Dominion Lending Centres Inc.

Interim Condensed Consolidated Financial Statements

For the three and six months ended June 30, 2026
& June 30, 2025

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (unaudited)

(in thousands of Canadian dollars)

As at	June 30, 2026	December 31, 2025
Assets		
Current assets		
Cash	**$ 2,780**	$ 2,009
Trade and other receivables	**17,664**	21,235
Prepaid expenses and deposits	**1,735**	2,845
Total current assets	**22,179**	26,089
Non-current assets		
Trade receivables, other receivables, and other assets	**847**	280
Investments	**246**	246
Equity-accounted investments (note 4)	**9,804**	3,207
Right-of-use and capital assets	**1,210**	1,416
Intangible assets (note 5)	**128,808**	125,412
Goodwill	**62,994**	62,086
Total assets	**$ 226,088**	$ 218,736
Liabilities and Equity		
Current liabilities		
Revolving loans and borrowings (note 7)	**$ 20,346**	$ 9,405
Accounts payable and accrued liabilities (note 6)	**23,429**	29,843
Term loans and borrowings (note 7)	**5,152**	5,152
Deferred contract liabilities	**567**	488
Lease obligations	**375**	396
Total current liabilities	**49,869**	45,284
Non-current liabilities		
Term loans and borrowings (note 7)	**17,408**	20,090
Deferred contract liabilities	**113**	111
Other liabilities	**610**	-
Lease obligations	**994**	1,169
Deferred tax liabilities	**17,438**	16,764
Total liabilities	**86,432**	83,418
Equity		
Share capital (note 8)	**362,201**	363,579
Contributed surplus	**14,798**	14,067
Deficit	**(238,087)**	(243,023)
Total equity attributable to shareholders	**138,912**	134,623
Non-controlling interest	**744**	695
Total liabilities and equity	**$ 226,088**	$ 218,736

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, except per share amounts)

	For the three months ended June 30, 2026	2025	For the six months ended June 30, 2026	2025
Revenue (note 10)	$ **24,937**	$ 24,609	$ **44,891**	$ 43,341
Direct costs	**(2,966)**	(3,216)	**(4,526)**	(5,345)
Gross profit	**21,971**	21,393	**40,365**	37,996
General and administrative expenses	**9,085**	8,653	**18,872**	17,236
Share-based payments expense (note 9)	**1,242**	655	**1,668**	742
Depreciation and amortization	**1,052**	1,046	**2,088**	2,094
	11,379	10,354	**22,628**	20,072
Income from operations	$ **10,592**	$ 11,039	$ **17,737**	$ 17,924
Other (expense) income				
Finance expense (note 11)	**(535)**	(405)	**(952)**	(727)
Loss from equity-accounted investments (note 4)	**(427)**	(405)	**(582)**	(681)
Gain on disposal of equity-accounted investment (note 4)	**-**	-	**-**	1,362
Other income	**92**	277	**180**	542
	(870)	(533)	**(1,354)**	496
Income before tax	$ **9,722**	$ 10,506	$ **16,383**	$ 18,420
Income tax expense				
Current tax expense	**(2,345)**	(2,426)	**(3,789)**	(3,823)
Deferred tax expense	**(269)**	(354)	**(674)**	(604)
	(2,614)	(2,780)	**(4,463)**	(4,427)
Net income	$ **7,108**	$ 7,726	$ **11,920**	$ 13,993
Attributable to:				
Common Shareholders	$ **7,068**	$ 7,645	$ **11,871**	$ 13,879
Non-controlling interest	$ **40**	$ 81	$ **49**	$ 114
Earnings per Common Share attributable to Common Shareholders (note 12)				
Basic	$ **0.09**	$ 0.10	$ **0.15**	$ 0.18
Diluted	$ **0.09**	$ 0.10	$ **0.15**	$ 0.18

