

# Dominion Lending Centres Inc.

## Interim Condensed Consolidated Financial Statements

For the three and nine months ended September 30, 2025  
& September 30, 2024



CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (unaudited)  
(in thousands of Canadian dollars)

	As at September 30, 2025	As at December 31, 2024
<b>Assets</b>		
<i>Current assets</i>		
Cash	\$ 3,495	\$ 4,732
Trade and other receivables	20,441	17,177
Prepaid expenses and deposits	3,010	2,267
<b>Total current assets</b>	<b>26,946</b>	24,176
<i>Non-current assets</i>		
Trade receivables, other receivables, and other assets	579	676
Investments	246	246
Equity-accounted investments (note 4)	3,593	2,048
Right-of-use and capital assets	1,519	1,315
Intangible assets (note 5)	127,136	128,270
Goodwill	62,159	62,159
<b>Total assets</b>	<b>\$ 222,178</b>	<b>\$ 218,890</b>
<b>Liabilities and Equity</b>		
<i>Current liabilities</i>		
Revolving loans and borrowings (note 7)	\$ 7,434	\$ 5,176
Accounts payable and accrued liabilities (note 6)	29,000	29,522
Term loans and borrowings (note 7)	5,152	5,152
Deferred contract liabilities	719	551
Lease obligations	392	378
<b>Total current liabilities</b>	<b>42,697</b>	40,779
<i>Non-current liabilities</i>		
Term loans and borrowings (note 7)	21,398	25,566
Deferred contract liabilities	125	132
Other long-term liabilities	403	554
Lease obligations	1,270	1,069
Deferred tax liabilities	18,261	17,085
<b>Total liabilities</b>	<b>84,154</b>	85,185
<i>Equity</i>		
Share capital (note 8)	364,051	375,093
Contributed surplus	13,575	12,337
Deficit	(241,194)	(255,290)
<b>Total equity attributable to shareholders</b>	<b>136,432</b>	132,140
<b>Non-controlling interest</b>	<b>1,592</b>	1,565
<b>Total liabilities and equity</b>	<b>\$ 222,178</b>	<b>\$ 218,890</b>

The accompanying notes form an integral part of these interim financial statements.

Signed on behalf of the Board of Directors,

(signed)  
Gary Mauris, Director

(signed)  
Dennis Sykora, Director

## CONDENSED CONSOLIDATED STATEMENTS OF INCOME (unaudited)

(in thousands of Canadian dollars)

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Revenue (note 10)	\$ 26,381	\$ 22,073	\$ 69,722	\$ 54,497
Direct costs	(2,500)	(2,666)	(7,845)	(7,290)
<b>Gross profit</b>	<b>23,881</b>	19,407	<b>61,877</b>	47,207
General and administrative expenses	9,658	7,622	26,894	22,619
Share-based payments expense (note 9)	496	453	1,238	531
Depreciation and amortization	1,043	1,117	3,137	2,994
	<b>11,197</b>	9,192	<b>31,269</b>	26,144
<b>Income from operations</b>	<b>\$ 12,684</b>	\$ 10,215	<b>\$ 30,608</b>	\$ 21,063
<b>Other (expense) income</b>				
Finance expense (note 11)	(404)	(605)	(1,131)	(2,072)
Finance expense on the Preferred Share liability	-	(2,025)	-	(4,539)
(Loss) income from equity-accounted investments (note 4)	(305)	10	(986)	327
Gain on sale of equity-accounted investment (note 4)	-	-	1,362	681
Non-cash impairment of equity-accounted investment	-	-	-	(198)
Other income	214	331	756	1,751
	<b>(495)</b>	(2,289)	<b>1</b>	(4,050)
<b>Income before tax</b>	<b>\$ 12,189</b>	\$ 7,926	<b>\$ 30,609</b>	\$ 17,013
<b>Income tax expense</b>				
Current tax expense	(2,661)	(2,078)	(6,484)	(4,248)
Deferred tax expense	(572)	(577)	(1,176)	(778)
	<b>(3,233)</b>	(2,655)	<b>(7,660)</b>	(5,026)
<b>Net income</b>	<b>\$ 8,956</b>	\$ 5,271	<b>\$ 22,949</b>	\$ 11,987
<b>Attributable to:</b>				
Common Shareholders	\$ 8,844	\$ 5,190	\$ 22,723	\$ 11,850
Non-controlling interest	\$ 112	\$ 81	\$ 226	\$ 137
<b>Earnings per Common Share attributable to Common Shareholders (note 12)</b>				
Basic	\$ 0.11	\$ 0.11	\$ 0.29	\$ 0.25
Diluted	\$ 0.11	\$ 0.11	\$ 0.29	\$ 0.25

