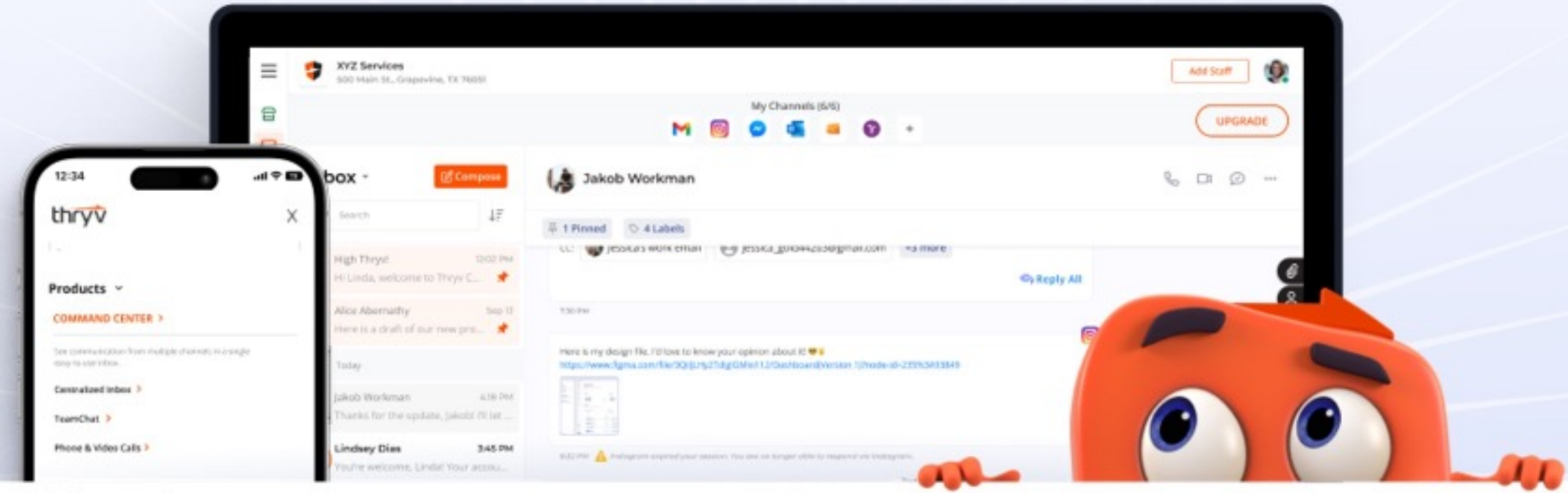
Investor Presentation

4TH QUARTER & FULL YEAR 2023



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Safe Harbor

This Presentation may include certain forward-looking statements, including, without limitation, statements concerning the conditions of our industry and our operations, performance, and financial condition, including, in particular, statements relating to our business, growth strategies, product development efforts, and future expenses. Forward-looking statements can be identified by words such as "anticipates," "intends," "plans," "seeks," "believes," "estimates," "expects," 'targets," and similar references to future periods, or by the inclusion of forecasts or projections. Forward-looking statements are based on our current expectations and assumptions regarding our business, the economy, and other future conditions. Because forward-looking statements relate to the future, by their nature, they are subject to inherent uncertainties and risks (some of which are beyond our control) and changes in circumstances or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements. As a result, our actual results may differ materially from those contemplated by the forward-looking statements. Except as required by law, we are under no obligation to, and expressly disclaim any obligation to, update or alter any forward-looking statements whether as a result of any such changes, new information, subsequent events or otherwise.

Market data and industry information used throughout this Presentation are based on management's knowledge of the industry and the good faith estimates of management. We also relied, to the extent available, upon management's review of independent industry surveys and publications and other publicly available information prepared by a number of third-party sources. All of the market data and industry information used in this Presentation involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. Although we believe that these sources are reliable, we cannot guarantee the accuracy or completeness of this information, and we have not independently verified this information. While we believe the estimated market position, market opportunity and market size information included in this presentation are generally reliable, such information, which is derived in part from management's estimates and beliefs, is inherently uncertain and imprecise. Projections, assumptions and estimates of our future performance and the future performance of the industry in which we operate are necessarily subject to a high degree of uncertainty and risk due to a variety of factors. These factors could cause results to differ materially from those expressed in our estimates and beliefs and in the estimates prepared by independent parties. You should not construe the contents of this Presentation as legal, tax, accounting or investment advice or a recommendation to take (or refrain from taking) any particular action. You should consult your own counsel and tax and financial advisors as to legal and related matters concerning the matters described herein.

In addition to financial measures prepared in accordance with U.S. generally accepted accounting principles ("GAAP"), this presentation contains non-GAAP financial measures. We present non-GAAP financial measures including adjusted EBITDA, adjusted EBITDA margin, adjusted gross profit, adjusted gross margin and free cash flow. The non-GAAP financial information is presented for supplemental informational purposes only and is not intended to be considered in isolation or as a substitute for, or superior to, financial information prepared and presented in accordance with GAAP. Please refer to the supplemental information presented in the tables for reconciliations of the non-GAAP financial measures used in this presentation to the most comparable GAAP financial measures.

We believe that these non-GAAP financial measures provide useful information about our financial performance, enhance the overall understanding of our past performance and future prospects and allow for greater transparency with respect to important metrics used by our management for financial and operational decision-making. We believe that these measures provide an additional tool for investors to use in comparing our core financial performance over multiple periods with other companies in our industry. However, it is important to note that the particular items we exclude from, or include in, our non-GAAP financial measures may differ from the items excluded from, or included in, similar non-GAAP financial measures used by other companies in our industry.

This Presentation also includes certain forward-looking non-GAAP financial measures, such as adjusted EBITDA margin and adjusted gross margin. We calculate forward-looking non-GAAP financial measures based on internal forecasts that omit certain amounts that would be included in GAAP financial measures. We have not provided quantitative reconciliations of these forward-looking non-GAAP financial measures to the most directly comparable forward-looking GAAP financial measures because the excluded items are not available on a prospective basis without unreasonable efforts.

Key Investment Highlights



Best-in-class SaaS Platform

Powerful All-in-one Software Platform Tailored To The Growing Needs Of The SMB

Massive Market Opportunity

Established And Resilient Service-based SMBs With 2-50 Employees. Global TAM > 8M Businesses ($40B Annual Spend)

Mega-trend

Thryv To Benefit From Cloud Adoption As SMBs Accelerate Transition To Cloud To More Efficiently Manage And Grow Their Businesses.

Efficient Customer Acquisition Strategy

Cross-sell, New Acquisition Channels, Franchise, Vast SMB Referral Network, and Product-qualified Leads

Platform's Growing AI Capabilities

Continual Release Of Intuitive AI Tools, Like Social Media AI Content Generator, Empowers SMBs To Harness The Potential Of AI to Grow Their Business

Highly Predictable Marketing Services Segment

Strong Visibility And High Sustained EBITDA Margins. Company Has Generated $1.7B In FCF Since 2016.