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**	**Deficit**	**Total shareholders' equity**	**Non-controlling interest**	**Total Equity**
Balance at January 1, 2025	$ 375,093	$ 12,337	$ (255,290)	$ 132,140	$ 1,565	$ 133,705
Normal course issuer bid ("NCIB")	(1,136)	-	-	(1,136)	-	(1,136)
Change in Common Shares for restricted share unit ("RSU") plan	(1,222)	-	-	(1,222)	-	(1,222)
Share-based payments expense (note 9)	-	742	-	742	-	742
Net income	-	-	13,879	13,879	114	13,993
Dividends declared (note 8)	-	-	(5,501)	(5,501)	(199)	(5,700)
Balance at June 30, 2025	$ 372,735	$ 13,079	$ (246,912)	$ 138,902	$ 1,480	$ 140,382
Balance at January 1, 2026	**363,579**	**14,067**	**(243,023)**	**134,623**	**695**	**135,318**
Common Shares purchased for RSU plan (note 8)	**(2,029)**	**-**	**-**	**(2,029)**	**-**	**(2,029)**
Common Shares issued for RSU plan vesting (note 8)	**651**	**(651)**	**-**	**-**	**-**	**-**
Share-based payments expense (note 9)	**-**	**1,668**	**-**	**1,668**	**-**	**1,668**
Puttable non-controlling interest	**-**	**(286)**	**-**	**(286)**	**-**	**(286)**
Net income	**-**	**-**	**11,871**	**11,871**	**49**	**11,920**
Dividends declared (note 8)	**-**	**-**	**(6,935)**	**(6,935)**	**-**	**(6,935)**
Balance at June 30, 2026	**$ 362,201**	**$ 14,798**	**$ (238,087)**	**$ 138,912**	**$ 744**	**$ 139,656**

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

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

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	**2026**	2025
Operating Activities				
Net income	**$ 7,108**	$ 7,726	**$ 11,920**	$ 13,993
Items not affecting cash:				
Share-based payments expense (note 9)	**1,242**	655	**1,668**	742
Depreciation and amortization	**1,052**	1,046	**2,088**	2,094
Amortization (gain) of debt issuance costs (note 11)	**32**	28	**49**	(80)
Amortization of franchise rights (note 5)	**1,604**	1,279	**3,044**	2,537
Deferred tax expense	**269**	354	**674**	604
Loss from equity-accounted investments (note 4)	**427**	405	**582**	681
Gain on disposal of equity-accounted investment (note 4)	**-**	-	**-**	(1,362)
Other non-cash items	**(346)**	(109)	**(382)**	(145)
Changes in non-cash operating working deficit (note 13)	**780**	(607)	**(2,396)**	(544)
Cash provided by operating activities	**12,168**	10,777	**17,247**	18,520
Investing Activities				
Investment in intangible assets (note 5)	**(2,011)**	(1,395)	**(8,152)**	(2,312)
Changes in non-cash investing working deficit (note 13)	**12**	34	**742**	(264)
Proceeds from sale of equity-accounted investee (note 4)	**-**	-	**-**	2,800
Proceeds on disposal of capital and intangible assets	**9**	38	**36**	38
Investment in business acquisitions, net of cash acquired	**-**	-	**(973)**	-
Acquisitions of/contribution to equity-accounted investees (note 4)	**-**	(2,500)	**(7,179)**	(4,000)
Cash used in investing activities	**(1,990)**	(3,823)	**(15,526)**	(3,738)
Financing Activities				
Transaction costs for debt financing (note 7)	**(25)**	-	**(155)**	(252)
Revolving Facility (repayments) proceeds (note 7)	**(2,758)**	(714)	**10,941**	(4,615)
Repayment of debt (note 7)	**(1,288)**	(1,288)	**(2,576)**	(2,576)
NCIB (note 8)	**-**	(1,136)	**-**	(1,136)
Shares purchased for RSU plan (note 8)	**(938)**	(729)	**(2,029)**	(1,222)
Dividends to non-controlling interests	**-**	(199)	**-**	(199)
Payment of principal portion of lease liabilities	**(99)**	(103)	**(196)**	(203)
Dividends paid to common shareholders (note 8)	**(3,826)**	(3,139)	**(6,935)**	(5,501)
Cash used in financing activities	**(8,934)**	(7,308)	**(950)**	(15,704)
Increase (decrease) in cash	**1,244**	(354)	**771**	(922)
Cash, beginning of period	**1,536**	4,164	**2,009**	4,732
Cash, end of period	**$ 2,780**	$ 3,810	**$ 2,780**	$ 3,810
Cash flows include the following amounts:				
Interest paid	**$ 485**	$ 361	**$ 866**	$ 773
Interest received	**$ 12**	$ 48	**$ 23**	$ 94
Income taxes paid	**$ 1,528**	$ 2,503	**$ 6,052**	$ 6,493