The accompanying notes form an integral part of these interim financial statements.

## CONDENSED CONSOLIDATED STATEMENTS OF INCOME (unaudited)

(in thousands of Canadian dollars)

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
<b>Net income</b>	\$ <b>8,956</b>	\$ 5,271	\$ <b>22,949</b>	\$ 11,987
<b>Other comprehensive income</b>				
Items that will be subsequently reclassified to net income (loss):				
Foreign exchange translation (loss) income from equity-accounted investments (net of tax)	-	-	-	89
Cumulative loss arising on foreign exchange translation from equity-accounted investments reclassified to profit or loss	-	-	-	(681)
<b>Total other comprehensive income (loss)</b>	-	-	-	(592)
<b>Comprehensive income</b>	\$ <b>8,956</b>	\$ 5,271	\$ <b>22,949</b>	\$ 11,395
<b>Attributable to:</b>				
Common Shareholders	\$ <b>8,844</b>	\$ 5,190	\$ <b>22,723</b>	\$ 11,258
Non-controlling interest	\$ <b>112</b>	\$ 81	\$ <b>226</b>	\$ 137

The accompanying notes form an integral part of these interim financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF EQUITY (unaudited)  
(in thousands of Canadian dollars)

**Attributable to Shareholders of Dominion Lending Centres Inc.**

	Share capital	Contributed surplus	AOCI	Deficit	Total shareholders' equity	Non- controlling interest	Total equity
Balance at January 1, 2024	\$ 135,710	\$ 11,783	\$ 592	\$ (122,388)	\$ 25,697	\$ 252	\$ 25,949
Net income and comprehensive income	-	-	(592)	11,850	11,258	137	11,395
Normal course issuer bid ("NCIB")	(9)	-	-	-	(9)	-	(9)
Change in Common Shares for Restricted share unit ("RSU") plan	(864)	-	-	-	(864)	-	(864)
Share-based payments expense	-	463	-	-	463	-	463
Non-controlling interest on acquisition	-	-	-	-	-	1,118	1,118
Dividends declared	-	-	-	(4,333)	(4,333)	-	(4,333)
Balance at September 30, 2024	\$ 134,837	\$ 12,246	\$ -	\$ (114,871)	\$ 32,212	\$ 1,507	\$ 33,719
<b>Balance at January 1, 2025</b>	<b>\$ 375,093</b>	<b>\$ 12,337</b>	<b>\$ -</b>	<b>\$ (255,290)</b>	<b>\$ 132,140</b>	<b>\$ 1,565</b>	<b>\$ 133,705</b>
NCIB and block share repurchase (note 8)	(8,737)	-	-	-	(8,737)	-	(8,737)
Change in Common Shares for RSU plan (note 8)	(2,305)	-	-	-	(2,305)	-	(2,305)
Share-based payments expense (note 9)	-	1,238	-	-	1,238	-	1,238
Net income	-	-	-	22,723	22,723	226	22,949
Dividends declared (note 8)	-	-	-	(8,627)	(8,627)	(199)	(8,826)
<b>Balance at September 30, 2025</b>	<b>\$ 364,051</b>	<b>\$ 13,575</b>	<b>\$ -</b>	<b>\$ (241,194)</b>	<b>\$ 136,432</b>	<b>\$ 1,592</b>	<b>\$ 138,024</b>

The accompanying notes form an integral part of these interim financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)  
(in thousands of Canadian dollars)

