

UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF YELLOW PAGES LIMITED

September 30, 2025 and 2024

Table of contents

Interim Condensed Consolidated Statements of Income and Other Comprehensive Income (Loss)	2
Interim Condensed Consolidated Statements of Financial Position	3
Interim Condensed Consolidated Statements of Changes in Equity	4
Interim Condensed Consolidated Statements of Cash Flows	5
Notes to the Interim Condensed Consolidated Financial Statements	6-12

Interim Condensed Consolidated Statements of Income and Other Comprehensive Income (Loss)

(in thousands of Canadian dollars, except share and per share information)

For the three and nine-month periods ended September 30,	Note	2025	2024	2025	2024
Revenues	3	\$ 48,342	\$ 52,619	\$ 150,832	\$ 163,428
Operating costs		38,365	40,093	118,286	120,835
Income from operations before depreciation and amortization, and restructuring and other charges		9,977	12,526	32,546	42,593
Depreciation and amortization		3,008	3,180	9,238	10,247
Restructuring and other charges	4	1,046	508	3,594	1,124
Income from operations		5,923	8,838	19,714	31,222
Financial charges, net	5	406	270	1,379	864
Settlement loss on annuity purchase	8	—	—	3,970	—
Income before income taxes		5,517	8,568	14,365	30,358
Provision for income taxes		1,471	2,299	3,813	8,068
Net income		\$ 4,046	\$ 6,269	\$ 10,552	\$ 22,290

Other Comprehensive Income (Loss)

Items that will not be reclassified subsequently to net income

Actuarial gains (losses) on post-employment benefit plans	8	911	(2,332)	(8,515)	8,938
Income taxes relating to items that will not be reclassified subsequently to net income		(241)	617	2,250	(2,363)
Other comprehensive income (loss)		670	(1,715)	(6,265)	6,575
Total comprehensive income		\$ 4,716	\$ 4,554	\$ 4,287	\$ 28,865

Income per share

Basic income per share		\$ 0.30	\$ 0.46	\$ 0.78	\$ 1.64
Weighted average shares outstanding – basic income per share	9	13,568,659	13,560,840	13,565,054	13,558,573
Diluted income per share		\$ 0.29	\$ 0.46	\$ 0.76	\$ 1.62
Weighted average shares outstanding – diluted income per share	9	13,758,660	13,752,770	13,761,896	13,752,770

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Consolidated Statements of Financial Position

(in thousands of Canadian dollars)

As at	Note	September 30, 2025	December 31, 2024
ASSETS			
CURRENT ASSETS			
Cash		\$ 55,054	\$ 44,204
Trade and other receivables	7	30,274	33,677
Income taxes receivable		293	995
Prepaid expenses		4,533	4,561
Deferred publication costs		1,486	1,220
Net investment in subleases		2,430	2,253
TOTAL CURRENT ASSETS		94,070	86,910
NON-CURRENT ASSETS			
Deferred commissions		2,838	2,981
Financial and other assets	6	1,782	1,821
Right-of-use assets		4,291	4,774
Net investment in subleases		19,913	21,758
Property and equipment		2,387	2,644
Intangible assets		23,804	31,196
Deferred income taxes		10,159	11,786
TOTAL NON-CURRENT ASSETS		65,174	76,960
TOTAL ASSETS		\$ 159,244	\$ 163,870
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Trade and other payables		\$ 22,771	\$ 24,008
Provisions		11,118	16,085
Deferred revenues		1,167	800
Current portion of lease obligations		3,894	3,778
TOTAL CURRENT LIABILITIES		38,950	44,671
NON-CURRENT LIABILITIES			
Provisions		385	488
Post-employment benefits	8	38,632	28,751
Lease obligations		33,254	36,160
TOTAL NON-CURRENT LIABILITIES		72,271	65,399
TOTAL LIABILITIES		111,221	110,070
CAPITAL AND RESERVES		96,379	96,302
DEFICIT		(48,356)	(42,502)
TOTAL EQUITY		48,023	53,800
TOTAL LIABILITIES AND EQUITY		\$ 159,244	\$ 163,870

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Consolidated Statements of Changes in Equity

(in thousands of Canadian dollars)