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

(in thousands of Canadian dollars)

1. NATURE OF OPERATIONS

Dominion Lending Centres Inc. (the "Corporation" or "DLC") 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	
	June 30, 2026	December 31, 2025
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-B20 lender, Heartwood Financial, LP ("Heartwood"). The Corporation is not 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 as issued by the International Accounting Standards Board ("IFRS Accounting Standards"), specifically International Accounting Standards 34 – Interim Financial Reporting. The accounting policies that follow have been consistently applied to all periods presented. 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 August 6, 2026.

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 9 and IFRS 7 – Financial Instruments

The IASB has issued amendments to "IFRS 9 Financial Instruments" and "IFRS 7 Financial Instruments: Disclosures", which are effective for annual periods beginning on or after January 1, 2026, with early adoption permitted. The amendments clarify certain aspects of the classification and measurement of financial instruments and introduce additional disclosure requirements related to an entity's financial instruments and risk exposures. The Corporation has adopted these amendments and the adoption did not have a material impact on the financial position or results of operations.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, IFRS Accounting Standards 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. The Corporation has not yet adopted this standard and is currently assessing its impact on its consolidated financial statements.

(in thousands of Canadian dollars)

4. EQUITY-ACCOUNTED INVESTMENTS

Heartwood Financial, LP

The Corporation has an indirect 40% ownership interest in Heartwood. Heartwood was organized in 2024 when it established a management team to secure financing to create a non-B20 Canadian lender. The Corporation is not responsible for Heartwood's debts, and Heartwood operates 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 (loss) from equity-accounted investments.

The Corporation did not make contributions to Heartwood during the six months ended June 30, 2026 (June 30, 2025—$3,500).

The following tables summarise the financial information of Heartwood:

As at		June 30, 2026		December 31, 2025
Current assets				
Cash	$	2,550	$	5,671
Other current assets		12,019		7,765
Total current assets		14,569		13,436
Non-current assets		229,829		88,293
Total assets		244,398		101,729
Current liabilities				
Other current liabilities		(2,228)		(792)
Current financial liabilities		(875)		(373)
Total current liabilities		(3,103)		(1,165)
Non-current financial liabilities		(237,187)		(94,556)
Total liabilities		(240,290)		(95,721)
Net assets		4,108		6,008
% of ownership		40%		40%
Corporation share of net assets	$	1,643	$	2,403

	Three months ended June 30,				Six months ended June 30,			
		2026		2025		2026		2025
Net interest income	$	1,198	$	17	$	1,973	$	17
Other revenue		94		-		94		-
Expenses		(2,903)		(1,726)		(4,651)		(2,530)
Income (loss) before income tax		(1,611)		(1,709)		(2,584)		(2,513)
Income tax recovery		427		453		685		666
Net income (loss)		(1,184)		(1,256)		(1,899)		(1,847)
% of ownership (1)		40%		50%		40%		50%
Corporation share of net income (loss)	$	(474)	$	(628)	$	(760)	$	(924)

(1) The Corporation's ownership decreased in June 30, 2025; therefore, the portion of income from equity-accounted investees was 50% for the three and six months ended June 30, 2025 and 40% for the three and six months ended June 30, 2026.

Dundarave Management Ltd.

On February 27, 2026, the Corporation acquired a 50% equity interest in Dundarave Management Ltd. and an affiliate (collectively, "DML") for $4,394. DML is the manager for Dundarave Mortgage Investment Corporation ("DMIC") which has operated as a mortgage lender in British Columbia since 2008. DML provides administration and management services for DMIC and is not itself a lender. Neither DML nor the Corporation are responsible for DMIC's loans.

The Corporation has significant influence over DML, including the power to participate in the financial and operating policies of DML, but does not have control or joint control. Despite holding 50% of its equity, the Corporation does not control DML as certain key decisions relating to DML's relevant activities requires a supermajority approval under the shareholders' agreement. As such, the Corporation cannot unilaterally direct the relevant activities of DML. The

(in thousands of Canadian dollars)

Corporation's investment in DML is therefore accounted for using the equity method.

