the three-month periods ended December 31,		2025		2024	% Change
Digital	$	**39,658**	$	41,993	(5.6%)
Print		**8,387**		9,408	(10.9%)
Total revenues	$	**48,045**	$	51,401	(6.5%)

Total revenues for the fourth quarter ended December 31, 2025 decreased by 6.5% year-over-year and amounted to $48.0 million as compared to $51.4 million for the same period last year. The decrease in revenues is mainly due to the decline of our higher margin digital media and print products and to a lesser extent to our lower margin digital services products, thereby creating pressure on our gross profit margins. Print revenues in the fourth quarter were favorably impacted by the recognition of approximately $0.5 million in revenues that had been deferred from the third quarter due to the Canada Post workers' strike. The strike had delayed the distribution of certain print directories and direct mail items during the month of September, resulting in revenues initially expected in the third quarter being recorded in the fourth quarter. Had the deferred print revenues been recognized in the third quarter, the decline rate for total revenues would have been 7.4% for the fourth quarter ended December 31, 2025 compared to 8.1% reported for the same period last year.

Total digital revenues decreased 5.6% year-over-year and amounted to $39.7 million during the fourth quarter of 2025 compared to $42.0 million for the same period last year. The revenue decline is mainly attributable to a decrease in digital customer count, partially offset by an increase in the average spend per customer.

Total print revenues decreased 10.9% year-over-year and amounted to $8.4 million during the fourth quarter of 2025 compared to $9.4 million in the fourth quarter of 2024. The revenue decline was mostly attributable to decreases in the number of print customers while the spend per customer has improved year-over-year driven by price increases. Excluding the impact of the Canada Post labour disruption as described above, the year-over-year decline in print revenues would have been 15.6% for the three-month period ended December 31, 2025 compared to a decline rate of 11.5% for the same period last year.

The decline rate for total revenues and digital revenues improved during the quarter ended December 31, 2025, compared to the same period last year. Total revenue decline of 6.5% this quarter compares to a decline of 8.1% reported for the same period last year. Digital revenue decline of 5.6% this quarter compares to a decline of 7.2% reported for the same period last year. The improvement of the revenue decline rates was mainly due to the stabilization of the customer count decline rate and an increase in average spend per customer, due in part to price increases.

Gross Profit

(In thousands of Canadian dollars, except percentage information)

For the three-month periods ended December 31,		2025	**% of Revenues**		2024	% of Revenues	% Change
Total gross profit	$	**23,259**	**48.4%**	$	25,332	49.3%	(8.2%)

Gross profit totalled $23.3 million or 48.4% of revenues for the three-month period ended December 31, 2025, compared to $25.3 million, or 49.3% of revenues, for the same period last year. The decrease in gross profit for the three-month period ended December 31, 2025 is a result of the pressures from lower overall revenues, change in product mix and investments in our tele-sales force capacity, partially offset by continued optimizations in cost of sales and increases in pricing.

Adjusted EBITDA[1]

(In thousands of Canadian dollars, except percentage information)

For the three-month periods ended December 31,		2025	**% of Revenues**		2024	% of Revenues	% Change
Total Adjusted EBITDA	$	**10,496**	**21.8%**	$	8,243	16.0%	27.3%

[1] *Adjusted EBITDA is a non-GAAP financial measure and does not have any standardized meaning under IFRS Accounting Standards. Therefore, it is unlikely to be comparable to similar measures presented by other issuers. Definitions of non-GAAP financial measures are provided on page 3 of this MD&A.*

Adjusted EBITDA increased to $10.5 million or 21.8% of revenues in the fourth quarter ended December 31, 2025, relative to $8.2 million or 16.0% of revenues for the same period last year. The increase in Adjusted EBITDA and Adjusted EBITDA margin for the three-month period ended December 31, 2025 is the result of the efficiencies from optimization in cost of sales and reductions in other operating costs including reductions in our workforce and associated employee expenses, reductions in variable compensation expense resulting from changes in the executive management team earlier in the year and the impact of the Company's share price on cash settled stock-based compensation expense, partially offset by revenue pressures and the ongoing investments in our tele-sales force capacity. The revaluation of cash settled stock-based compensation liabilities based on the change in YP's share price resulted in a recovery of $0.3 million during the fourth quarter of 2025 compared to a charge of $1.5 million for the same period in 2024. Revenue pressures, coupled with continued investments in our tele-sales force capacity, partially offset by continued optimization, will continue to cause some pressure on margins in upcoming quarters.

Adjusted EBITDA less CAPEX[1]

(In thousands of Canadian dollars, except percentage information)

For the three-month periods ended December 31,	2025	% of Revenues	2024	% of Revenues	% Change
Adjusted EBITDA	**$ 10,496**	**21.8%**	$ 8,243	16.0%	27.3%
CAPEX	**367**	**0.8%**	485	0.9%	(24.3%)
Total Adjusted EBITDA less CAPEX	**$ 10,129**	**21.1%**	$ 7,758	15.1%	30.6%

[1] *Adjusted EBITDA less CAPEX is a non-GAAP financial measure and does not have any standardized meaning under IFRS Accounting Standards. Therefore, it is unlikely to be comparable to similar measures presented by other issuers. Definitions of non-GAAP financial measures are provided on page 3 of this MD&A.*

Adjusted EBITDA less CAPEX increased by $2.3 million to $10.1 million during the fourth quarter of 2025, compared to $7.8 million during the same period last year. The increase in Adjusted EBITDA less CAPEX and Adjusted EBITDA less CAPEX margin for the three-month period ended December 31, 2025 is mainly due to higher Adjusted EBITDA as well as a decrease in CAPEX spend year-over-year, due in part, to the nature of IT spend, whereby more of the expense was classified as operating rather than capital.