For the nine-month periods ended September 30,

							2025
	Note	Shareholders' capital	Restricted shares	Stock-based compensation and other reserves	Total capital and reserves	Deficit	Total equity
Balance, December 31, 2024		\$ 95,087	\$ (1,198)	\$ 2,413	\$ 96,302	\$ (42,502)	\$ 53,800
Other comprehensive loss		—	—	—	—	(6,265)	(6,265)
Net income		—	—	—	—	10,552	10,552
Total comprehensive income		—	—	—	—	4,287	4,287
Shares issued under the stock option plan	9, 10	65	—	—	65	(3)	62
Dividends to shareholders	9	—	—	—	—	(10,175)	(10,175)
Restricted shares settled	10	—	12	—	12	—	12
Restricted shares expense	10	—	—	78	78	—	78
Restricted shares reclassification	10	—	—	(78)	(78)	37	(41)
Balance, September 30, 2025		\$ 95,152	\$ (1,186)	\$ 2,413	\$ 96,379	\$ (48,356)	\$ 48,023
							2024
	Note	Shareholders' capital	Restricted shares	Stock-based compensation and other reserves	Total capital and reserves	Deficit	Total equity
Balance, December 31, 2023		\$ 95,087	\$ (1,248)	\$ 2,413	\$ 96,252	\$ (53,996)	\$ 42,256
Other comprehensive income		—	—	—	—	6,575	6,575
Net income		—	—	—	—	22,290	22,290
Total comprehensive income		—	—	—	—	28,865	28,865
Dividends to shareholders	9	—	—	—	—	(10,170)	(10,170)
Restricted shares settled	10	—	50	—	50	—	50
Restricted shares expense	10	—	—	156	156	—	156
Restricted shares reclassification	10	—	—	(156)	(156)	37	(119)
Stock options equity-settled expense	10	—	—	23	23	—	23
Stock options reclassification	10	—	—	(23)	(23)	(5)	(28)
Adjustment to transaction costs related to the plan of arrangement	9	—	—	—	—	277	277
Balance, September 30, 2024		\$ 95,087	\$ (1,198)	\$ 2,413	\$ 96,302	\$ (34,992)	\$ 61,310

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Consolidated Statements of Cash Flows

(in thousands of Canadian dollars)

For the nine-month periods ended September 30,	Note	2025	2024
OPERATING ACTIVITIES			
Net income		\$ 10,552	\$ 22,290
Adjusting items			
Stock-based compensation expense – equity settled		78	179
Depreciation and amortization		9,238	10,247
Restructuring and other charges		3,594	1,124
Financial charges, net		1,379	864
Settlement loss on annuity purchase		3,970	–
Provision for income taxes		3,813	8,068
Change in operating assets and liabilities		(404)	(1,525)
Stock-based compensation cash payments		(1,888)	(1,162)
Funding of post-employment benefit plans in excess of costs		(3,823)	(6,219)
Restructuring and other charges paid		(2,804)	(1,373)
Interest paid		(1,200)	(1,341)
Income taxes received (paid), net		801	(435)
Cash from operating activities		23,306	30,717
INVESTING ACTIVITIES			
Additions to intangible assets		(1,140)	(1,917)
Additions to property and equipment		(33)	(78)
Payments received from net investment in subleases		1,668	1,421
Cash from (used in) investing activities		495	(574)
FINANCING ACTIVITIES			
Dividends paid	9	(10,175)	(10,170)
Issuance of common shares		62	–
Payment of lease obligations		(2,838)	(2,944)
Cash used in financing activities		(12,951)	(13,114)
NET INCREASE IN CASH		10,850	17,029
CASH, BEGINNING OF YEAR		44,204	23,229
CASH, END OF PERIOD		\$ 55,054	\$ 40,258

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

1. Description

Yellow Pages Limited, through its subsidiaries, offers local and national businesses access to digital and print media and marketing solutions to reach consumers in all the provinces and territories of Canada. References herein to Yellow Pages Limited (or the “Company”) represent the financial position, financial performance, cash flows and disclosures of Yellow Pages Limited and its subsidiaries on a consolidated basis.

Yellow Pages Limited’s registered head office is located at 1751 Rue Richardson, Montreal, Québec, Canada, H3K 1G6 and the common shares of Yellow Pages Limited are listed on the Toronto Stock Exchange (“TSX”) under the symbol “Y”.

The Board of Directors (the “Board”) approved the interim condensed consolidated financial statements for the three and nine-month periods ended September 30, 2025 and 2024 on November 12, 2025 for publication on November 13, 2025.