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
<b>Operating Activities</b>				
Net income	\$ 8,956	\$ 5,271	\$ 22,949	\$ 11,987
<i>Items not affecting cash:</i>				
Share-based payments expense (note 9)	496	385	1,238	463
Depreciation and amortization	1,043	1,117	3,137	2,994
Amortization (gain) of debt issuance costs (note 11)	28	24	(52)	136
Amortization of franchise rights (note 5)	1,322	1,260	3,859	3,853
Finance expense on the Preferred Share liability	-	2,025	-	4,539
Deferred tax expense	572	577	1,176	778
Loss (income) from equity-accounted investments (note 4)	305	(10)	986	(327)
Non-cash impairment of equity-accounted investment (note 4)	-	-	-	198
Gain on sale of equity-accounted investment (note 4)	-	-	(1,362)	(681)
Other non-cash items	174	715	293	813
Changes in non-cash working deficit (note 13)	(3,553)	(95)	(4,361)	2,116
<b>Cash provided by operating activities</b>	<b>9,343</b>	<b>11,269</b>	<b>27,863</b>	<b>26,869</b>
<b>Investing Activities</b>				
Investment in intangible assets (note 5)	(3,365)	(1,196)	(5,941)	(6,193)
Proceeds from sale of equity-accounted investee (note 4)	-	-	2,800	3,710
Proceeds on disposal of capital and intangible assets	1	-	39	-
Distributions from equity-accounted investees (note 4)	31	-	31	285
Investment in business acquisitions, net of cash acquired	-	-	-	(979)
Dividends to non-controlling interests	-	-	(199)	-
Contribution to equity-accounted investees (note 4)	-	(500)	(4,000)	(500)
<b>Cash used in investing activities</b>	<b>(3,333)</b>	<b>(1,696)</b>	<b>(7,270)</b>	<b>(3,677)</b>
<b>Financing Activities</b>				
Transaction costs for debt financing (note 7)	-	-	(252)	-
Revolving Facility proceeds (repayments) (note 7)	6,873	-	2,258	-
Repayment of debt (note 7)	(1,288)	(1,288)	(3,864)	(8,064)
NCIB and block share repurchases (note 8)	(7,601)	-	(8,737)	(9)
Shares purchased for RSU plan (note 8)	(1,083)	(574)	(2,305)	(864)
Payment of principal portion of lease liabilities	(100)	(97)	(303)	(283)
Dividends paid to common shareholders (note 8)	(3,126)	(1,439)	(8,627)	(4,333)
Dividends paid to Preferred Shareholders	-	(1,680)	-	(5,377)
<b>Cash used in financing activities</b>	<b>(6,325)</b>	<b>(5,078)</b>	<b>(21,830)</b>	<b>(18,930)</b>
<b>(Decrease) increase in cash</b>	<b>(315)</b>	<b>4,495</b>	<b>(1,237)</b>	<b>4,262</b>
<b>Cash, beginning of period</b>	<b>3,810</b>	<b>5,381</b>	<b>4,732</b>	<b>5,614</b>
<b>Cash, end of period</b>	<b>\$ 3,495</b>	<b>\$ 9,876</b>	<b>\$ 3,495</b>	<b>\$ 9,876</b>
Cash flows include the following amounts:				
Interest paid	\$ 359	\$ 561	\$ 1,132	\$ 1,876
Interest received	\$ 60	\$ 108	\$ 154	\$ 248
Income taxes paid	\$ 1,568	\$ 866	\$ 8,061	\$ 2,188

The accompanying notes from an integral part of these interim financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)  
(in thousands of Canadian dollars)

**1. NATURE OF OPERATIONS**

Dominion Lending Centres Inc. (the “Corporation”) is a Canadian mortgage brokerage franchisor and data connectivity provider with operations across Canada. The Corporation is listed on the Toronto Stock Exchange (the “Exchange”) under the symbol “DLCG”. The head office of the Corporation is located at 2215 Coquitlam Avenue, Port Coquitlam, British Columbia, V3B 1J6. The Corporation is governed by the Business Corporation Act (Alberta).