Depreciation and Amortization

Depreciation and amortization decreased to $3.1 million for the three-month period ended December 31, 2025 compared to $3.2 million for the same period last year primarily due to lower software development expenditures in recent years.

Restructuring and Other Charges

(In thousands of Canadian dollars)

For the three-month periods ended December 31,	2025	2024
Severance, benefits and outplacement	**$ 1,464**	$ 828
Provision for future lease costs for previously vacated office space	**25**	48
Other costs	**(823)**	27
Total restructuring and other charges	**$ 666**	$ 903

Yellow Pages Limited recorded restructuring and other charges of $0.7 million during the three-month period ended December 31, 2025 consisting mainly of restructuring charges of $1.5 million associated with workforce reductions, partially offset by $0.8 million recovery of other costs. Yellow Pages Limited recorded restructuring and other charges of $0.9 million during the three-month period ended December 31, 2024 consisting mainly of restructuring charges of $0.8 million associated with workforce reductions and a $0.1 million charge related to future lease costs for previously vacated office space.

Provision for Income Taxes

The combined statutory provincial and federal tax rates were 26.41% and 26.43% for the three-month periods ended December 31, 2025 and 2024, respectively. The Company recorded a tax recovery of $1.1 million for the three-month period ended December 31, 2025, including a recovery for the recognition of previously unrecognized tax attributes and temporary differences of $2.8 million. In comparison, the Company recorded an income tax expense of $1.4 million for the three-month period ended December 31, 2024. These recoveries were non-cash items. The effective tax rates were (17.63%) for the three-month period ended December 31, 2025 and 33.98% for the same period in 2024.

The difference between the effective and the statutory rates during the three-month period ended December 31, 2025 is mainly due to the recognition of previously unrecognized tax attributes and temporary differences and the non-deductibility of certain expenses for tax purposes. For the year ended December 31, 2024, the difference is mainly due to the non-deductibility of certain expenses for tax purposes.

Net income

Net income for the three-month period ended December 31, 2025 amounted to $7.6 million as compared to net income of $2.7 million for the same period last year. The increase is explained principally by the higher Adjusted EBITDA and lower income tax expense for the three-month period ended December 31, 2025.

3. Liquidity and Capital Resources

This section examines the Company's capital structure, sources of liquidity and various financial instruments including its debt instruments.

Capital Structure

(In thousands of Canadian dollars, except percentage information)

As at December 31,		2025		2024
Cash	**$**	**62,681**	$	44,204
Total debt (lease obligations, including current portion)	**$**	**36,135**	$	39,938
Equity		**51,839**		53,800
Total capitalization	**$**	**87,974**	$	93,738
Total (cash net of debt) debt net of cash[1]	**$**	**(26,546)**	$	(4,266)
Total debt net of cash to total capitalization		**n.a**		n.a

[1] *The term (cash net of debt) debt net of cash does not have a standardized meaning under IFRS Accounting Standards. Therefore, it is unlikely to be comparable to similar measures presented by other issuers. We define (cash net of debt) debt net of cash as Lease obligations including current portion, less cash, as shown in the Company's consolidated statements of financial position.*

Asset-Based Loan

On August 27, 2025, the Company, through its subsidiary Yellow Pages Digital & Media Solutions Limited, extended the term of its asset-based loan (ABL) to September 2028. The amended agreement also lowered the total commitment from $20.0 million to $15.0 million, with an additional reduction of $2.5 million each year beginning in September 2026. The ABL is being used for general corporate purposes. Through the ABL, the Company has access to the funds in the form of prime rate loans or letters of credit. The ABL is subject to a trailing twelve-month fixed charge coverage ratio when there is an event of default or when excess availability is less than 10% of the facility limit. Upon such event, the fixed charge coverage ratio must be a minimum of 1.1 times.

As at December 31, 2025, the Company had $0.6 million of letters of credit issued and outstanding, resulting in an availability of $14.4 million remaining under the ABL.

As at December 31, 2025, the Company was in compliance with all covenants under the loan agreement governing the ABL.

Liquidity

The Company's principal source of liquidity is cash generated from operations and cash on hand. The Company expects to generate sufficient liquidity in the short term and the long term to fund capital expenditures, working capital requirements and current obligations, and service its outstanding lease and post-employment benefit obligations. As at December 31, 2025, the Company had $62.7 million of cash and $14.4 million available under the ABL.

Share Data

Outstanding Share Data

As at	February 11, 2026	December 31, 2025	December 31, 2024
Common shares outstanding	13,758,660	13,758,660	13,752,770
Stock options outstanding[1]	573,821	581,462	2,020,826

[1] *Included in the stock options outstanding balance of 573,821 as at February 11, 2026 and 581,462 as at December 31, 2025, are no stock options exercisable as at those dates. Included in the stock options outstanding balance of 2,020,826 as at December 31, 2024 were 266,431 stock options exercisable as at that date.*

Dividend Paid on Common Shares

On February 13, 2024, the Company's Board of Directors (the "Board") modified the dividend policy of paying a quarterly cash dividend to common shareholders by increasing the dividend from $0.20 per share to $0.25 per share. YP's dividend payout policy and the declaration of dividends on any of the Company's outstanding common shares are subject to the discretion of the Board and, consequently, there can be no guarantee that the dividend payout policy will be maintained or that dividends will be declared. Dividend decisions will continue to be dependent on YP's operations and financial results, subject to the Board's assessment on a quarterly basis, which are, in turn, subject to various assumptions and risks, including those set out in this MD&A.