Experienced Management Team

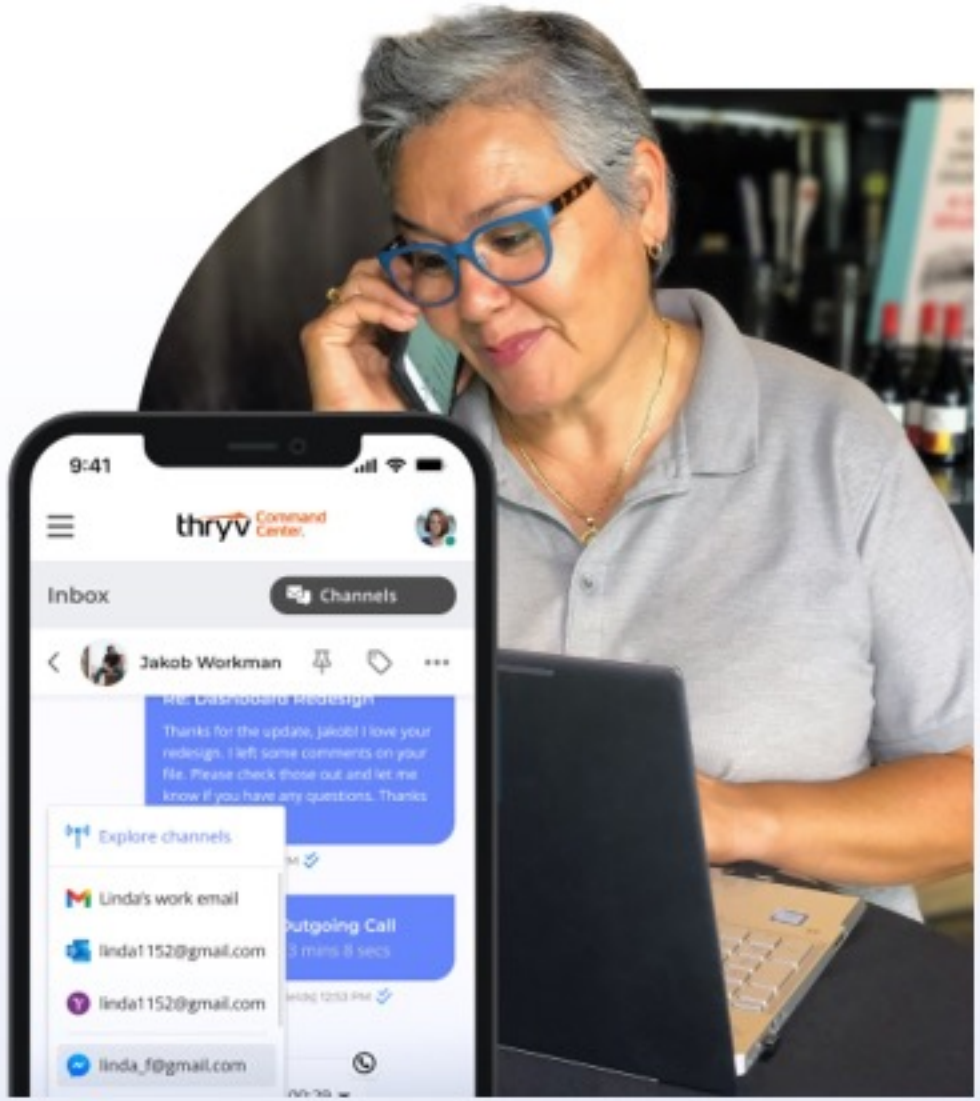
Tenured Industry Professionals With SMB Domain Expertise And Strong Track Record Of Successful Pivots, Transformations, And Acquisitions.

Significant Cross-sell SaaS Opportunity

Significant Whitespace Of ~315k Legacy Clients Looking To Modernize Their Business

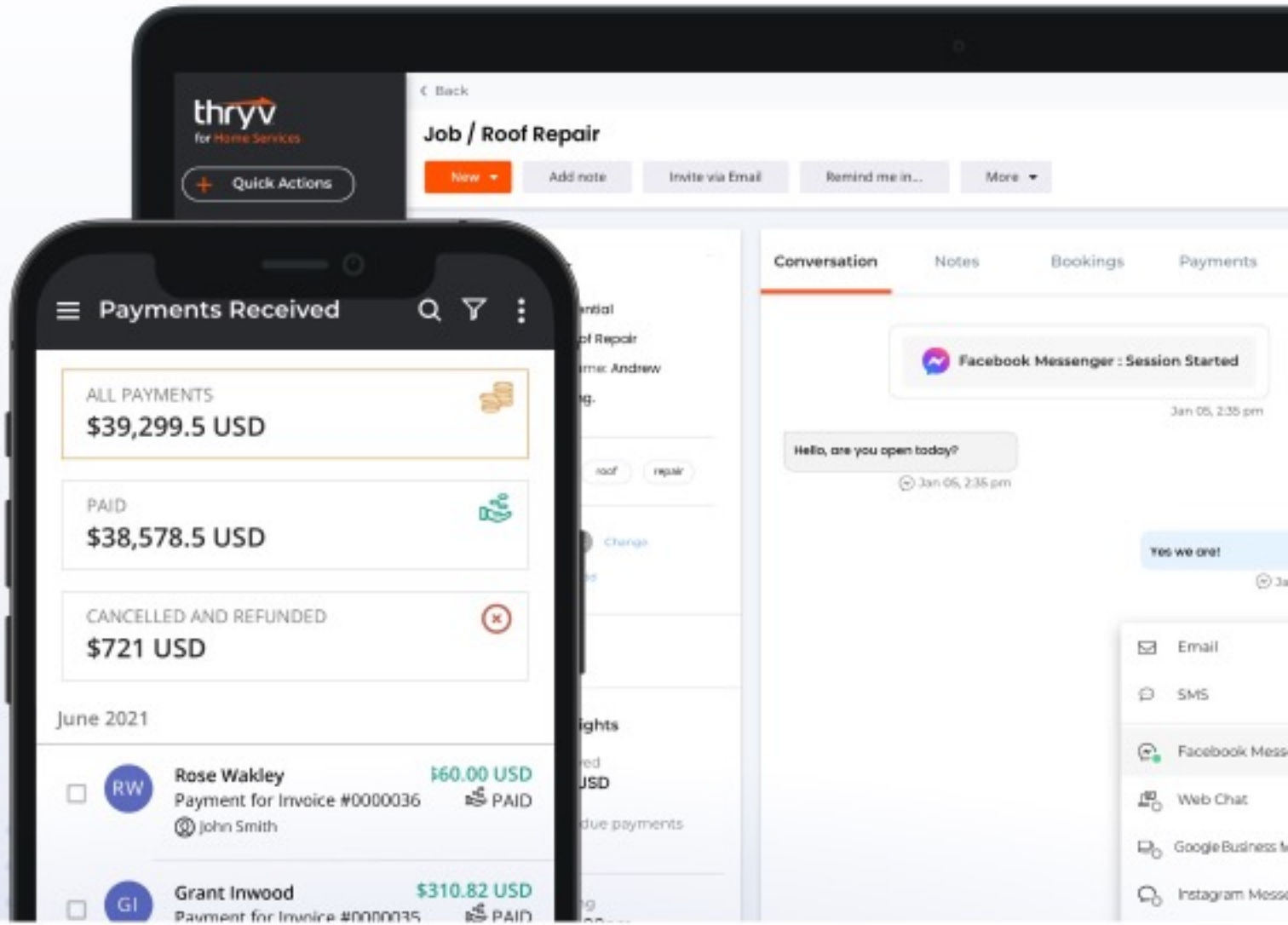
thryv

Small Business Is Big Business



Thryv the customizable, do-it-all small business software.