The following tables summarise the financial information of DML:

As at		June 30, 2026
Current assets		
Cash	$	**204**
Other current assets		**746**
Total current assets		**950**
Intangible assets		**8,927**
Non-current assets		**13**
Total assets		**9,890**
Current liabilities		
Other current liabilities		**(212)**
Current financial liabilities		**(100)**
Total current liabilities		**(312)**
Non-current liabilities		**(2,649)**
Total liabilities		**(2,961)**
Net assets		**6,929**
% of ownership		**50%**
		3,465
Goodwill		**1,017**
Corporation share of net assets	$	**4,482**

		Three months ended June 30, 2026		Six months ended June 30, 2026
Revenue	**$**	**504**	**$**	**611**
Amortization		**(197)**		**(197)**
Expenses		**(122)**		**(178)**
Income before income tax		**185**		**236**
Income tax expense		**(50)**		**(62)**
Net income		**135**		**174**
% of ownership		**50%**		**50%**
Corporation share of net income (1)	**$**	**68**	**$**	**87**

(1) The Corporation's share of net income from the date of acquisition (February 27, 2026).

Other equity-accounted investments

The following tables summarize the financial information of the Corporation's investments in its other associates and joint arrangements. The Corporation's ownership interest in these entities ranges from 30%-51%. The Corporation is entitled to the net assets of the joint arrangements, and therefore they are considered joint ventures and are accounted for using the equity method.

On January 9, 2026, the Corporation acquired a 51% equity interest in an equity-accounted investee for cash consideration totalling $2,785. On acquisition, the net assets of the equity-accounted investee were $4,063 with goodwill of $713. The Corporation has significant influence over the entity, including the power to participate in their financial and operating policy, but does not have control or joint control. Despite holding 51% equity interest, the Corporation does not control these entities as certain key decisions relating to the relevant activities require a supermajority approval under the shareholders' agreements. As such, the Corporation cannot unilaterally direct the relevant activities. The Corporation's investment in this associate is therefore accounted for using the equity method.

(in thousands of Canadian dollars)

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. Included in other equity-accounted investments is a $500 contribution into a new equity-accounted investee during the six months ended June 30, 2025.

As at		**June 30, 2026**		December 31, 2025
Current assets	**$**	**3,033**	$	1,148
Non-current assets		**3,450**		115
Current liabilities		**(1,637)**		(737)
Non-current liabilities		**(1)**		-
Net assets		**4,845**		526
% of ownership		**30%-51%**		30%-50%
		2,398		236
Goodwill		**1,281**		568
Corporation share of net assets	**$**	**3,679**	$	804

		Three months ended June 30, 2026		2025		**Six months ended June 30, 2026**		2025
Revenue	**$**	**1,363**	$	851	**$**	**3,244**	$	1,461
Expenses		**(1,270)**		(837)		**(2,872)**		(1,372)
Income before income tax		**93**		14		**372**		89
Income tax expense		**(104)**		(7)		**(115)**		(13)
Net (loss) income		**(11)**		7		**257**		76
% of ownership (1)		**30-51%**		30-50%		**30-51%**		30-50%
Corporation share of net (loss) income	**$**	**(21)**	$	1	**$**	**91**	$	19

5. INTANGIBLE ASSETS

		Franchise rights, relationships and agreements		Brand Names		Software and other		Total intangible assets
Cost								
Balance at December 31, 2025	$	133,378	$	47,340	$	4,042	$	184,760
Acquisition		-		-		**389**		**389**
Additions (1)		**8,152**		**-**		**-**		**8,152**
Disposals		**(1,657)**		**-**		**-**		**(1,657)**
Balance at June 30, 2026	**$**	**139,873**	**$**	**47,340**	**$**	**4,431**	**$**	**191,644**
Accumulated amortization								
Balance at December 31, 2025	$	(54,969)	$	(519)	$	(3,860)	$	(59,348)
Disposals		**1,438**		**-**		**-**		**1,438**
Amortization recognized as a charge against revenue		**(3,044)**		**-**		**-**		**(3,044)**
Amortization expense		**(1,655)**		**(164)**		**(63)**		**(1,882)**
Balance at June 30, 2026	**$**	**(58,230)**	**$**	**(683)**	**$**	**(3,923)**	**$**	**(62,836)**
Carrying value								
December 31, 2025	$	78,409	$	46,821	$	182	$	125,412
June 30, 2026	**$**	**81,643**	**$**	**46,657**	**$**	**508**	**$**	**128,808**

(1) Additions include franchise rights of $838 included within accrued liabilities as of June 30, 2026 (December 31, 2025 - $96).