During the year ended December 31, 2025, the Company paid quarterly dividends of $0.25 per common share on March 17, June 16, September 15 and December 15, for a total consideration of $13.6 million to common shareholders. During the year ended December 31, 2024, the Company paid quarterly dividends of $0.25 per common share on March 15, June 17, September 16 and December 16, for a total consideration of $13.6 million to common shareholders.

On February 11, 2026, the Board declared a cash dividend of $0.25 per common share, payable on March 16, 2026 to shareholders of record as at February 25, 2026. Future quarterly dividends are subject to Board approval.

Annuity Purchase

On May 30, 2025, Yellow Pages Limited completed the purchase of group annuity contracts for $209.9 million from a Canadian insurer. The defined benefit pension plan obligations for the group that are settled via the annuity purchase are $205.9 million. Under the agreement, the Canadian insurer has issued annuities covering the responsibility for pension benefits owed to approximately 860 Yellow Pages pensioners and beneficiaries. The insurer began administering all pension benefits covered by the group annuity in October 2025. Following the transaction, pension benefits for these annuitants are protected under Assuris, the life insurance compensation association designated under the Insurance Companies Act of Canada.

For accounting purposes, this buy-out transaction essentially eliminates further legal or constructive obligation for pension benefits covered by the group annuity, and a settlement occurred. As a result of this transaction, a non-cash settlement loss of $4.0 million was recognized during the second quarter of 2025.

As announced on May 21, 2025, the Company also intends to voluntarily contribute an additional $4.0 million to the defined benefit pension plan by the end of June 2026, subject to review by the Board. On August 5, 2025, the Board approved that $2.0 million of the aforementioned voluntary cash contributions be completed by December 31, 2025. This contribution was made during the third quarter ended September 30, 2025.

Contractual Obligations and Other Commitments

(in thousands of Canadian dollars)

		Payments due for the years following December 31, 2025			
	Total	**1 year**	**2 – 3 years**	**4 – 5 years**	**Thereafter**
Lease obligations[1,2]	**$ 36,135**	$ 3,941	$ 8,624	$ 10,413	$ 13,157
Operating portion of lease obligations	**41,677**	5,460	11,318	11,387	13,512
Purchase obligations	**43,186**	15,599	19,780	5,555	2,252
Total contractual obligations	**$ 120,998**	**$ 25,000**	**$ 39,722**	**$ 27,355**	**$ 28,921**

[1] *Principal amount.*
[2] *Net present value.*

Lease obligations

We entered into finance lease agreements for premises. As at December 31, 2025, minimum payments under these finance leases up to 2033 total $36.1 million.

Operating portion of lease obligations

We rent our premises and office equipment under various leases for which an operating portion is recognized. As at December 31, 2025, minimum payments for the operating portion under these leases up to 2033 total $41.7 million.

Purchase obligations

We use the services of outside suppliers to distribute and print our directories and have entered into long-term agreements with a number of these suppliers. These agreements expire between 2026 and 2034. We also have purchase obligations under service contracts for both operating and capital expenditures. As at December 31, 2025, we have an obligation to purchase services for $43.2 million over the next five years and thereafter. Cash from operations will be used to fund these purchase obligations.

Pension Contributions

YP sponsors a pension plan registered with the Canada Revenue Agency and the Financial Services Commission of Ontario with defined benefit (DB) for employees hired prior to January 1, 2006, and defined contribution (DC) components for the non-Québec based employees hired on or after January 1, 2006 (the YP Pension Plan) as well as a DC plan registered with the Régie des Rentes du Québec (the YP Québec Plan), for the Québec based employees hired on or after January 1, 2006. Both plans together cover substantially all employees of the Company.

As at December 31, 2025, the DB component of the YP Pension Plan's assets market value totalled $195.4 million and were invested in a diversified portfolio of Canadian fixed income securities, real estate and private market funds. Its annual rate of return on assets was 0.95% for 2025.

The most recent actuarial valuation of the DB component of the YP Pension Plan for funding purposes was performed as at December 31, 2022. The valuation was prepared consistent with the Ontario funding basis, which requires no solvency deficit contribution if the plan is above 85% solvent. It also includes a requirement to fund on a going-concern basis a Provision for Adverse Deviation ("PfAD"), which is determined based on plan characteristics. There was no resulting solvency contribution, as it was determined that the plan was above the 85% solvency threshold. In addition, the annual required contribution to cover the PfAD was determined to be nil as of January 1, 2023 and the Company's Pension Plan has a Prior Year Credit Balance of $3.0 million.

On May 12, 2021, the Board approved a voluntary incremental $4.0 million cash contribution in 2021 bringing cash payments to the Pension Plan's wind-up deficit (the "Pension Plan") to $6.0 million, as part of a Deficit Reduction Plan to increase the probability that the Pension Plan will be fully funded on a wind-up basis by 2030. The Deficit Reduction Plan included an intention to make cash payments to the wind-up deficit of $6.0 million every year until 2030.

Pursuant to the 2022 Plan of Arrangement, the Company advanced the previously announced voluntary incremental cash contributions to the Pension Plan's wind-up deficit by an amount of $24.0 million during the year ended December 31, 2022. The incremental voluntary cash infusion of $24.0 million during the year ended December 31, 2022 represented advancing the voluntary $6.0 million contributions intended in years 2027, 2028, 2029 and 2030.

In 2023, pursuant to the 2023 Plan of Arrangement (refer to the section "*Share repurchase – 2023 Plan of Arrangement*" of this MD&A for additional details), the Company advanced the previously announced voluntary incremental cash contributions to the Pension Plan's wind-up deficit by an amount of $12.0 million during the year ended December 31, 2023, bringing 2023 voluntary cash payments to the Pension Plan's wind-up deficit to $18.0 million by the end of the year. The incremental voluntary cash infusion of $12.0 million during the year ended December 31, 2023 represents advancing the voluntary $6.0 million contributions intended in years 2025 and 2026 that were part of the Deficit Reduction Plan.