We'll help you **communicate** efficiently, **run** your business, and **grow** your brand.



Differentiated Business Model Driving Long-term Growth & Sustainability



We Don't Buy Customers.

Customers Buy thryv

Top 10 SaaS Clients By Vertical

- Construction & Contractors
- Home & Garden
- Business & Professional Services
- Legal
- Shopping & Ecommerce
- Insurance
- Health & Wellness
- Food & Beverage
- Pets & Animals
- Automotive & Vehicles



*Represents new SaaS customers cross-sold or referred from Thryv's existing services customer base.

thryv

Small businesses run better on Thryv.

From inbox to invoices to inbound marketing, Thryv is the do-it-all platform giving you up to 20 hours back in your week. Unleash your businesses potential starting now.



FREE TO USE

thryv Command Center

Centralize all communications.

- Centralized Inbox
- Team Communications
- Phone and Video Calls
- Web Chat

thryv Business Center

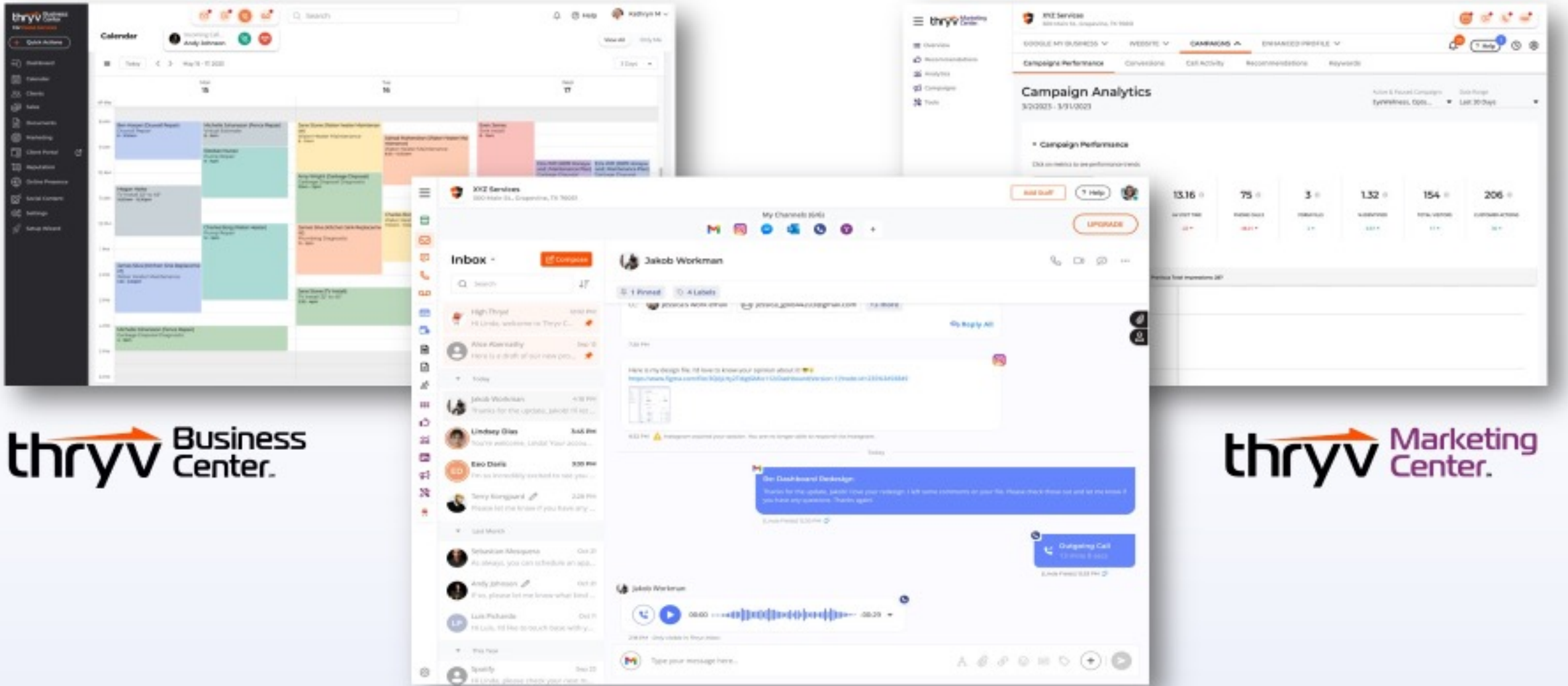
Run your business.

- Customer Database
- Scheduling & Calendars
- Social Media Management
- Estimates & Invoices
- Online Listings & Reviews
- Email & SMS Marketing
- Digital Payments
- Document and Files
- Client Portal

thryv Marketing Center

Grow your business.

- Marketing Campaigns
- Customizable Website
- Enhanced Local Listings
- Real-Time Insights
- AI-Powered Recommendations
- Website Heatmap



thryv Business Center.

thryv Marketing Center.

thryv Command Center.

Evolving & Expanding



Thryv

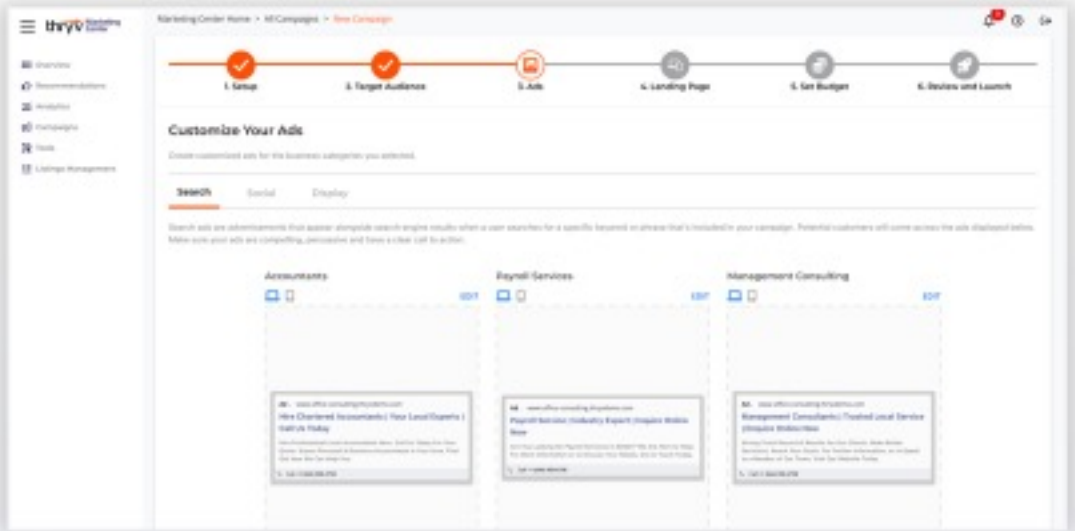
Everything an SMB needs to run their day-to-day business and deliver an exceptional customer experience.