(in thousands of Canadian dollars)

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

As at	June 30, 2026	December 31, 2025
Accrued liabilities		
Commissions payable	$ 13,457	$ 12,060
Other accrued liabilities	7,277	12,341
	20,734	24,401
Trade payables	1,413	2,204
Government agencies payable	1,142	3,081
Other	140	157
	$ 23,429	$ 29,843

7. LOANS AND BORROWINGS

As at	June 30, 2026	December 31, 2025
Revolving loans and borrowings		
Revolving Facility	$ 20,346	$ 9,405
Revolving Facility	$ 20,346	$ 9,405
Term loans and borrowings		
Term Facility	$ 23,182	$ 25,758
Debt issuance costs	(622)	(516)
Total term loans and borrowings	22,560	25,242
Less: current portion	(5,152)	(5,152)
	$ 17,408	$ 20,090

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 26, 2026, the Senior Credit Facilities term was extended from February 18, 2030 to February 26, 2031, and the Revolving Facility increased from $25,000 to $40,000.

On July 31, 2026, the Senior Credit Facilities were amended and restated to introduce a new term facility and reduce the Revolving Facility from $40,000 to $30,000. Concurrently, the Corporation drew $62,321 under the new term facility to fund the acquisition of Filogix.

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 charge coverage ratio greater than 1.10:1.00. At June 30, 2026, the Corporation’s adjusted total debt-to-EBITDA ratio and fixed charge coverage ratio were 0.89:1.00 and 2.76:1.00, respectively, and as such, the Corporation was in compliance with all such covenants.

(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 is as follows:

	Number of Common Shares		Amount
Balance at December 31, 2025	77,155,191	$	363,579
Common Shares purchased for RSU plan (note 9)	**(221,300)**		**(2,029)**
Common Shares issued for RSU plan vesting (note 9)	**92,687**		**651**
Balance at June 30, 2026	**77,026,578**	**$**	**362,201**
Common Shares outstanding	**77,736,891**		

At June 30, 2026, a total of 77,736,891 Common Shares were outstanding (December 31, 2025 – 77,736,891), including 710,313 Common Shares held in trust under the RSU plan (December 31, 2025 – 581,700).

Dividends

During the three and six months ended June 30, 2026, the Corporation declared dividends of $0.05 and $0.09 per Common Share resulting in dividend a payment of $3,826 and $6,935, respectively (June 30, 2025—$0.04 and $0.07 per Common Share or $3,139 and 5,501).

NCIB

The Corporation implemented a NCIB on June 2, 2026. The NCIB has a twelve-month duration, which commenced on June 2, 2026 and ends the earlier of June 1, 2027 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 2,000,000 Common Shares. During the six months ended June 30, 2026, the Corporation did not make any repurchases under the NCIB.

9. SHARE-BASED PAYMENTS

The Corporation recorded total share-based payments expense of $1,242 and $1,668 for the three and six months ended June 30, 2026 (June 30, 2025—$655 and $742).

RSUs are 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 six months ended June 30, 2026, the Corporation issued an additional 10,306 RSUs in lieu of dividends.

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

Outstanding RSUs, January 1, 2026	776,510
April 15, 2026 Grant	**434,285**
April 15, 2026 Vesting	**(92,687)**
2026 Dividend Entitlement	**10,306**
Outstanding RSUs, June 30, 2026	**1,128,414**

The RSUs vest according to the following schedule:

April 15, 2027	669,677
April 15, 2028	291,565
April 15, 2029	167,172
Outstanding RSUs, June 30, 2026	**1,128,414**

(in thousands of Canadian dollars)

10. REVENUE

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	**2026**	2025
Franchising revenue, mortgage brokerage services	**$ 15,572**	$ 14,981	**$ 28,184**	$ 27,349
Newton revenues	**8,003**	8,326	**14,113**	13,423
Brokering of mortgages	**1,362**	1,302	**2,594**	2,569
	$ 24,937	$ 24,609	**$ 44,891**	$ 43,341

Revenue earned from contracts with customers earned over time included in the above (gross of the amortization of franchisee payments) is $26,169 and $47,068 for the three and six months ended June 30, 2026, respectively (June 30, 2025—$25,510 and $45,300).