In 2024, the company made the last voluntary payment of $6.0 million intended under the Deficit Reduction Plan. As a result of the Deficit Reduction Plan and the advancement of the voluntary incremental cash contributions to the Pension Plan pursuant to the Plans of Arrangement in 2022 and 2023, the wind-up ratio was approaching 100%. As a result, the Board approved a plan to derisk the Pension Plan and protect the realized investment gains and windup ratio. The derisking of the Pension Plan in 2024 resulted in approximately 70% of its investment portfolio in fixed income investments and the remaining balance in real estate, infrastructure and private equity assets.

On May 30, 2025, the Company further derisked the Pension Plan by purchasing a buy-out group annuity policy from BMO Life Assurance Company, which reduced the Pension Plan obligations by approximately 50%. Subsequent to the annuity purchase, the asset allocation in the Pension Plan investment portfolio is approximately 30%

fixed income investments and 70% real estate, infrastructure and private equity assets. The Company intends to transition its investment portfolio to have 100% allocated to fixed income securities over time which will further reduce the investment risks as the investment portfolio would closely match the long-term liabilities of the Pension Plan.

Total cash payments for pension and other benefit plans made by the Company during the year ended December 31, 2025 totalled $7.9 million including $2.0 million additional voluntary cash contributions as a result of the annuity purchase (refer to the section "*Annuity Purchase"* for additional details).

Sources and Uses of Cash

(In thousands of Canadian dollars)

For the years ended December 31,		2025		2024
Cash flows from operating activities				
Change in operating assets and liabilities	**$**	**2,015**	$	3,329
Stock-based compensation cash payments		**(1,923)**		(2,751)
Funding of post-employment benefit plans in excess of costs		**(4,287)**		(8,207)
Restructuring and other charges paid		**(3,304)**		(1,940)
Income taxes received (paid), net		**986**		(694)
Cash flows from operations, excluding the above		**41,560**		49,287
	$	**35,047**	$	39,024
Cash flows from (used in) investing activities				
Additions to intangible assets	**$**	**(1,507)**	$	(2,402)
Additions to property and equipment		**(33)**		(78)
Payments received from net investment in subleases		**2,253**		1,967
	$	**713**	$	(513)
Cash flows used in financing activities				
Dividends paid	**$**	**(13,567)**	$	(13,560)
Issuance of common shares		**62**		–
Payment of lease obligations		**(3,778)**		(3,976)
	$	**(17,283)**	$	(17,536)
NET INCREASE IN CASH	**$**	**18,477**	$	20,975
CASH, BEGINNING OF YEAR		**44,204**		23,229
CASH, END OF YEAR	**$**	**62,681**	$	44,204

Cash flows from operating activities

Cash flows from operating activities decreased by $4.0 million to $35.0 million for the year ended December 31, 2025 from $39.0 million for the same period last year. The decrease is mainly due to a $7.8 million decrease in Adjusted EBITDA and a $1.4 million increase in restructuring and other charges paid partially offset by a decrease in funding of post-employment benefit plans of $3.9 million and lower income taxes paid of $1.7 million.

Cash flows used in investing activities

Cash flows from investing activities increased by $1.2 million year-over-year mainly due to the decrease in capital expenditures for the year ended December 31, 2025 of $0.9 million and by the increase of payments received from subleases by $0.3 million year-over-year.

Cash flows used in financing activities

Cash flows used in financing activities decreased by $0.2 million to $17.3 million for the year ended December 31, 2025 compared to $17.5 million last year due to the decrease in payment of lease obligations.

Financial and Other Instruments

(See Note 8 of the Audited Consolidated Financial Statements of the Company for the years ended December 31, 2025 and 2024).

The Company's financial instruments primarily consist of cash, trade and other receivables, and trade and other payables.

4. Critical Assumptions and Estimates

Significant estimates

When we prepare our consolidated financial statements in accordance with IFRS Accounting Standards, we must make certain estimates and assumptions about our business. These estimates and assumptions in turn affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent assets and liabilities in the financial statements. Management reviews these estimates and assumptions on a regular basis to ensure their pertinence with respect to past experience and the current events including but not limited to economic and financial market conditions such as higher interest rates and inflation and increasing risk of recession, as well as other factors that are considered relevant. These estimates are subject to measurement uncertainty and actual results could differ from current estimates as a result of changes in these assumptions. The impact of these changes in accounting estimates is recognized during the period in which the change took place and all affected future periods, where applicable.

The more significant estimates made by management are described below.

Allowance for revenue adjustments

The Company records an allowance for revenue adjustments as a reduction to revenue. This reflects an estimate of claims expected from customers. The Company updates its estimate of the allowance for revenue adjustments based on historical experience related to claims, as well as client-related factors. This significant estimate could affect Yellow Pages Limited's future results if actual claims are higher or lower than anticipated.

Measurement of the ECL allowance on trade receivables

In relation to the impairment of trade receivables (including contract assets), the Company uses the expected credit losses ("ECL") model, which requires the Company to account for the ECL and changes in the ECL at each reporting date to reflect changes in credit risk since initial recognition of the trade receivable. The ECL related to doubtful accounts for trade receivables (also referred to as allowance for doubtful accounts) is established based on various factors, including amongst others the age of the exposure and in some case the customer's solvency. This significant estimate could affect the Company's future results if there is a further significant change in economic conditions or customer solvency or any new information that may impact our assumptions.