thryv Pay. thryv App Market. Hub by thryv

THRYV SAAS PLATFORM

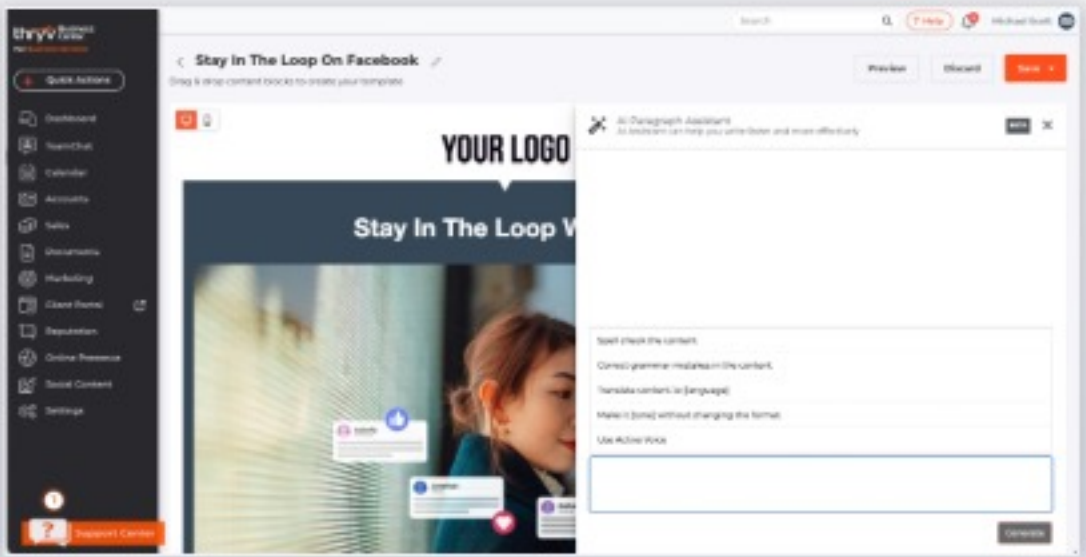
Leveraging AI



thryv Marketing Center.

Campaign Creator

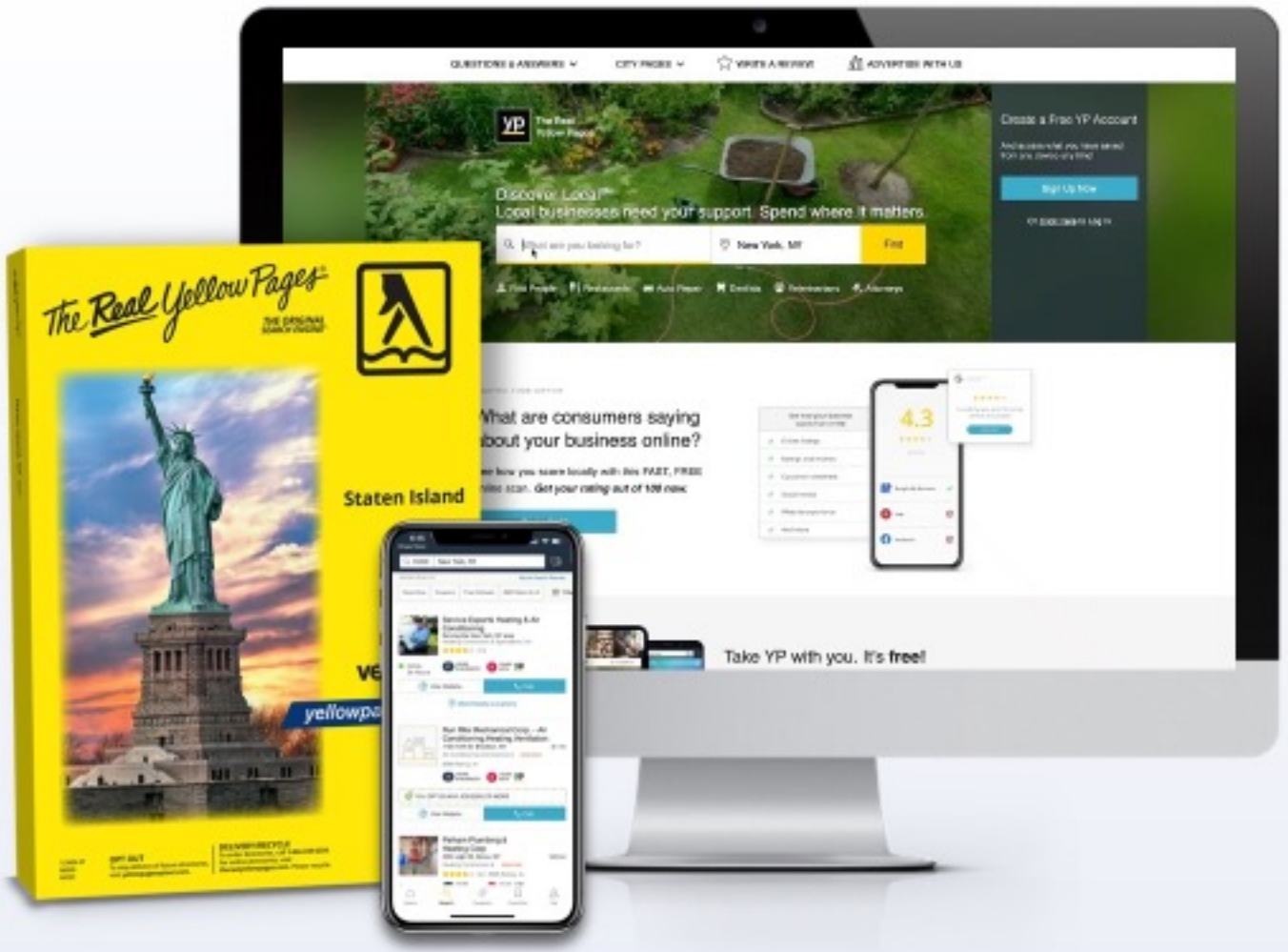
Marketing Center automatically creates your Ad Campaigns for you.



thryv Business Center.

Email Campaign Pro Editor

Easily create, translate, and perfect compelling content within Thryv's Email Marketing Pro Editor.



