

**Postmedia Network Canada Corp.**  
**Consolidated Statements of Operations**  
**(UNAUDITED)**

(In thousands of Canadian dollars, except per share amounts)	<b>For the three months ended November 30,</b>	
	<b>2023</b>	<b>2022</b>
<b>Revenues</b>		
Advertising	50,852	65,273
Circulation	32,588	39,650
Parcel services	12,791	9,196
Other	8,383	10,057
<b>Total revenues</b>	<b>104,614</b>	<b>124,176</b>
<b>Expenses</b>		
Compensation	35,261	44,078
Newsprint	3,250	5,326
Distribution	31,894	33,219
Production	11,274	16,279
Other operating	17,062	20,444
<b>Operating income before depreciation, amortization and restructuring</b>	<b>5,873</b>	<b>4,830</b>
Depreciation	3,495	2,664
Amortization	2,114	2,135
Restructuring	1,561	1,615
<b>Operating loss</b>	<b>(1,297)</b>	<b>(1,584)</b>
Interest expense	8,678	8,317
Net financing expense related to employee benefit plans	346	349
Gain on disposal of assets held-for-sale and other assets	(914)	(1,527)
Loss on derivative financial instruments and financial assets at fair value through profit and loss	86	441
Loss on debt refinancing	367	-
Foreign currency exchange losses	748	6,742
<b>Loss before income taxes</b>	<b>(10,608)</b>	<b>(15,906)</b>
Provision for income taxes	-	-
<b>Net loss attributable to equity holders of the Company</b>	<b>(10,608)</b>	
<b>Loss per share attributable to equity holders of the Company</b>		
Basic	\$(0.11)	\$(0.16)
Diluted	\$(0.11)	\$(0.16)

Postmedia Network Canada Corp.  
Consolidated Statements of Financial Position  
(UNAUDITED)

(In thousands of Canadian dollars)	As at November 30 2023	As at August 31, 2023
Assets		
Current Assets		
Cash	7,207	6,191
Restricted cash	-	6,968
Trade and other receivables	54,032	46,764
Assets held for sale	5,174	2,560
Inventory	3,061	3,408
Prepaid expenses and other assets	8,868	8,837
<b>Total current assets</b>	<b>78,342</b>	<b>74,728</b>
Non-Current Assets		
Property and equipment	42,434	48,299
Right of use assets	25,292	26,780
Derivative financial instruments and other assets	1,798	3,335
Intangible assets	15,733	16,236
<b>Total assets</b>	<b>163,599</b>	<b>169,378</b>

Postmedia Network Canada Corp.  
Consolidated Statements of Cash Flows  
(UNAUDITED)

(In thousands of Canadian dollars)	For the three months ended November 30,	
	2023	2022
Cash Generated (Utilized) by:		
Operating Activities		
Net loss attributable to equity holders of the Company	(10,608)	(15,906)
Items not affecting cash:		
Depreciation	3,495	2,664
Amortization	2,114	2,135
Loss on debt refinancing	367	-
Loss on derivative financial instruments and financial assets at fair value through profit and loss	86	441
Non-cash interest	7,251	6,410
Gain on disposal of assets held for sale and other assets	(914)	(1,527)
Non-cash foreign currency exchange losses	1,008	6,725
Sharebased compensation plans	203	295
Net financing expense relating to employee benefit plans	346	349
Employee benefit plan funding in excess of compensation expense	(780)	(875)
Net change in non-cash operating accounts	(6,126)	(8,984)
Cash flows used in operating activities	(3,558)	(8,273)

Investing Activities

Net proceeds from the sale of assets held for sale and oth