Estimate of the lease term

When the Company recognizes a lease, it assesses the lease term based on the conditions of the lease and assesses whether it will extend the lease at the end of the lease contract or exercise an early termination option. The Company determined that the term of its leases is the original lease term as it is not reasonably certain that the extension of termination options will be exercised. This significant estimate could affect Yellow Pages Limited's future results if the Company extends the lease or exercises an early termination option.

Assessment of whether a right-of-use asset is impaired

The Company assesses whether a right-of-use asset is impaired, particularly when it vacates an office space and it must determine the recoverability of the asset, depending on its capacity to sublease the assets or surrender the lease and recover its costs. The Company will examine its lease conditions as well as local market conditions and estimate its recoverability potential for each vacated premise. The determination of the lease cost recovery rate involves significant management estimates based on market availability of similar office space and local market conditions. This significant estimate could affect Yellow Pages Limited's future results if the Company succeeds in subleasing their vacated offices at a higher or lower rate or at different dates than initially anticipated.

Determining the discount rate for leases

IFRS 16 requires the Company to discount the lease payments using the rate implicit in the lease if that rate is readily available. If that rate cannot be readily determined, the lessee is required to use its incremental borrowing rate ("IBR"). The Company generally used its IBR rate when recording leases initially, since the implicit rates were not readily available due to information not being available from the lessor regarding the fair value of underlying assets and directs costs incurred by the lessor related to the leased assets. The IBR for each lease was determined on the commencement date of the lease and recalculated at the remeasurement date where applicable.

Useful lives of intangible assets and property and equipment

Yellow Pages Limited reviews the estimated useful lives of its intangible assets and property and equipment at the end of each reporting period. At the end of the current reporting period, management determined that the useful lives of its intangible assets and property and equipment were adequate.

Employee future benefits

The present value of the defined benefit obligation is determined by employing the projected benefit method prorated on service using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related pension liability. Determination of the net benefit costs (recovery) requires assumptions such as the discount rate to measure defined benefit obligations and expected return on plan assets, the projected age of employees upon retirement, the expected rate of future compensation and the expected healthcare cost trend rate. Actual results may differ from results which are estimated based on assumptions.

Income taxes

Estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of Yellow Pages Limited's ability to utilize the underlying future tax deductions against future taxable income before they expire. Yellow Pages Limited's assessment is based upon existing tax laws and estimates of future taxable income. If the assessment of Yellow Pages Limited's ability to utilize the underlying future tax deductions changes, Yellow Pages Limited would be required to recognize more or fewer of the tax deductions as assets, which would decrease or increase the income tax expense in the period in which this is determined. The carrying value of deferred tax assets is reviewed at each reporting date, remeasured to the extent that probable sufficient taxable profits will be available, or reduced to the extent it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered in the foreseeable future.

Accounting Standards

Accounting Standards that are issued but not yet effective and not yet applied on the consolidated financial statements

New standard IFRS 18 - *Presentation and Disclosures in Financial Statements*

On April 9, 2024, the International Accounting Standards Board ("IASB") issued its new standard IFRS 18 *Presentation and Disclosures in Financial Statements* that will replace IAS 1 *Presentation of Financial Statements*. The new standard aims at improving how entities communicate in their financial statements by setting new requirements to:

- Improve comparability, through a specified structure of the statement of profit and loss that is more comparable between entities;
- Enhance disclosure of the management-defined performance measures to improve transparency and make them subject to audit; and
- Render the grouping of information more useful and relevant through enhanced guidance on how to organize information in financial statements including note disclosures.

IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027. The standard is applied retrospectively, with specific transition provisions, and early adoption is permitted. The Company is assessing the impact of this new standard on its current financial statement presentation.

5. Risks and Uncertainties

The following section examines the major risks and uncertainties that could materially affect YP's future business results.

Understanding and managing risks are important parts of YP's strategic planning process. The Board requires that our senior management identify and properly manage the principal risks related to our business operations. To understand and manage risks at YP, our Board and senior management analyze risks in three major categories:

1. Strategic risks - which are primarily external to the business;

2. Financial risks - generally related to matters addressed in the Company's Financial Risk Management Policy and in the Pension Statement of Investment Policy and Procedures; and
3. Operational risks - related principally to risks across key functional areas of the organization.

YP has put in place certain guidelines in order to seek to manage the risks to which it may be exposed. Please refer to the "Risk Factors" section of our AIF for a complete description of these risk factors. Careful consideration should be given also to the following risk factors which could have a material adverse effect on the Corporation, its business, results of operation and financial condition. Despite these guidelines, the Company cannot provide assurances that any such efforts will be successful.

Failure by the Corporation to stabilize or grow its revenues and customer base

The Corporation's revenues remain adversely impacted by a lower customer count. Failure to provide existing customers with marketing solutions that meet their key marketing objectives and generate return on investment may limit the Corporation's ability to retain or upsell existing customers. In addition, the inability of the Corporation's customer acquisition strategies and channels to find and attract new customers may limit the Corporation's ability to grow its total customer count.

Substantial competition could reduce the market share of the Corporation

The Corporation competes with a broad range of directory, advertising media and classified advertising businesses across numerous channels, including the internet, newspapers, television, radio, mobile devices, magazines, billboards and direct mail. Competitive pressures have intensified with the continued shift toward digital platforms and online search engines. In particular, the directories business faces substantial challenges as online penetration increases through traditional search engines, social networking platforms, and—more recently—AI-driven search technologies that aggregate, summarize and deliver local commercial information with increasing accuracy and personalization.

The rapid emergence of generative AI search tools has materially altered the competitive landscape. These platforms can bypass traditional directory-style navigation by providing direct, conversational answers to user queries, often integrating recommendations, reviews and transaction capabilities. As AI search engines expand their reach into local commercial markets, they may further disintermediate traditional directories by capturing user intent earlier in the search process and influencing purchasing decisions more effectively.