**Entity overview**

The DLC group of companies (the “DLC Group” or “DLCG”) consists of the Corporation and its three main subsidiaries:

	Ownership interest	
	September 30, 2025	December 31, 2024
MCC Mortgage Centre Canada Inc. (“MCC”)	100%	100%
MA Mortgage Architects Inc. (“MA”)	100%	100%
Newton Connectivity Systems Inc. (“Newton”)	100%	100%

The Corporation also holds an indirect 40% equity interest in a non-B2O lender Heartwood Financial, LP (“Heartwood”). The Corporation will not be responsible for Heartwood’s debts and Heartwood operates independently from the DLC Group. The investment in Heartwood is an equity-accounted investment.

**2. BASIS OF PREPARATION**

**Statement of compliance**

These interim condensed consolidated financial statements (“interim financial statements”) of the Corporation have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”), specifically International Accounting Standards 34 – Interim Financial Reporting. Certain prior period balances have been reclassified to match the current year presentation.

These interim financial statements were authorized for issuance by the Audit Committee of the Corporation, on behalf of the Board of Directors, on November 6, 2025.

**3. MATERIAL ACCOUNTING POLICIES**

The material accounting policies used in preparation of these interim financial statements are the same as those in the most recent annual financial statements, except as noted below.

**IFRS 18 Presentation and Disclosure in Financial Statements**

In April 2024, the IASB issued “IFRS 18 Presentation and Disclosure in Financial Statements”. IFRS 18 replaces “IAS 1 Presentation of Financial Statements” and sets out requirements for the presentation and disclosure of information in general purpose financial statements. The standard applies to annual reporting periods beginning on or after January 1, 2027 and is to be applied retrospectively, with early adoption permitted. We have not yet adopted such standard and are currently assessing the impact on our consolidated financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)  
(in thousands of Canadian dollars)

#### 4. EQUITY-ACCOUNTED INVESTMENTS

##### Heartwood Financial, LP

The Corporation has an indirect 40% ownership interest (previously, 50%) in Heartwood. Heartwood was organized in 2024 and it established a management team to secure financing to create a non-B20 lender. The Corporation will not be responsible for Heartwood's debts and Heartwood will operate independently from the DLC Group.

Prior to June 30, 2025, the Corporation's ownership interest was diluted from 50% to 40%. The decrease in ownership resulted in a non-cash deemed disposal, and a gain of \$224 was recognized in income from equity-accounted investments.

The Corporation contributed \$3,500 to Heartwood during the nine months ended September 30, 2025 (September 30, 2024—\$500).

The following tables summarise the financial information of Heartwood:

	<b>September 30, 2025</b>	December 31, 2024
Current assets	\$ 48,502	\$ 641
Non-current assets	1,146	7
Current liabilities	<b>(42,648)</b>	(38)
Net assets	7,000	610
% of ownership	40%	50%
Corporation share of net assets	\$ 2,800	\$ 305

	<b>Three months ended September 30,</b>		<b>Nine months ended September 30,</b>	
	<b>2025</b>	2024	<b>2025</b>	2024
Revenue	\$ 107	\$ -	\$ 124	\$ -
Expenses (including income tax)	870	108	2,734	108
Net loss	<b>(763)</b>	(108)	<b>(2,610)</b>	(108)
% of ownership <sup>(1)</sup>	40%	50%	40-50%	50%
Corporation share of net loss	\$ <b>(305)</b>	\$ (54)	\$ <b>(1,229)</b>	\$ (54)

(1) As the decrease in the Corporation's ownership interest occurred just prior to June 30, 2025, the portion of income from equity accounted investees was 50% for the six months ended June 30, 2025 and 40% for the three months ended September 30, 2025.

##### Other equity-accounted investments

The following tables summarize the financial information of the Corporation's investments in its other joint arrangements. The Corporation's ownership interest in these entities is not significant, and ranges from 30%-50%. The Corporation is entitled to the net assets of these entities, and therefore, the joint control arrangements are considered joint ventures and are accounted for using the equity method.