11. FINANCE EXPENSE

	Three months ended June 30,		Six months ended June 30	
	2026	2025	**2026**	2025
Interest expense on debt obligations	**$ 485**	$ 361	**$ 866**	$ 773
Interest on lease obligations	**18**	16	**37**	34
Amortization (gain) of debt issuance costs	**32**	28	**49**	(80)
	$ 535	$ 405	**$ 952**	$ 727

12. EARNINGS PER COMMON SHARE

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	**2026**	2025
Net income attributable to shareholders	**$ 7,068**	$ 7,645	**$ 11,871**	$ 13,879
Basic weighted average number of Common Shares	**77,062,871**	78,322,430	**77,078,604**	78,373,172
Effect of dilutive instruments	**747,139**	459,080	**746,135**	448,933
Diluted weighted average number of Common Shares	**77,810,010**	78,781,510	**77,824,739**	78,822,105
Basic earnings per share	**0.09**	0.10	**0.15**	0.18
Diluted earnings per share	**0.09**	0.10	**0.15**	0.18

(in thousands of Canadian dollars)

13. SUPPLEMENTAL CASH FLOW INFORMATION

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

		Three months ended June 30,				Six months ended June 30,		
		2026		2025		**2026**		2025
Trade and other receivables	**$**	**(2,876)**	$	(5,382)	**$**	**3,571**	$	304
Prepaid expenses and deposits		**1,413**		533		**1,110**		(867)
Accounts payable and accrued liabilities		**2,701**		4,219		**(6,414)**		(286)
Deferred contract liabilities		**(446)**		57		**79**		41
Changes in non-cash working capital	**$**	**792**	$	(573)	**$**	**(1,654)**	$	(808)
These changes relate to the following activities:								
Operating		**780**		(607)		**(2,396)**		(544)
Investing		**12**		34		**742**		(264)
Changes in non-cash working capital	**$**	**792**	$	(573)	**$**	**(1,654)**	$	(808)

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 an $106 and $190 decrease of income before tax for the three and six months ended June 30, 2026, respectively (June 30, 2025—$75 and $152 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 June 30, 2026, $244 of trade receivables were greater than 90 days outstanding (December 31, 2025—$191), and the provision for total expected credit losses as at June 30, 2026 was $173 (December 31, 2025—$184). A decline in economic conditions, or other adverse conditions experienced by franchisees and agents, could impact the collectability of the Corporation's accounts receivable.

(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.

As at	**June 30, 2026**	December 31, 2025
Cash	**$ 2,780**	$ 2,009
Trade receivables, other receivables, and other assets	**18,511**	21,515
	$ 21,291	$ 23,524

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 June 30, 2026, 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	$ 23,429	$ 23,429	$ -	$ -
Lease obligations [(1)]	485	321	164	-
Revolving loans and borrowings	20,346	-	20,346	-
Term loans and borrowings [(2)]	23,182	5,152	18,030	-
Other liabilities	610	-	610	
	$ 68,052	$ 28,902	$ 39,150	$ -

(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.

As at	**June 30, 2026**	December 31, 2025
Term loans and borrowings	**$ 22,560**	$ 25,242
Revolving loans and borrowings	**20,346**	9,405
Less: cash	**2,780**	2,009
Net loans and borrowings	**$ 40,126**	$ 32,638
Shareholders' equity	**$ 138,912**	$ 134,623

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 June 30, 2026 (see note 7).

15. SUBSEQUENT EVENTS

Acquisition

On July 31, 2026, the Corporation acquired 100% of the shares of a private company that owns and operates Filogix, a leading Canadian mortgage technology and connectivity platform, for cash consideration of $58,500, subject to closing adjustments. The purchase price was funded through amounts drawn under the Corporation's Senior Credit Facilities. Given the timing of the transaction relative to the release of these interim financial statements, the accounting is incomplete and certain disclosure have not been provided.

Debt Amendment

On July 31, 2026, the Senior Credit Facilities were amended and restated to introduce a new term facility and reduce the Revolving Facility from $40,000 to $30,000. Concurrently, the Corporation drew $62,321 under the new term facility to fund the acquisition of Filogix.