The Corporation may not be able to compete effectively with these online and AI-enabled competitors, many of which possess greater data resources, deeper user engagement and more sophisticated technology infrastructures. The Corporation's internet strategy and its directories business may be adversely affected if major search providers continue to accelerate investments in AI models, build local sales forces, integrate generative local search features, or otherwise reach local businesses more efficiently for digital advertising and commercial search services.

These competitors may reduce prices to expand market share or may offer services at lower cost structures than the Corporation can achieve. In addition, AI-first platforms may deliver superior performance metrics—such as higher conversion rates or more targeted ad placement—making it more difficult for the Corporation to retain or attract advertisers. As competitive dynamics evolve, the Corporation may be required to adjust its pricing, increase its investment in AI-enhanced products, or add new service offerings to remain competitive.

Ultimately, failure to adapt to the accelerating transition toward AI-driven search and digital advertising solutions could adversely affect the Corporation's advertiser base, revenue, and overall market position.

A higher than anticipated rate of decline in print revenue resulting from changes in preferences and consumer habits

The Corporation could be materially adversely affected if the usage of print telephone directories declines at a rate higher than anticipated. The development of new technologies and the widespread use of the internet continue to drive changes in preferences and consumer habits. The usage of internet-based products providing information, formerly exclusively available in print directories, continues to grow at a rapid pace. The internet has become increasingly accessible as an advertising medium for businesses of all sizes. Further, the use of the internet, including as a means to transact commerce through mobile devices, has resulted in new technologies and services that compete with traditional advertising mediums. This has a significant impact on print products, and the decrease in usage gradually leads to lower advertising revenues. References to print business directories may decline faster than expected as users increasingly turn to digital and interactive media delivery devices for local commercial search information.

The inability of the Corporation to successfully enhance and expand its offering of digital and new media products

The Corporation expects to derive a greater portion of its total revenue from its digital and other new media products, as directory usage continues to shift from print directories to digital and other new media products. If revenue from the Corporation's digital products does not increase significantly to compensate for the declining trend in print revenue, the Corporation's cash flow, results of operations and financial condition could be materially adversely affected.

The Corporation's expansion towards digital and new media products is subject to a variety of challenges and risks that could adversely affect its digital revenue, as well as its business, results from operations and financial condition, including the following:

- the Corporation may not continue to grow usage on its digital properties at the same rate as other providers or may grow at a slower rate than currently anticipated;
- internet usage as a source of information and a medium for advertising may not continue to grow, or may grow at a slower rate than currently anticipated, as a result of factors that the Corporation cannot predict or control;
- the Corporation may incur substantial additional costs and expenses related to investments in its information technology, modifications to existing products and development of new products and this may reduce profit margins in the future;
- the Corporation may be unable to develop and market new products in a timely and efficient manner, as the Corporation's markets are characterized by rapidly changing technology, introductions and enhancements to existing products and shifting advertising customer and end-user demands, including technology preferences. Furthermore, the accelerated integration of AI technologies by competitors heightens this challenge. AI-driven platforms can quickly adapt to market changes, personalize offerings, and automate product development cycles, potentially outpacing the Corporation's ability to respond;
- the Corporation may be unable to improve its information technology systems to efficiently manage increased levels of traffic on the Corporation's digital properties and provide new services and products;
- the Corporation may be unable to keep apprised of changes to search engines' terms of service or algorithms, which could cause the Corporation's digital properties, or its advertising customers' digital properties, to be excluded from or ranked lower in search results or make it more difficult or more expensive for the Corporation to provide search engine marketing and search engine optimisation solutions to its advertising customers;
- the Corporation's advertising customers may be unwilling to grow their investment in digital advertising; and
- the Corporation may be unable to increase or maintain the prices of its products and services in the future.

The inability of the Corporation to supply the relationships and technologies required to appropriately service the needs of its customers

The Corporation anticipates that it will continue to depend on various third-party relationships, in order to grow its business, such as technology and content providers, real-time advertising exchanges and other strategic partners. In addition, the Corporation relies on other strategic partners relating to the delivery and fulfillment of its print operations. The Corporation has no operational or financial control over these third-party suppliers, and may not be able to maintain such relationships. These third parties may experience disruptions or performance problems, which could negatively affect the Corporation's ability to make sales and deliver its products and services as well as its efficiency and reputation.

In addition, the Corporation relies heavily on information technology systems to manage critical functions of its digital and mobile marketing solutions. The future success of the Corporation will depend in part upon its ability to continuously enhance and expand its existing product offering in a timely manner with features and pricing that meet changing advertiser needs, while generating cost efficiencies in its operations. As marketing via new digital advertising channels may evolve in unexpected ways, including the increased reliance on generative AI search engines or the use of AI in the fulfillment of digital products, failure by the Corporation to adapt successfully to market evolution could have a material adverse effect on its business, results of operations and financial condition.

A prolonged economic downturn in principal markets of the Corporation

The Corporation derives revenues principally from the sale of advertising in Yellow Pages print and digital directories across Canada. The Corporation's advertising revenues, as well as those of directories publishers in general, typically do not fluctuate widely with economic cycles. However, a prolonged economic downturn, recession or rising rates of inflation affecting the Corporation's markets, or any deterioration in general economic conditions, could have a material adverse effect on the Corporation's business and financial performance. The adverse effects of an economic downturn or recession on the Corporation could be compounded by the fact that the majority of the Corporation's customers are SMEs. Such businesses have fewer financial resources and higher rates of failure than larger businesses and may be more vulnerable to prolonged economic downturns. Therefore, these SMEs may be more likely to reduce or discontinue advertising with the Corporation, which could have a material adverse effect on the Corporation, its business, results from operations and financial condition.