2. Basis of presentation and material accounting policies

2.1 Statement of compliance

These interim condensed consolidated financial statements have been prepared in accordance with IAS 34 – Interim Financial Reporting and do not include all of the information required for full annual financial statements. The accounting policies and methods of computation applied in these interim condensed consolidated financial statements are consistent with IFRS® Accounting Standards and are the same as those applied by Yellow Pages Limited in its audited consolidated financial statements as at and for the years ended December 31, 2024 and 2023. These interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements for the years ended December 31, 2024 and 2023.

2.2 Accounting Standards that are issued but not yet effective and not yet applied on the interim condensed consolidated financial statements

New standard IFRS 18 - Presentation and Disclosures in Financial Statements

On April 9, 2024, the International Accounting Standards Board (“IASB”) issued its new standard IFRS 18 *Presentation and Disclosures in Financial Statements* that will replace IAS 1 *Presentation of Financial Statements*. The new standard aims at improving how entities communicate in their financial statements by setting new requirements to:

- Improve comparability, through a specified structure of the statement of profit and loss that is more comparable between entities;
- Enhance disclosure of the management-defined performance measures to improve transparency and make them subject to audit; and
- Render the grouping of information more useful and relevant through enhanced guidance on how to organize information in financial statements including note disclosures.

IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027. The standard is applied retrospectively, with specific transition provisions, and early adoption is permitted. The Company is assessing the impact of this new standard on its current financial statement presentation.

3. Revenues

The Company reviews revenues by similar products and services, such as Print and Digital.

Print revenues are recognized at a point in time, whereas 99% of digital revenues were recognized over the term of the contract and 1% at a point in time for three and nine-month periods ended September 30, 2025 and September 30, 2024.

The following table presents revenue information by similar products and services:

For the three and nine-month periods ended September 30,	2025	2024	2025	2024
Digital	\$ 39,997	\$ 42,648	\$ 121,656	\$ 130,095
Print	8,345	9,971	29,176	33,333
Total revenues	\$ 48,342	\$ 52,619	\$ 150,832	\$ 163,428

4. Restructuring and Other Charges

Yellow Pages Limited recorded restructuring and other charges of \$1.0 million during the three-month period ended September 30, 2025, consisting mainly of \$1.0 million of employee related costs associated with workforce reductions. Yellow Pages Limited recorded restructuring and other charges of \$0.5 million during the third quarter of 2024 consisting mainly of \$0.5 million of other charges. The other charges relate to onerous contracts linked to decommissioned servers resulting from our migration to cloud-based services.

Yellow Pages Limited recorded restructuring and other charges of \$3.6 million during the nine-month period ended September 30, 2025, consisting of \$2.6 million of employee related costs associated with workforce reductions, a \$0.1 million charge related to future lease costs for vacated office space and \$0.9 million of other charges. Yellow Pages Limited recorded restructuring and other charges of \$1.1 million during the nine-month period ended September 30, 2024 consisting mainly of restructuring charges of \$0.6 million associated with workforce reductions, a \$0.4 million charge related to future lease costs for vacated office space and other charges of \$0.1 million.

5. Financial charges, net

The significant components of the financial charges, net are as follows:

For the three and nine-month periods ended September 30,	2025	2024	2025	2024
Interest on lease obligations, net of interest income on investment in subleases	\$ 185	\$ 248	\$ 605	\$ 774
Net interest on the defined benefit obligations	482	369	1,192	1,107
Interest income on cash balances	(401)	(399)	(1,198)	(1,076)
Other, net	140	52	780	59
Financial charges, net	\$ 406	\$ 270	\$ 1,379	\$ 864

6. Financial risk management

Fair value hierarchy

The three levels of fair value hierarchy are as follows:

- Level 1 – inputs are unadjusted quoted prices of identical instruments in active markets.
- Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 – inputs used in a valuation technique are not based on observable market data in determining fair values of the instruments.

Determination of fair value and the resulting hierarchy requires the use of observable market data whenever available. The classification of a financial instrument in the hierarchy is based upon the lowest level of input that is significant to the measurement of fair value.

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants.

Cash, trade and other receivables, and trade and other payables and certain provisions are not measured at fair value in the consolidated statement of financial position, as their carrying amount is a reasonable approximation of fair value due to their short-term maturity.