Included in other equity-accounted investments is a \$500 contribution into a new equity-accounted investee during the nine months ended September 30, 2025. During the nine months ended September 30, 2025, the Corporation received \$31 distributions from its other joint arrangements (September 30, 2024—\$285).

On January 17, 2025, the Corporation disposed of one of its joint arrangements for proceeds of \$2,800 and recognized a gain on disposal of \$1,362.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)  
(in thousands of Canadian dollars)

	<b>September 30, 2025</b>		December 31, 2024	
Current assets	\$	1,087	\$	1,720
Non-current assets		116		62
Current liabilities		(721)		(789)
Non-current liabilities		-		(34)
Net assets		482		959
% of ownership		30%-50%		30%-50%
		225		440
Goodwill		568		1,303
Corporation share of net assets	\$	793	\$	1,743

  

	<b>Three months ended September 30, 2025</b>		<b>September 30, 2024</b>		<b>Nine months ended September 30, 2025</b>		<b>September 30, 2024</b>	
Revenue	\$	736	\$	715	\$	2,197	\$	6,872
Expenses (including income tax)		732		579		2,117		6,387
Net income		4		136		80		485
% of ownership		30%-50%		30%-50%		30%-50%		30%-50%
Corporation share of net income	\$	-	\$	64	\$	19	\$	272

## 5. INTANGIBLE ASSETS

	Franchise rights, relationships and agreements		Brand names		Software		Total intangible assets	
<b>Cost</b>								
Balance at December 31, 2024	\$	127,292	\$	47,340	\$	4,042	\$	178,674
Additions <sup>(1)</sup>		5,587		-		-		5,587
Disposals		(100)		-		-		(100)
<b>Balance at September 30, 2025</b>	<b>\$</b>	<b>132,779</b>	<b>\$</b>	<b>47,340</b>	<b>\$</b>	<b>4,042</b>	<b>\$</b>	<b>184,161</b>
<b>Accumulated amortization</b>								
Balance at December 31, 2024	\$	(46,444)	\$	(191)	\$	(3,769)	\$	(50,404)
Amortization recognized as a charge against revenue		(3,859)		-		-		(3,859)
Amortization expense		(2,508)		(246)		(69)		(2,823)
Disposals		61		-		-		61
<b>Balance at September 30, 2025</b>	<b>\$</b>	<b>(52,750)</b>	<b>\$</b>	<b>(437)</b>	<b>\$</b>	<b>(3,838)</b>	<b>\$</b>	<b>(57,025)</b>
<b>Carrying value</b>								
December 31, 2024	\$	80,848	\$	47,149	\$	273	\$	128,270
<b>September 30, 2025</b>	<b>\$</b>	<b>80,029</b>	<b>\$</b>	<b>46,903</b>	<b>\$</b>	<b>204</b>	<b>\$</b>	<b>127,136</b>

(1) Additions includes franchise rights, relationships, and agreements of \$177 included within accrued liabilities as of September 30, 2025 (December 31, 2024 - \$531).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)  
(in thousands of Canadian dollars)

**6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	<b>September 30, 2025</b>		December 31, 2024
Accrued liabilities			
Commissions payable	\$ 16,330	\$	15,303
Other accrued liabilities	9,115		8,528
	<b>25,445</b>		23,831
Trade payables	1,325		2,044
Government agencies payable	2,150		3,531
Other	80		116
	<b>\$ 29,000</b>	<b>\$</b>	<b>29,522</b>

**7. LOANS AND BORROWINGS**

	<b>September 30, 2025</b>		December 31, 2024
<b><i>Revolving loans and borrowings</i></b>			
Revolving Facility	\$ 7,434	\$	5,176
<b><i>Term loans and borrowings</i></b>			
Term Facility	\$ 27,046	\$	30,910
Debt issuance costs	(496)		(192)
Total term loans and borrowings	26,550		30,718
Less: current portion	(5,152)		(5,152)
	<b>\$ 21,398</b>	<b>\$</b>	<b>25,566</b>

The Corporation's loans and borrowings are composed of two senior credit facilities (collectively, the "Senior Credit Facilities"). The Senior Credit Facilities consist of a revolving working capital credit line (the "Revolving Facility") and a term loan ("Term Facility").