ADDITIONAL PRODUCTS

Marketing Services

THE REAL YELLOW PAGES

The most cost-effective way to target ready-to-buy consumers. Yellow Pages directories can mean big success stories for a business. Whether customers are searching for a business by name or by the products/services they provide, they'll be able to find them.

EXTENDED SEARCH SOLUTIONS

Promoting businesses online where customers aren't just searching...they're buying. Provides a robust presence on our vast partner network, including our proprietary sites, DexKnows.com, Superpages.com and Yellowpages.com.

ACCOLADES 2023

Client Industry Recognition



Newsweek's list of America's 100 Most Loved Workplaces for 2023



Martech Breakthrough Award 2023



2024 G2 Award Winner

Financial Review

Q4 & FY 2023

4th Quarter and Full Year Highlights

	4th Quarter			Full Year		
$ in thousands	**2023**	**2022**	**YoY%**	**2023**	**2022**	**YoY%**
Total SaaS						
Revenue	$73,970	$59,318	24.7%	$263,717	$216,346	21.9%
Adjusted EBITDA	6,503	(2,222)		12,025	(13,393)	
Adjusted EBITDA Margin	8.8%	(3.7)%		4.6%	(6.2)%	
Total Marketing Services						
Revenue	$162,193	$220,050	(26.3)%	$653,244	$986,042	(33.8)%
Adjusted EBITDA	45,773	70,415		$175,490	$346,735	
Adjusted EBITDA Margin	28.2%	32.0%		26.9%	35.2%	
Consolidated						
Revenue	$236,163	$279,368	(15.5)%	$916,961	$1,202,388	(23.7)%
Adjusted EBITDA	52,276	68,193		187,515	333,342	
Adjusted EBITDA Margin	22.1%	24.4%		20.4%	27.7%	

FINANCIAL REVIEW

SaaS Highlights



Revenue Growth

+25%

YoY

Growing Subscribers

+27%

YoY

ARPU

$370

+1% QoQ

Adjusted Gross Margin

70%

310 bps QoQ

Seasoned Net Dollar Retention (NDR)

96%

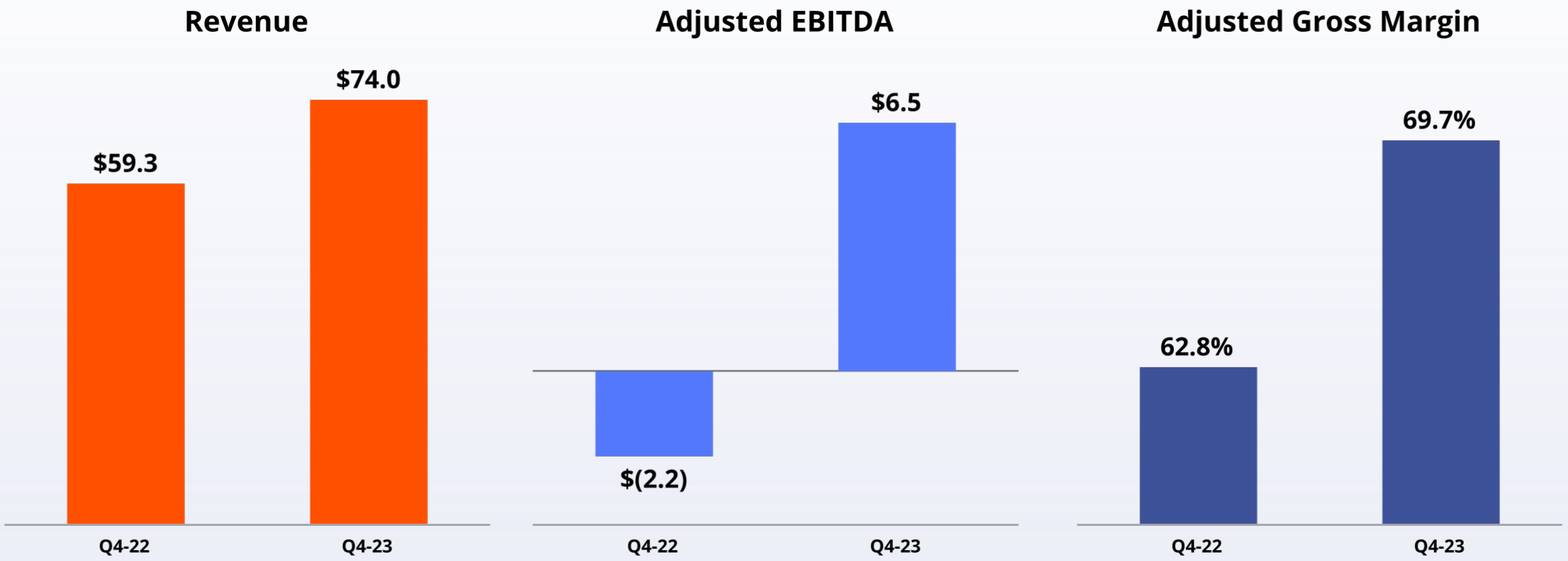
+400 bps QoQ

ThryvPay TPV

$60M

+54% YoY

SaaS Highlights



($ in millions)

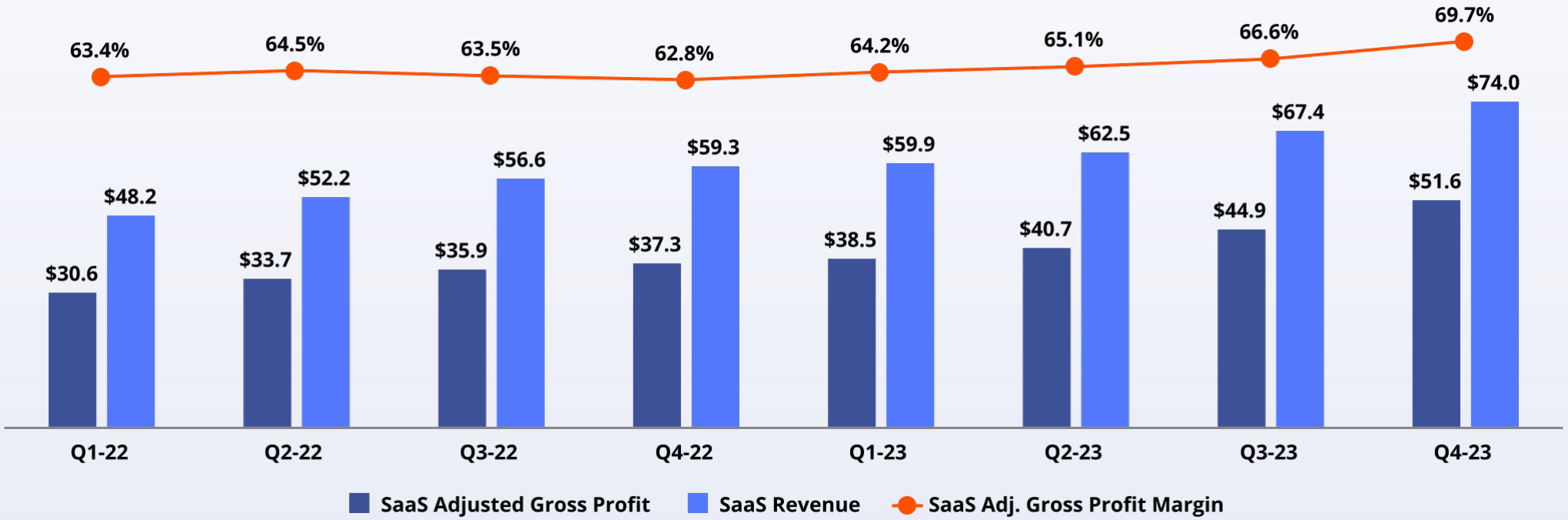
Multi-center Platform Impact on Profitability