Asset-Based Loan

On August 27, 2025, the Company, through its subsidiary Yellow Pages Digital & Media Solutions Limited, extended the term of its asset-based loan (ABL) to September 2028. The agreement was also amended to reduce the total commitment from \$20.0 million to \$15.0 million and furthermore, the total commitment will be reduced by \$2.5 million annually starting September 2026. The ABL is being used for general corporate purposes. Through the ABL, the Company has access to the funds in the form of prime rate loans or letters of credit. The ABL is subject to a trailing twelve-month fixed charge coverage ratio when there is an event of default or when excess availability is less than 10% of the facility limit. Upon such event, the fixed charged coverage ratio must be a minimum of 1.1 times.

As at September 30, 2025, the Company had \$0.6 million of letters of credit issued and outstanding, resulting in an availability of \$14.4 million remaining under the ABL.

As at September 30, 2025, the Company was in compliance with all covenants under the loan agreement governing the ABL.

7. Trade and other receivables

As at	September 30, 2025	December 31, 2024
Current	\$ 24,443	\$ 26,826
Past due less than 180 days	3,801	5,123
Past due over 180 days	1,903	1,553
Trade receivables¹	\$ 30,147	\$ 33,502
Other receivables	\$ 127	\$ 175
Trade and other receivables	\$ 30,274	\$ 33,677

¹ Trade receivables are presented net of allowance for revenue adjustments ("AFRA") and expected credit loss allowance ("ECL") of \$7.5 million as at September 30, 2025 (\$7.4 million as at December 31, 2024).

The following table provides information about contract assets, which are included in trade and other receivables.

As at	September 30, 2025	December 31, 2024
Contract assets	\$ 14,564	\$ 14,797
Allowance for revenue adjustments and ECL	(282)	(297)
Contract assets net of allowance for revenue adjustments and ECL	\$ 14,282	\$ 14,500

The contract assets, which are included in trade and other receivables, consist of payments for print products on delivered directories that are not yet due from the customer and represent the Company's right to consideration for the services rendered. Any amount previously recognized as a contract asset is reclassified to trade receivables once it is invoiced to the customer. The change in contract assets for the nine-month period ended September 30, 2025 is primarily related to the fluctuation in print revenue.

The revenues related to the performance obligations that are unsatisfied (or partially unsatisfied at the reporting date) are expected to be recognized over the next twelve (12) months. The contract liabilities consist of deferred revenues which primarily relate to the advanced consideration received from customers for which revenue is recognized over time.

8. Post-employment benefits

Yellow Pages Limited recorded an actuarial gain of \$0.7 million in other comprehensive income, net of income taxes of \$0.2 million during the third quarter of 2025. The gain of \$0.9 million resulted from higher-than-expected actual return on plans assets. Yellow Pages Limited recorded an actuarial loss of \$1.7 million in other comprehensive income, net of income taxes of 0.6 million during the third quarter of 2024. A loss of \$15.3 million due to the decreases in the discount rate from 5.0% to 4.9% was partially offset by a gain of \$13.0 million resulting from higher-than-expected actual return on plan assets.

Yellow Pages Limited recorded an actuarial loss of \$6.3 million in other comprehensive income, net of income taxes of \$2.2 million during the nine-month period ended September 30, 2025. A loss of \$18.1 million due to lower-than-expected actual return on plans assets and increase in inflation rate from 1.8% to 1.9% was partially offset by a gain of \$9.6 million due to the increase in the discount rate from 4.6% to 4.8%. Yellow Pages Limited recorded an actuarial gain of \$6.6 million in other comprehensive income, net of income taxes of \$2.4 million for the nine-month period ended September 30, 2024. A gain of \$9.0 million resulted from higher-than-expected actual return on plan assets.

Settlement loss on annuity purchase

On May 30, 2025, Yellow Pages Limited completed the purchase of group annuity contracts for \$209.9 million from a Canadian insurer. The defined benefit pension plan obligations for the group that are settled via the annuity purchase are \$205.9 million. Under the agreement, the Canadian insurer will issue annuities covering the responsibility for pension benefits owed to approximately 860 Yellow Pages pensioners and beneficiaries. The insurer began administering all pension benefits covered by the group annuity in October 2025. Following the transaction, pension benefits for these annuitants are protected under Assuris, the life insurance compensation association designated under the Insurance Companies Act of Canada.