A higher than anticipated proportion of revenues coming from the Corporation's digital products with lower margins, such as services and resale

Digital advertising sold on the Corporation's owned and operated media currently operate at the highest level of profitability relative to digital service (websites, search engine optimization, content syndication and Facebook) solutions and resale (SEM) solutions. Revenues sourced from digital service and resale solutions that are proportionally materially higher than anticipated may have an adverse impact on the Corporation's profitability.

The Corporation's inability to attract and retain key personnel

The success of the Corporation depends on the abilities, experience and personal efforts of senior management of the Corporation, including their ability to retain and attract skilled employees. The Corporation is also dependent on the number and experience of its sales representatives and Information Systems/Information Technology ("ISIT") employees. The loss of the services of such key personnel could have a material adverse effect on the Corporation, its business, its results from operations and financial condition.

The Corporation's business depends on the usage of its online and mobile properties and failure to protect traffic across the Corporation's digital properties could impair its ability to grow revenues and expand its business

The success of numerous of our customers' marketing campaigns is dependent on how well they can attract valuable audiences. The Corporation invests in order to protect digital audiences across its network of online and mobile properties by enhancing the quality, completeness and relevance of the content distributed to its properties, and by distributing to 50+ listing websites and applications for local discovery. The Corporation may not be able to protect or grow traffic across its digital properties and such investments may not prove to be cost-effective. There can be no assurance that current traffic or potential growth in traffic across the Corporation's digital properties may maintain or increase advertising customer renewal rates and/or annual spending or lead to a measurable increase in advertising customers. In addition, the corporation may be adversely impacted by the enactment of new data protection laws which impact our ability to collect data and report on traffic to both our websites and the websites created for our customers, and by the growing use of AI systems for local search, impacting our overall traffic.

Failure by either the Corporation or the Telco Partners to fulfill their obligations set forth in the agreements between the Corporation and the Telco Partners or the termination of such agreements

We have three billing and collection services agreements. The agreement with Bell Canada ("Bell") expires on December 31, 2026, unless terminated by either party with at least 90 days notice followed by a transition period of up to 12 months and the agreement with Northwestel Inc., an affiliate of Bell, expires on November 29, 2032. The agreement with TELUS Communications Inc. (TELUS) expires in 2031. Through these agreements, our billing is included as a separate line item on the telephone bills of Bell and TELUS customers who use our services. Bell and TELUS (the Telco Partners) contract with third parties to conduct monthly billing of customers who use them as their local telephone service providers. In addition, the Telco Partners provide collection services for the Corporation with those customers who are also their customers.

Additionally, the Corporation has entered into publishing agreements with each Telco Partner. If the Corporation fails to perform its obligations under these agreements or if a regulatory change impacts the ability of Telco Partner to perform its contractual obligations, the publishing agreements and other related agreements may consequently be terminated or adversely impacted, including the Bell Canada Trademark License Agreement, the TELUS Trademark License Agreement, the TELUS Listings Agreement, the Bell MTS Inc. Branding and Trademark Agreement and the Bell Canada Inc. Branding and Trademark Agreement, as well as non-competition covenants we benefit from with such Telco Partners.

We have agreements with outside service suppliers to print and distribute our directories and publications. These agreements are for services that are integral to our business.

The failure of the Telco Partners or any of our other suppliers to fulfill their contractual obligations under these agreements, or the termination of such agreements could result in a material adverse effect on our business.

Customers who do not use the Telco Partners as their local telephone provider as well as all new customers are billed directly by the Corporation.

Successfully prosecuted legal action against the Corporation

The Corporation is and may, from time to time, be the subject of litigation arising out of its operations, in which damages and/or other relief are sought. If any legitimate cause of action arose which was successfully prosecuted against the Corporation, the results of operations and financial condition could be adversely affected. Claims under such litigation may be material or may be indeterminate. Various types of claims may be made including, without limitation, breach of contract, negligence, tax and employment matters. The outcome of such litigation is uncertain and may materially impact the Corporation's financial condition or results of operations and the Corporation may be required to incur significant expenses or devote significant resources in defense against any such litigation. Subject to the foregoing limitations, management is of the opinion, based upon legal assessment and information presently available, that it is unlikely that any awards, to the extent not provided for through insurance or otherwise, would have a material effect on our financial position and the results of our operations, including cash flows. Moreover, unfavorable outcomes or settlements of litigation could encourage the commencement of additional litigation. The Corporation is not aware of any penalties or sanctions imposed by a court or securities regulatory authority or other regulatory body against the Corporation, nor has the Corporation entered into any settlement agreements before a court or with a securities regulatory authority.

Work stoppages and other labour disturbances

Certain non-management employees of the Corporation are unionized. The Corporation currently has six union agreements, all of which were renewed during 2022 and 2023, respectively. Two of these agreements have expired on December 31, 2025, two agreements have expiry dates in 2026, on June 30 and December 31, and the remaining two agreements are set to expire on March 31, 2027 and June 30, 2027. If the Corporation is unable to renew the agreements with its unionized staff as they come up for renegotiation from time to time, it could result in work stoppages and other labour disturbances.

Challenge by tax authorities of the Corporation's position on certain income tax matters

In the normal course of the Corporation's activities, the tax authorities are carrying out ongoing reviews. In that respect, the Corporation is of the view that all expenses claimed by the different entities of the group are reasonable and deductible and that the cost amount and capital cost allowance claims of such entities' depreciable properties have been correctly determined. The Corporation also collects and pays sales tax to various tax authorities in the normal course of its activities. There is no assurance that the tax authorities may not challenge these positions. Such challenge, if successful, may have a material adverse effect on the Corporation, its business, results from operations and financial condition.

