



Third Quarter 2022

Supplemental Disclosure

1. Segmented information

(in thousands of canadian dollars)

	FY 2019	FY 2020	FY 2021	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22
Revenues																		
YP																		
Digital	\$ 298,762	\$ 252,252	\$ 221,471	\$ 77,802	\$ 76,489	\$ 74,309	\$ 70,162	\$ 67,610	\$ 64,433	\$ 61,305	\$ 58,904	\$ 57,000	\$ 55,700	\$ 54,973	\$ 53,798	\$ 52,587	\$ 52,804	\$ 52,230
Print	103,177	81,286	66,175	25,873	30,121	23,838	23,345	20,698	23,847	18,976	17,765	16,514	18,888	15,947	14,826	15,202	16,780	14,080
YP - Total	401,939	333,538	287,646	103,675	106,610	98,147	93,507	88,308	88,280	80,281	76,669	73,514	74,588	70,920	68,624	67,789	69,584	66,310
Other ¹	1,274	-	-	1,112	162	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenues	403,213	333,538	287,646	104,787	106,772	98,147	93,507	88,308	88,280	80,281	76,669	73,514	74,588	70,920	68,624	67,789	69,584	66,310
Digital	300,036	252,252	221,471	78,914	76,651	74,309	70,162	67,610	64,433	61,305	58,904	57,000	55,700	54,973	53,798	52,587	52,804	52,230
Print	103,177	81,286	66,176	25,873	30,121	23,838	23,345	20,698	23,847	18,976	17,765	16,514	18,888	15,947	14,826	15,202	16,780	14,080
YP Segment revenue YoY %																		
YP Total	(17.2%)	(17.0%)	(13.8%)	(18.9%)	(17.6%)	(16.6%)	(15.6%)	(14.8%)	(17.2%)	(18.2%)	(18.0%)	(16.8%)	(15.5%)	(11.7%)	(10.5%)	(7.8%)	(6.7%)	(6.5%)
YP Digital	(16.5%)	(15.6%)	(12.2%)	(18.0%)	(16.4%)	(16.1%)	(15.2%)	(13.1%)	(15.8%)	(17.5%)	(16.0%)	(15.7%)	(13.6%)	(10.3%)	(8.7%)	(7.7%)	(5.2%)	(5.0%)
YP Print	(19.3%)	(21.2%)	(18.6%)	(21.5%)	(20.4%)	(17.9%)	(16.8%)	(20.0%)	(20.8%)	(20.4%)	(23.9%)	(20.2%)	(20.8%)	(16.0%)	(16.5%)	(7.9%)	(11.2%)	(11.7%)
Gross Profit																		
YP	243,889	205,749	170,954	64,011	66,035	59,044	54,799	53,887	57,637	47,801	46,425	43,950	44,754	42,133	40,116	40,450	40,041	37,589
YP Gross Profit %	60.7%	61.7%	59.4%	61.7%	61.9%	60.2%	58.6%	61.0%	65.3%	59.5%	60.6%	59.8%	60.0%	59.4%	58.5%	59.7%	57.5%	56.7%
Other ¹	650	-	-	509	141	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Gross Profit	244,539	205,749	170,954	64,520	66,176	59,044	54,799	53,887	57,637	47,801	46,425	43,950	44,754	42,133	40,116	40,450	40,041	37,589
Gross Profit %	60.6%	61.7%	59.4%	61.6%	62.0%	60.2%	58.6%	61.0%	65.3%	59.5%	60.6%	59.8%	60.0%	59.4%	58.5%	59.7%	57.5%	56.7%
Adjusted EBITDA²																		
YP	161,014	129,442	102,000	45,097	43,375	37,786	34,756	32,563	41,928	27,312	27,639	26,583	24,440	26,617	24,360	25,411	23,788	26,390
YP Adjusted EBITDA margin %	40.1%	38.8%	35.5%	43.5%	40.7%	38.5%	37.2%	36.9%	47.5%	34.0%	36.0%	36.2%	32.8%	37.5%	35.5%	37.5%	34.2%	39.8%
Other ¹	331	-	-	284	47	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Adjusted EBITDA	161,345	129,442	102,000	45,381	43,422	37,786	34,756	32,563	41,928	27,312	27,639	26,583	24,440	26,617	24,360	25,411	23,788	26,390
Adjusted EBITDA margin %²	40.0%	38.8%	35.5%	43.3%	40.7%	38.5%	37.2%	36.9%	47.5%	34.0%	36.0%	36.2%	32.8%	37.5%	35.5%	37.5%	34.2%	39.8%
CAPEX²																		
YP	9,460	5,573	5,074	2,416	2,712	2,351	1,981	1,231	1,528	1,339	1,474	1,240	1,345	1,269	1,220	1,502	1,234	1,282
Other ¹	278	-	-	208	70	-	-	-	-	-	-	-	-	-	-	-	-	-
Total CAPEX	9,738	5,573	5,074	2,624	2,782	2,351	1,981	1,231	1,528	1,339	1,474	1,240	1,345	1,269	1,220	1,502	1,234	1,282
CAPEX % of revenues	2.4%	1.7%	1.8%	2.5%	2.6%	2.4%	2.1%	1.4%	1.7%	1.7%	1.9%	1.7%	1.8%	1.8%	1.8%	2.2%	1.8%	1.9%
Adjusted EBITDA less CAPEX²																		
YP	151,554	123,869	96,926	42,681	40,663	35,435	32,775	31,332	40,400	25,973	26,165	25,343	23,095	25,348	23,140	23,909	22,554	25,108
YP Adjusted EBITDA less CAPEX margin %	37.7%	37.1%	33.7%	41.2%	38.1%	36.1%	35.1%	35.5%	45.8%	32.4%	34.1%	34.5%	31.0%	35.7%	33.7%	35.3%	32.4%	37.9%
Other ¹	53	-	-	76	(23)	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Adjusted EBITDA less CAPEX	\$ 151,607	\$ 123,869	\$ 96,926	\$ 42,757	\$ 40,640	\$ 35,435	\$ 32,775	\$ 31,332	\$ 40,400	\$ 25,973	\$ 26,165	\$ 25,343	\$ 23,095	\$ 25,348	\$ 23,140	\$ 23,909	\$ 22,554	\$ 25,108
Adjusted EBITDA less CAPEX margin %²	37.6%	37.1%	33.7%	40.8%	38.1%	36.1%	35.1%	35.5%	45.8%	32.4%	34.1%	34.5%	31.0%	35.7%	33.7%	35.3%	32.4%	37.9%