thryv Business Center
Released Q2 2019

thryv Marketing Center
Released on Restricted Sale Q4 2022

thryv Command Center
*Released Q3 2023**

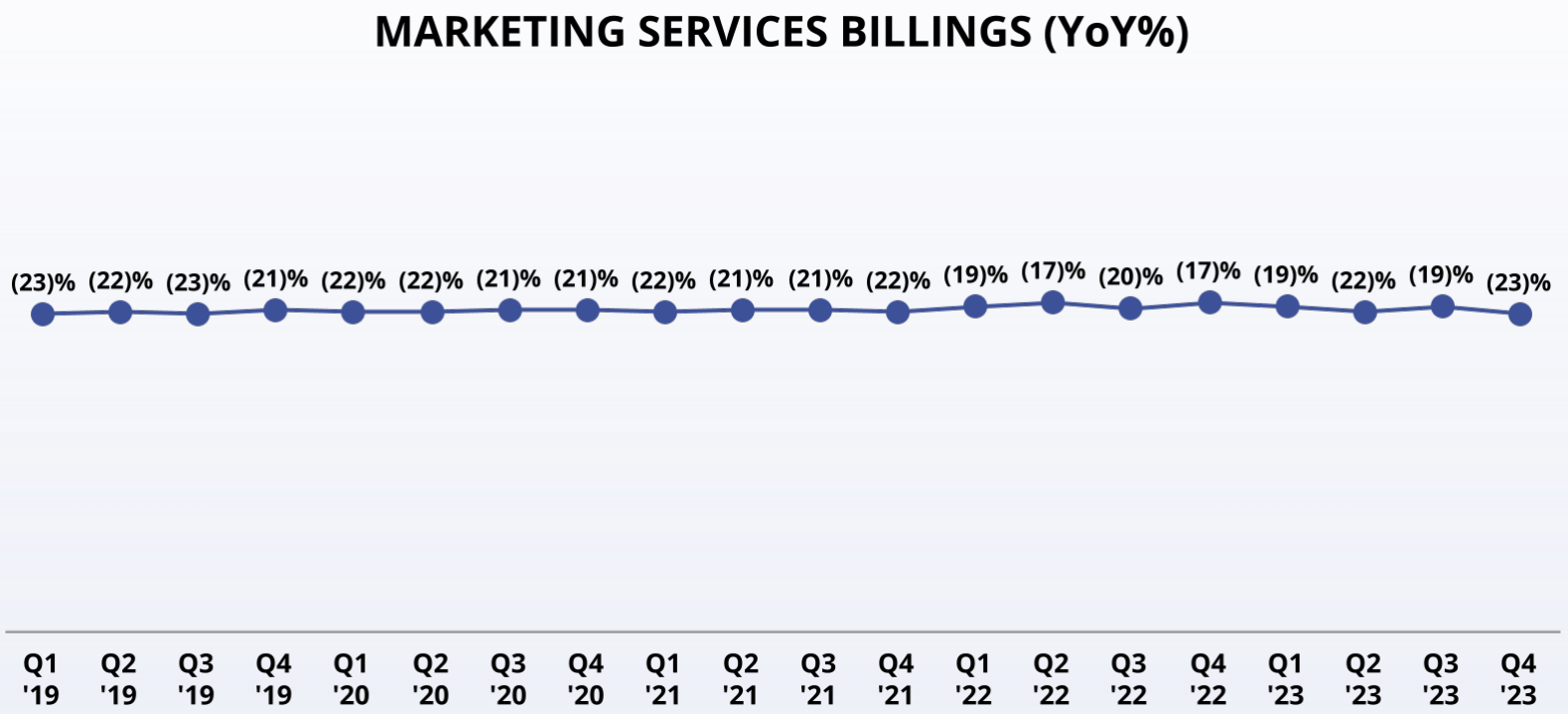
Released For General Availability



*Command Center was in beta until December 2023.

Total Marketing Services

	Q4-23	Q4-22
Marketing Services Billings (millions)[1]	$149.2	$192.8
YoY %	(23)%	(17)%



[1] Marketing Services Billings excludes Vivial Holdings run-off products and Yellow Holdings Limited (NZ).

Q1 and FY 2024 Outlook

Company Issues Strong SaaS Guidance for FY 2024

(in millions, USD)	Q1 2024	FY 2024	MANAGEMENT COMMENTARY
TOTAL SAAS			
REVENUE	$73 to $74	$325 to $328	• Company expects FY-24 growth of 23% to 24%
Adjusted EBITDA	$6 to $7	$26 to $29	• Company expects SaaS Adjusted EBITDA margins in the high-single digits for FY-24

(in millions, USD)	Q1 2024	Q2 2024	Q3 2024	Q4 2024	FY 2024	MANAGEMENT COMMENTARY
TOTAL MARKETING SERVICES						
REVENUE	$152 to $155	$146 to $149	$99 to $101	$98 to $100	$495 to $505	• Company expects higher print revenue in 1H-24
Adjusted EBITDA					$132 to $135	• Company expects FY-24 Marketing Services Adjusted EBITDA margin of ~27%

Appendix

Segment Results

Three Months Ended December 31, 2023					
	Thryv U.S.		Thryv International		
(in thousands)	Marketing Services	SaaS	Marketing Services	SaaS	Total
Revenue	$ 132,665	$ 70,652	$ 29,528	$ 3,318	$ 236,163
Segment Gross Profit	88,520	47,183	21,232	2,775	159,710
Segment Adjusted EBITDA	38,383	8,345	7,390	(1,842)	52,276

Three Months Ended December 31, 2022					
	Thryv U.S.		Thryv International		
(in thousands)	Marketing Services	SaaS	Marketing Services	SaaS	Total
Revenue	$ 187,755	$ 57,938	$ 32,295	$ 1,380	$ 279,368
Segment Gross Profit	124,413	34,944	18,802	746	178,905
Segment Adjusted EBITDA	59,758	83	10,657	(2,305)	68,193