The loss of key relationships or changes in the level of service provided by mapping applications and search engines

The Corporation has entered into agreements with mapping applications and search engines to promote its online directories. These agreements facilitate access to the Corporation's content and customer advertising, allow the Corporation to generate a higher volume of traffic than it would on its own as well as generate business leads for its advertisers, while retaining the client relationship. Loss of key relationships or changes in the level of service provided by the mapping applications and search engines could impact performance of the Corporation's internet marketing solutions. In addition, internet marketing services are provided by many other competitors within the markets the Corporation serves and its clients could choose to work with other, sometimes larger providers of these services, or with other search engines directly.

The failure of the Corporation's computers and communications systems

The Corporation's business activities rely significantly on the efficient and uninterrupted operation of computers and communications systems as well as those of third parties over which we have no financial or operational control. The Corporation's media properties, sales and advertising processing, data storage, production, billing, collection and day-to-day operations could be adversely impaired by cyber-attacks, or the failure of such technology.

In addition, the Corporation's computer and ISIT systems may be vulnerable to damage or interruption from a variety of sources and its disaster recovery systems may be deemed ineffective. Any failure of these systems could impair the Corporation's ability to sell to and service customers, therefore having an adverse effect on its results from operation and financial condition.

The inability of the Corporation to generate sufficient funds from operations, debt financings or equity financing transactions

The ability of the Corporation to make scheduled payments under its indebtedness will depend on, among other things, its future operating performance. There can be no assurance that the Corporation will be able to generate sufficient cash from its operations to pay its debt obligations. The Corporation's ability to generate sufficient funds from operations, debt financings or equity financings is, to a large extent, subject to economic, financial, competitive, operational and other factors, many of which are beyond the Corporation's control.

There can be no assurance that the Corporation will continue to be able to obtain on a timely basis sufficient funds on terms acceptable to the Corporation to provide adequate liquidity and to finance the operating and capital expenditures necessary to overcome the challenges associated with the evolution of its business and support its business strategy if cash flows from operations and cash on hand are insufficient.

Failure to generate sufficient funds, whether from operations or debt or equity financings, could require the Corporation to delay or abandon some of its anticipated expenditures or to modify its business strategy. Furthermore, competitors with greater liquidity or their ability to raise money more easily and on less onerous terms could create a competitive disadvantage for the Corporation.

Incremental contributions by the Corporation to its pension plans

The funding requirements of the Corporation's pension plans, resulting from valuations of its pension plan assets and liabilities, depend on a number of factors, including actual returns on pension plan assets, long-term interest rates, plan demographic and pension regulations. Changes in these factors could cause actual future contributions to significantly differ from the Corporation's current estimates and could require the Corporation to make incremental contributions to its pension plans in the future which may have a materially negative effect on the Corporation's liquidity and results from operations.

There is no assurance that the Corporation's pension plans will be able to earn their assumed rate of return. A material portion of the Corporation's pension plans' assets is invested in real estate, private equity and infrastructure funds. As a result, the ability of the Corporation's pension plans to earn the rate of return that management has assumed depends significantly on the performance of various factors including interest rates movement, inflation, supply and demand for private market capital, and cashflow growth. The capital market conditions also impact the discount rate used to calculate the Corporation's solvency obligations and thereby could also significantly affect the Corporation's cash funding requirements.

Declaration and payment of dividends cannot be guaranteed

The Corporation's dividend payout policy and the declaration of dividends on any of the Corporation's outstanding common shares are subject to the discretion of the Board of Directors and, consequently, there can be no guarantee that the dividend payout policy will be maintained or that dividends will be declared. Dividend decisions will continue to be dependent on the Corporation's operations and financial results subject to the Board's assessment on a quarterly basis which are, in turn, subject to various assumptions and risks, including those set out in this MD&A.

An outbreak or escalation of a contagious disease may adversely affect the Corporation's business

A local, regional, national or international outbreak or escalation of a contagious disease, such as the COVID-19 virus, other pandemics, epidemics and health risks, or fear of the foregoing, could adversely impact the ability of the Corporation's sales force to interact with customers and potential customers, cause economic uncertainty decreasing the willingness of customers to purchase services from the Corporation, cause labour shortages for the Corporation, interrupt supplies from third parties upon which the Corporation relies, increase operating costs, result in governmental regulation adversely impacting the Corporation's business and may otherwise have an adverse effect on the Corporation's business, financial condition and results of operations.

6. Controls and Procedures

As a public entity, we must take steps to ensure that material information regarding our reports filed or submitted under securities legislation fairly presents the financial information of YP. Responsibility for this resides with management, including the Chief Executive Officer and the Chief Financial Officer. Management is responsible for establishing, maintaining and evaluating disclosure controls and procedures, as well as internal control over financial reporting.

Disclosure Controls and Procedures (DC&P)

The evaluation of the design and effectiveness of DC&P (as defined in National Instrument 52-109) was performed under the supervision of the Chief Executive Officer and the Chief Financial Officer. They concluded that the Company's DC&P were effective, as at December 31, 2025.

Internal Control over Financial Reporting (ICFR)

The design and effectiveness of ICFR (as defined in National Instruments 52-109) were evaluated under the supervision of the Chief Executive Officer and the Chief Financial Officer. Based on the evaluations, they concluded that the Company's ICFR was effective, as at December 31, 2025.

During the quarter beginning on October 1, 2025 and ended on December 31, 2025, no changes were made to the Company's ICFR that has materially affected, or is reasonably likely to materially affect, the Company's ICFR.