2. YP Customer information

(on a trailing twelve month basis)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22
Customer Count	178,800	170,600	162,000	153,300	145,700	138,400	132,100	125,400	119,400	113,000	108,800	104,700	101,200	97,800	94,800
Net Annual Change in Customers	(40,700)	(37,100)	(35,000)	(33,400)	(33,100)	(32,200)	(29,900)	(27,900)	(26,300)	(25,400)	(23,300)	(20,700)	(18,200)	(15,200)	(14,000)
ARPC³	\$ 2,481	\$ 2,486	\$ 2,517	\$ 2,567	\$ 2,571	\$ 2,537	\$ 2,536	\$ 2,540	\$ 2,544	\$ 2,569	\$ 2,583	\$ 2,607	\$ 2,649	\$ 2,690	\$ 2,714

Definitions:

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

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

ARPC³: YP Average contracted revenue per customer on a trailing twelve month basis excluding 411.ca

⁽¹⁾ Prior to 2020, the Company's operations were categorized into two reportable segments: YP and Other. Subsequent to the second quarter of 2019, there are no longer any operations being reported in the Other segment.

⁽²⁾ Adjusted EBITDA, Adjusted EBITDA margin, CAPEX, Adjusted EBITDA less CAPEX and Adjusted EBITDA less CAPEX margin are non-GAAP financial measures and do not have any standardized meaning under IFRS. Therefore, they are unlikely to be comparable to similar measures presented by other public companies. Refer to the section on Non-GAAP financial measures at the end of this document for more details.

⁽³⁾ ARPC is a non-GAAP financial ratio and does not have any standardized meaning under IFRS. Therefore, it is unlikely to be comparable to similar measures presented by other public companies. Refer to the section on Non-GAAP financial measures at the end of this document for more details and the closest comparable measure.

Non-GAAP Financial Measures

Adjusted EBITDA and Adjusted EBITDA margin

In order to provide a better understanding of the results, the Company uses the terms Adjusted EBITDA and Adjusted EBITDA margin. Adjusted EBITDA, or Income from operations before depreciation and amortization and restructuring and other charges (defined herein as Adjusted EBITDA), as shown in Yellow Pages Limited's consolidated statements of income. Adjusted EBITDA margin is defined as the percentage of Adjusted EBITDA to revenues. Adjusted EBITDA and Adjusted EBITDA margin are not performance measures defined under IFRS and are not considered an alternative to income from operations or net earnings in the context of measuring Yellow Pages performance. Adjusted EBITDA and Adjusted EBITDA margin do not have a standardized meaning under IFRS and are therefore not likely to be comparable to similar measures used by other publicly traded companies. Adjusted EBITDA and Adjusted EBITDA margin should not be used as exclusive measures of cash flow since they do not account for the impact of working capital changes, income taxes, interest payments, pension funding, capital expenditures, business acquisitions, debt principal reductions and other sources and uses of cash, which are disclosed on page 14 of the November 9, 2022 MD&A.

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

Adjusted EBITDA less CAPEX and Adjusted EBITDA less CAPEX margin

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

The most comparable IFRS financial measure to Adjusted EBITDA less Capex is income from operations before depreciation and amortization, and restructuring and other charges (defined above as Adjusted EBITDA) as shown in Yellow Pages Limited's consolidated statements of income. Refer to page 9 of the November 9, 2022 MD&A for a reconciliation of Adjusted EBITDA less CAPEX.

Average Revenue per Customer (ARPC)

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

ARPC (Using YP Reported Revenue)

(on a trailing twelve month basis)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22
ARPC	\$ 2,581	\$ 2,572	\$ 2,588	\$ 2,622	\$ 2,653	\$ 2,661	\$ 2,652	\$ 2,660	\$ 2,670	\$ 2,700	\$ 2,718	\$ 2,747	\$ 2,786	\$ 2,831	\$ 2,872