On February 18, 2025, the Senior Credit Facilities term was extended from December 19, 2026 to February 18, 2030, and the Revolving Facility increased from \$15,000 to \$25,000.

Borrowings under the Senior Credit Facilities are composed of floating-rate advances or Term CORRA advances. Floating-rate advances bear interest at a rate equal to prime plus 0.00% to 0.50%. Term CORRA advances bear interest at a rate determined at the time of their renewal plus a credit fee of 1.75% to 2.25%.

Quarterly financial covenants for the Senior Credit Facilities include the requirement to maintain an adjusted total debt-to-EBITDA ratio of less than 2.75:1.00 and a fixed charged coverage ratio greater than 1.10:1.00. At September 30, 2025, the Corporation's adjusted total debt-to-EBITDA ratio and fixed charge coverage ratio were 0.61:1.00 and 4.10:1.00, respectively, and as such, the Corporation was in compliance with all such covenants.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)  
(in thousands of Canadian dollars)

## 8. SHARE CAPITAL

### Authorized share capital

The Corporation is authorized to issue an unlimited number of Common Shares without par value. A summary of changes in Common Share capital during the period is as follows:

	Number of Common Shares	Amount
Balance at December 31, 2024	78,459,180	375,093
NCIB and block share repurchase	(987,547)	(8,737)
Change in Common Shares for RSU plan (note 9)	(270,442)	(2,305)
<b>Balance at September 30, 2025</b>	<b>77,201,191</b>	<b>\$ 364,051</b>
<b>Common Shares outstanding</b>	<b>77,736,891</b>	

At September 30, 2025, a total of 77,736,891 Common Shares were outstanding (December 31, 2024 – 78,724,438), net of 535,700 Common Shares held in trust under the RSU plan (December 31, 2024 – 265,258).

### Dividends

During the three and nine months ended September 30, 2025, the Corporation declared dividends of \$0.04 and \$0.11 per Common Share, respectively, resulting in dividend payments of \$3,126 and \$8,627 respectively (September 30, 2024 – \$1,439 and \$4,333).

### NCIB

The Corporation implemented a NCIB on June 5, 2025. The NCIB has a twelve-month duration, which commenced on June 5, 2025 and ends the earlier of June 4, 2026 or the date on which the maximum number of Common Shares that can be acquired pursuant to the NCIB are purchased. Under the NCIB, the Corporation may purchase up to 2,100,000 Common Shares. During the nine months ended September 30, 2025, the Corporation made repurchases under the NCIB of 278,300 Common Shares at an average price of \$9.10 per Common Share. The repurchased shares were cancelled and returned to treasury.

### Block share repurchase

In addition to the shares repurchased and cancelled through the NCIB, the Corporation purchased 709,247 Common Shares of the Corporation for a purchase price of \$6,205,911 (being \$8.75 per share) pursuant to an issuer bid exemption. The shares were acquired for cancellation from a former employee.

## 9. SHARE-BASED PAYMENTS

The Corporation recorded total share-based payments expense of \$496 and \$1,238 for the three and nine months ended September 30, 2025, respectively (September 30, 2024 – \$453 and \$531). These amounts include share-based payments expense related to the Corporation's restricted share units ("RSUs").

### RSUs

On April 15, 2024, the Corporation issued 421,444 RSUs to corporate board members and certain executives. The RSUs vest on April 15, 2027. On April 15, 2025, the Corporation issued 335,234 RSUs to corporate board members and certain executives. The RSUs vest one-third on each of April 15, 2026, April 15, 2027, and April 15, 2028 for management and on April 15, 2028 for independent board members.