Year Ended December 31, 2023					
	Thryv U.S.		Thryv International		
(in thousands)	Marketing Services	SaaS	Marketing Services	SaaS	Total
Revenue	$ 510,533	$ 253,579	$ 142,711	$ 10,138	$ 916,961
Segment Gross Profit	320,327	161,663	88,730	7,527	578,247
Segment Adjusted EBITDA	123,249	18,576	52,241	(6,551)	187,515

Year Ended December 31, 2022					
	Thryv U.S.		Thryv International		
(in thousands)	Marketing Services	SaaS	Marketing Services	SaaS	Total
Revenue	$ 820,032	$ 211,801	$ 166,010	$ 4,545	$ 1,202,388
Segment Gross Profit	539,543	130,272	108,496	2,071	780,382
Segment Adjusted EBITDA	271,629	(3,686)	75,106	(9,707)	333,342

APPENDIX

Non-GAAP Financial Reconciliation

(in thousands)	Q1-22	Q2-22	Q3-22	Q4-22	FY22	Q1-23	Q2-23	Q3-23	Q4-23	FY23
Net Income (Loss)	**$ 33,511**	**$ 58,002**	**$ 13,280**	**$ (50,445)**	**$ 54,348**	**$ 9,314**	**$ 15,978**	**$ (27,046)**	**$(257,541)**	**$(259,295)**
Interest expense	14,867	14,652	14,570	16,318	60,407	16,488	16,292	15,131	13,817	61,728
Depreciation and amortization expense	21,969	20,592	23,393	22,438	88,392	15,431	15,667	15,842	16,311	63,251
Stock-based compensation expense	1,928	3,810	4,402	4,488	14,628	5,393	5,798	5,462	5,548	22,201
Restructuring and integration expenses	5,827	4,822	3,790	3,365	17,804	5,340	3,921	3,584	1,767	14,612
Income tax expense (benefit)	9,621	22,200	6,241	6,565	44,627	4,496	(3,428)	(10,241)	7,924	(1,249)
Transaction costs	1,720	1,616	1,461	1,322	6,119	373	—	—	—	373
Other components of net periodic pension (benefit) cost	(70)	(9,153)	3,928	(39,317)	(44,612)	121	1,865	1,902	(6,607)	(2,719)
(Gain) loss on remeasurement of indemnification asset	(400)	(487)	(585)	(676)	(2,148)	(756)	11,490	—	—	10,734
Impairment charges	—	222	—	102,000	102,222	—	—	—	268,846	268,846
Other	(5,256)	(276)	(5,048)	2,135	(8,445)	2,269	1,856	2,697	2,211	9,033
Adjusted EBITDA	**$ 83,717**	**$ 116,000**	**$ 65,432**	**$ 68,193**	**$ 333,342**	**$ 58,469**	**$ 69,439**	**$ 7,331**	**$ 52,276**	**$ 187,515**

*Figures may not foot due to rounding.

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APPENDIX

Non-GAAP Financial Reconciliation

Reconciliation of Adjusted Gross Profit to Gross profit

	Three Months Ended December 31, 2023				
	Thryv U.S.		Thryv International		
(in thousands)	Marketing Services	SaaS	Marketing Services	SaaS	Consolidated
Reconciliation of Adjusted Gross Profit					
Gross profit	$ 88,520	$ 47,183	$ 21,232	$ 2,775	$ 159,710
Plus:					
Depreciation and amortization expense	2,665	1,425	1,356	150	5,596
Stock-based compensation expense	74	43	—	—	117
Adjusted Gross Profit	$ 91,259	$ 48,651	$ 22,588	$ 2,925	$ 165,423
Gross Margin	66.7 %	66.8 %	71.9 %	83.6 %	67.6 %
Adjusted Gross Margin	68.8 %	68.9 %	76.5 %	88.2 %	70.0 %

	Three Months Ended December 31, 2022				
	Thryv U.S.		Thryv International		
(in thousands)	Marketing Services	SaaS	Marketing Services	SaaS	Consolidated
Reconciliation of Adjusted Gross Profit					
Gross profit	$ 124,413	$ 34,944	$ 18,802	$ 746	$ 178,905
Plus:					
Depreciation and amortization expense	4,419	1,379	3,614	168	9,580
Stock-based compensation expense	81	26	—	—	107
Adjusted Gross Profit	$ 128,913	$ 36,349	$ 22,416	$ 914	$ 188,592
Gross Margin	66.3 %	60.3 %	58.2 %	54.1 %	64.0 %
Adjusted Gross Margin	68.7 %	62.7 %	69.4 %	66.2 %	67.5 %

APPENDIX

Non-GAAP Financial Reconciliation

Reconciliation of Adjusted Gross Profit to Gross profit

	Year Ended December 31, 2023				
	Thryv U.S.		Thryv International		
(in thousands)	Marketing Services	SaaS	Marketing Services	SaaS	Consolidated
Reconciliation of Adjusted Gross Profit					
Gross profit	$ 320,327	$ 161,663	$ 88,730	$ 7,527	$ 578,247
Plus:					
Depreciation and amortization expense	10,766	5,429	10,045	749	26,989
Stock-based compensation expense	399	214	—	—	613
Adjusted Gross Profit	$ 331,492	$ 167,306	$ 98,775	$ 8,276	$ 605,849
Gross Margin	62.7 %	63.8 %	62.2 %	74.2 %	63.1 %
Adjusted Gross Margin	64.9 %	66.0 %	69.2 %	81.6 %	66.1 %

	Year Ended December 31, 2022				
	Thryv U.S.		Thryv International		
(in thousands)	Marketing Services	SaaS	Marketing Services	SaaS	Consolidated
Reconciliation of Adjusted Gross Profit					
Gross profit	$ 539,543	$ 130,272	$ 108,496	$ 2,071	$ 780,382
Plus:					
Depreciation and amortization expense	17,800	4,657	15,385	505	38,347
Stock-based compensation expense	332	89	—	—	421
Adjusted Gross Profit	$ 557,675	$ 135,018	$ 123,881	$ 2,576	$ 819,150
Gross Margin	65.8 %	61.5 %	65.4 %	45.6 %	64.9 %
Adjusted Gross Margin	68.0 %	63.7 %	74.6 %	56.7 %	68.1 %

Supplemental Financial Information

Three Months Ended December 31, 2023						
(in thousands)	Marketing Services			SaaS		
	U.S.	*International*	*Total Marketing Services*	*U.S.*	*International*	*Total SaaS*
Revenue	$ 132,665	$ 29,528	$ 162,193	$ 70,652	$ 3,318	$ 73,970
Adjusted EBITDA	38,383	7,390	45,773	8,345	(1,842)	6,503
Adjusted EBITDA Margin	28.9 %	25.0 %	28.2 %	11.8 %	(55.5)%	8.8 %