The RSUs were issued pursuant to a restricted share unit plan approved by the Board on March 19, 2024 (the "RSU Plan"). The Corporation's RSU Plan provides RSUs to be settled on vesting in cash or by the delivery of Common Shares acquired in the market at the option of the Corporation. Pursuant to the RSU Plan, holders are entitled to receive additional RSUs in lieu of dividends (the "Dividend Entitlement") on each dividend payment date. As such, for the nine months ended September 30, 2025, the Corporation issued an additional 8,314 RSU's in lieu of dividends.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)  
(in thousands of Canadian dollars)

A summary of the RSU activity in the period is as follows:

Outstanding RSUs, December 31, 2024	429,796
April 15, 2025 grant	<b>335,234</b>
2025 Dividend Entitlement	<b>8,314</b>
<b>Outstanding RSUs, September 30, 2025</b>	<b>773,344</b>

## 10. REVENUE

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Franchising revenue, mortgage brokerage services	\$ 16,580	\$ 15,083	\$ 43,929	\$ 38,390
Newton revenues	8,179	5,654	21,602	13,781
Brokering of mortgages	1,622	1,336	4,191	2,326
	<b>\$ 26,381</b>	<b>\$ 22,073</b>	<b>\$ 69,722</b>	<b>\$ 54,497</b>

The Corporation may incur franchise agreement expenses prior to or concurrent with entering into franchise agreements, including payments to the franchisees. These costs are capitalized on an agreement basis and amortized over the same term as the agreement to which they relate. The amortization of these franchise payments is recognized against revenue. Revenue earned from contracts with customers earned over time included in the above (gross of the amortization of franchise payments) is \$27,421 and \$72,721 for the three and nine months ended September 30, 2025 (September 30, 2024—\$23,072 and \$57,814).

## 11. FINANCE EXPENSE

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Interest expense on debt obligations	\$ 359	\$ 561	\$ 1,132	\$ 1,876
Interest on lease obligations	17	20	51	60
Amortization (gain) of debt issuance costs	28	24	(52)	136
	<b>\$ 404</b>	<b>\$ 605</b>	<b>\$ 1,131</b>	<b>\$ 2,072</b>

## 12. EARNINGS PER COMMON SHARE

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Net income attributable to shareholders	\$ 8,844	\$ 5,190	\$ 22,723	\$ 11,850
Basic weighted average number of Common Shares	77,930,115	48,044,633	78,223,864	48,156,811
Effect of dilutive instruments	535,367	179,805	522,307	69,022
Diluted weighted average number of Common Shares	78,465,482	48,224,438	78,746,171	48,225,833
Basic earnings per share	0.11	0.11	0.29	0.25
Diluted earnings per share	0.11	0.11	0.29	0.25

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)  
(in thousands of Canadian dollars)

### 13. SUPPLEMENTAL CASH FLOW INFORMATION

The changes in non-cash working deficit are as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Trade and other receivables	\$ (3,568)	\$ (2,048)	\$ (3,264)	\$ 282
Prepaid expenses and deposits	124	(560)	(743)	(393)
Accounts payable and accrued liabilities	(236)	2,699	(522)	2,494
Deferred contract liabilities	127	(186)	168	(267)
	\$ (3,553)	\$ (95)	\$ (4,361)	\$ 2,116

### 14. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Board of Directors has the responsibility to establish and oversee the Corporation's risk management framework. The Board of Directors has implemented risk management policies, monitors compliance with them, and reviews them regularly to reflect changes in market conditions and in the Corporation's activities.

The Corporation's financial risk management policies have been established to identify and analyze risks faced by the Corporation, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. The Corporation employs risk management strategies to ensure its risks and related exposures are consistent with the Corporation's business objectives and risk tolerance levels. While the Board of Directors has the overall responsibility for the Corporation's risk management framework, the Corporation's management has the responsibility to administer and monitor these risks.

The Corporation is exposed in varying degrees to a variety of risks from its use of financial instruments, which mainly include cash, trade and other receivables, investments, trade payables and accrued liabilities, and loans and borrowings. Because of the use of these financial instruments, the Corporation and its subsidiaries are exposed to risks including market risk, credit risk, and liquidity risk. This note describes the Corporation's objectives, policies, and processes for managing these risks and the methods used to measure them.

#### Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Corporation's market risk is composed primarily of interest rate risk.

#### Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Corporation is exposed to interest rate risk on its variable-rate loans and borrowings. A 1% increase in interest rates on variable-rate loans and borrowings would have resulted in a \$74 and \$226 decrease of income before tax for the three and nine months ended September 30, 2025, respectively (September 30, 2024—\$83 and \$269 decrease).

#### Credit risk

Credit risk is the risk of financial loss to the Corporation if a counterparty to a financial instrument fails to meet its contractual obligations. The Corporation's credit risk is mainly attributable to its cash, notes receivable, and trade and other receivables.

The Corporation has determined that its exposure to credit risk on its cash is minimal as the Corporation's cash is held with financial institutions in Canada.

The Corporation's primary source of credit risk, therefore, relates to the possibility of franchisees, agents, or other customers not paying receivables. The Corporation manages its credit risk by performing credit risk evaluations on its franchisees and agents, and by monitoring overdue trade and other receivables. As at September 30, 2025, \$565 of trade receivables were greater than 90 days outstanding (December 31, 2024—\$309), and the provision for total expected credit losses as at September 30, 2025 was \$358 (December 31, 2024—\$364). A decline in economic conditions, or other adverse conditions experienced by franchisees and agents, could impact the collectability of the Corporation's accounts receivable.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)**  
(in thousands of Canadian dollars)

The Corporation's maximum exposure to credit risk approximates the carrying value of the assets on the Corporation's consolidated statements of financial position.

	<b>September 30, 2025</b>	December 31, 2024
Cash	\$ 3,495	\$ 4,732
Trade receivables, other receivables, and other assets	<b>21,020</b>	17,853
	<b>\$ 24,515</b>	\$ 22,585

**Liquidity risk**

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they become due. The Corporation utilizes cash and debt management policies and practices to mitigate the likelihood of difficulties in meeting its financial obligations and commitments. These policies and practices include the preparation of budgets and forecasts which are regularly monitored. As at September 30, 2025, contractual cash flow obligations and their maturities were as follows:

	Contractual cash flow	Within 1 year	Within 5 years	Thereafter
Accounts payable and accrued liabilities	\$ 29,000	\$ 29,000	\$ -	\$ -
Lease obligations <sup>(1)</sup>	822	449	373	-
Revolving loans and borrowings	7,434	-	7,434	-
Term loans and borrowings <sup>(2)</sup>	27,046	5,152	21,894	-
Long-term liabilities	403	-	403	-
	<b>\$ 64,705</b>	<b>\$ 34,601</b>	<b>\$ 30,104</b>	<b>\$ -</b>

(1) Undiscounted lease payments.

(2) Gross of debt issuance costs.

**Capital management**

The Corporation's capital structure is composed of total shareholders' equity and loans and borrowings, less cash. The following table summarizes the carrying value of the Corporation's capital.

	<b>September 30, 2025</b>	December 31, 2024
Term loans and borrowings	\$ 26,550	\$ 30,718
Revolving loans and borrowings	7,434	5,176
Less: cash	<b>3,495</b>	4,732
Net loans and borrowings	<b>\$ 30,489</b>	\$ 31,162
Shareholders' equity	<b>\$ 136,432</b>	\$ 132,140

The Corporation's objectives when managing capital include maintaining an optimal capital base to support the capital requirements of the Corporation, including opportunities to grow the number of DLC Group franchises and to grow the capabilities and usage of Newton's technology platform.

The Corporation is not subject to any externally-imposed capital requirements other than certain restrictions under the terms of its loans and borrowing agreements. The Corporation is in compliance with all externally-imposed capital requirements as at September 30, 2025 (see note 7).

**15. SUBSEQUENT EVENTS**

**Broker Financial Group Inc. acquisition**

On October 15, 2025, the Corporation acquired the remaining 30% of the issued shares in Broker Financial Group Inc. ("BFG") that it did not already own for consideration of \$1,750 cash. In conjunction with the acquisition, the prior obligation to pay the former shareholders \$500 in earn-out consideration was terminated. BFG has two wholly-owned subsidiaries, Real Mortgage Associates Inc., which is a mortgage brokerage, and Broker One Inc., which is a mortgage brokerage network. The transaction was funded with cash on hand and available capacity on the Corporation's Revolving Facility.