Three Months Ended December 31, 2022						
(in thousands)	Marketing Services			SaaS		
	U.S.	*International*	*Total Marketing Services*	*U.S.*	*International*	*Total SaaS*
Revenue	$ 187,755	$ 32,295	$ 220,050	$ 57,938	$ 1,380	$ 59,318
Adjusted EBITDA	59,758	10,657	70,415	83	(2,305)	(2,222)
Adjusted EBITDA Margin	31.8 %	33.0 %	32.0 %	0.1 %	(167.0)%	(3.7)%

	Three Months Ended December 31,	
(in thousands)	2023	2022
Net cash provided by operating activities	$ 44,578	$ 44,352
Additions to fixed assets and capitalized software	(10,474)	(9,888)
Free cash flow	$ 34,104	$ 34,464

The supplemental financial information provides Revenue, Adjusted EBITDA and Adjusted EBITDA Margin by (i) Marketing Services businesses in the U.S., International and in Total and (ii) SaaS businesses in the U.S., International and in Total. Total SaaS Adjusted EBITDA and Adjusted EBITDA margin are non-GAAP financial measures. Total Marketing Services Adjusted EBITDA and Adjusted EBITDA margin are also non-GAAP financial measures. Additionally, the supplemental financial information provides consolidated Free cash flow, which is also a non-GAAP measure. These non-GAAP financial measures are presented for supplemental informational purposes only and are not intended to be considered in isolation or as a substitute for, or superior to, financial information prepared and presented in accordance with GAAP.

Supplemental Financial Information

Year Ended December 31, 2023						
(in thousands)	Marketing Services			SaaS		
	U.S.	*International*	*Total Marketing Services*	*U.S.*	*International*	*Total SaaS*
Revenue	$ 510,533	$ 142,711	$ 653,244	$ 253,579	$ 10,138	$ 263,717
Adjusted EBITDA	123,249	52,241	175,490	18,576	(6,551)	12,025
Adjusted EBITDA Margin	24.1 %	36.6 %	26.9 %	7.3 %	(64.6)%	4.6 %

Year Ended December 31, 2022						
(in thousands)	Marketing Services			SaaS		
	U.S.	*International*	*Total Marketing Services*	*U.S.*	*International*	*Total SaaS*
Revenue	$ 820,032	$ 166,010	$ 986,042	$ 211,801	$ 4,545	$ 216,346
Adjusted EBITDA	271,629	75,106	346,735	(3,686)	(9,707)	(13,393)
Adjusted EBITDA Margin	33.1 %	45.2 %	35.2 %	(1.7)%	(213.6)%	(6.2)%

	Years Ended December 31,	
(in thousands)	2023	2022
Net cash provided by operating activities	$ 148,226	$ 148,573
Additions to fixed assets and capitalized software	(33,394)	(29,233)
Free cash flow	$ 114,832	$ 119,340

The supplemental financial information provides Revenue, Adjusted EBITDA and Adjusted EBITDA Margin by (i) Marketing Services businesses in the U.S., International and in Total and (ii) SaaS businesses in the U.S., International and in Total. Total SaaS Adjusted EBITDA and Adjusted EBITDA margin are non-GAAP financial measures. Total Marketing Services Adjusted EBITDA and Adjusted EBITDA margin are also non-GAAP financial measures. Additionally, the supplemental financial information provides consolidated Free cash flow, which is also a non-GAAP measure. These non-GAAP financial measures are presented for supplemental informational purposes only and are not intended to be considered in isolation or as a substitute for, or superior to, financial information prepared and presented in accordance with GAAP.

Domestic Print Publishing Schedule



Per ASC 606 accounting policy, print revenue is recognized upfront at the time of shipment. In 2022, the company extended publication cycles of most domestic print directories from 15 months to 18 months, which has shifted the shipment of books in FY23. This has no impact to customer billings or free cash flow.

APPENDIX

Definitions

Definitions of key terms used in this presentation are as follows:

- Total SaaS revenue consists of SaaS revenue recognized by our domestic and foreign operations.
- Total Marketing Services revenue consists of SaaS revenue recognized by our domestic and foreign operations.
- Total SaaS Adjusted EBITDA[1] consists of Adjusted EBITDA recognized by our domestic and foreign operations.
- Total Marketing Services[1] Adjusted EBITDA consists of Adjusted EBITDA recognized by our domestic and foreign operations.
- Adjusted EBITDA[2]: Defined as Net income (loss) plus Interest expense, Income tax expense (benefit), Depreciation and amortization expense, Loss on early extinguishment of debt, Restructuring and integration expenses, Transaction costs, Stock-based compensation expense, and non-operating expenses, such as, Other components of net periodic pension (benefit) cost, Non-cash (gain) loss from remeasurement of indemnification asset, and certain unusual and non-recurring charges that might have been incurred.
- Adjusted Gross Profit and Adjusted Gross Profit Margin[2]: Defined as Gross profit and Gross margin, respectively, adjusted to exclude the impact of depreciation and amortization expense and stock-based compensation expense.
- Average Revenue per Unit ("ARPU"): Defined as total client billings for a particular month divided by the number of clients that have one or more revenue-generating solutions in that same month
- Seasoned Net Dollar Retention: Defined as net dollar retention excluding clients acquired over the previous 12 months.
- SaaS Monthly Active Users: Defined as a client with one or more users who log into our SaaS solutions at least once during the calendar month.

[1]The supplemental financial information provides Revenue, Adjusted EBITDA and Adjusted EBITDA Margin by (i) Marketing Services businesses in the U.S., International and in Total and (ii) SaaS businesses in the U.S., International and in Total. Total SaaS Adjusted EBITDA and Adjusted EBITDA margin are non-GAAP financial measures. Total Marketing Services Adjusted EBITDA and Adjusted EBITDA margin are also non-GAAP financial measures. These non-GAAP financial measures are presented for supplemental informational purposes only and are not intended to be considered in isolation or as a substitute for, or superior to, financial information prepared and presented in accordance with GAAP.

[2]Results included in this presentation include Adjusted EBITDA, Adjusted EBITDA margin and Adjusted Gross Profit, which are not presented in accordance with U.S. generally accepted accounting principles ("GAAP"). These non-GAAP measures are presented for supplemental informational purposes only and are not intended to be considered in isolation or as a substitute for, or superior to, financial information prepared and presented in accordance with GAAP. Please refer to the supplemental information presented in the tables in the Appendix for a reconciliation of Adjusted EBITDA to Net income (loss) and Adjusted Gross Profit to Gross profit. Both Net income (loss) and Gross profit are the most comparable GAAP financial measure to Adjusted EBITDA and Adjusted Gross Profit, respectively. Adjusted EBITDA margin is defined as Adjusted EBITDA divided by revenue.

We believe that these non-GAAP financial measures provide useful information about our financial performance, enhance the overall understanding of our past performance and allow for greater transparency with respect to important metrics used by our management for financial and operational decision-making. We believe that these measures provide additional tools for investors to use in comparing our core financial performance over multiple periods with other companies in our industry. However, it is important to note that the particular items we exclude from, or include in, our non-GAAP financial measures may differ from the items excluded from, or included in, similar non-GAAP financial measures used by other companies in the same industry.