For accounting purposes, this buy-out transaction essentially eliminates further legal or constructive obligation for pension benefits covered by the group annuity, and a settlement occurred. As a result of this transaction, a non-cash settlement loss of \$4.0 million was recognized during the second quarter of 2025.

9. Shareholders' capital

Common shares – Issued

	Number of Shares	Amount
Balance, December 31, 2024	13,752,770	\$ 95,087
Shares issued under stock option plan	5,890	65
Balance, September 30, 2025	13,758,660	\$ 95,152

The total number of common shares of Yellow Pages Limited held by the trustee for the purpose of funding the restricted share unit and performance share unit plan (the "RSU and PSU Plan") amounted to 190,001 as at September 30, 2025 (see *Note 10 Stock-based compensation plans* for additional details).

Under the Stock Option Plan, the maximum number of common shares authorized for issuance upon the exercise of options is 2,806,932 (see *Note 10 Stock-based compensation plans for additional details*). During the nine-month period ended September 30, 2025, 5,890 common shares were issued upon the exercise of options.

Dividends

On February 13th, 2024, the Board modified its dividend policy of paying a quarterly cash dividend to its common shareholders by increasing the dividend from \$0.20 per share to \$0.25 per share. YP's dividend payout policy and the declaration of dividends on any of the Company's outstanding common shares are subject to the discretion of the Board and, consequently, there can be no guarantee that the dividend payout policy will be maintained or that dividends will be declared.

During the nine-month period ended September 30, 2025, the Company paid quarterly dividends of \$0.25 per common share on March 17, June 16, and September 15, 2025 for a total consideration of \$10.2 million to common shareholders. During the nine-month period ended September 30, 2024, the Company paid quarterly dividends of \$0.25 per common share on March 15, June 17, and September 16, 2024 for a total consideration of \$10.2 million to common shareholders.

Income per share

The following table presents the weighted average number of shares outstanding used in computing income per share and the weighted average number of shares outstanding used in computing diluted income per share as well as net income used in the computation of basic income per share to net income adjusted for any dilutive effect:

For the three and nine-month periods ended September 30,	2025	2024	2025	2024
Weighted average number of shares outstanding used in computing basic income per share ¹	13,568,659	13,560,840	13,565,054	13,558,573
Dilutive effect of restricted share units	190,001	191,930	190,694	194,197
Dilutive effect of stock options	–	–	6,148	–
Weighted average number of shares outstanding used in computing diluted income per share	13,758,660	13,752,770	13,761,896	13,752,770

For the three and nine-month periods ended September 30,	2025	2024	2025	2024
Net income used in the computation of basic income per share	\$ 4,046	\$ 6,269	\$ 10,552	\$ 22,290
Impact of assumed conversion of stock options, net of applicable taxes	–	–	(25)	–
Total net income used in the computation of diluted income per share	\$ 4,046	\$ 6,269	\$ 10,527	\$ 22,290

¹ The weighted average number of shares outstanding used in the income per share calculation is reduced by the shares held by the trustee for the purpose of funding the RSU and PSU Plan.

For the three and nine-month periods ended September 30, 2025 and 2024, the diluted income per share calculation did not take into consideration the potential dilutive effect of stock options that are not in the money and therefore not dilutive.

10. Stock-based compensation plans

Yellow Pages Limited's stock-based compensation plans consist of restricted share units, performance share units, deferred share units, stock options and share appreciation rights.

Restricted Share Unit and Performance Share Unit Plan

On April 18, 2023, a modification to the RSU and PSU Plan, adding a cash alternative at the Participant's option to the settlement of all unvested RSUs and PSUs outstanding as of such date and all grants subsequent to such date, resulting in an obligation to settle in cash. A reclass from equity to liability was recorded at the modification date, based on the fair value of the unvested RSUs outstanding as of such date. The variation due to change in fair value subsequent to the modification date is included in operating costs.

The total number of common shares of Yellow Pages Limited held by the trustee for the purpose of funding the RSU and PSU Plan amounted to 190,001 as at September 30, 2025. There were no PSUs outstanding as at September 30, 2025 and 2024.

The following table summarizes the continuity of the RSUs during the nine-month periods ended September 30:

	2025		2024	
	Number of RSUs	Liability ¹	Number of RSUs	Liability ¹
Outstanding, beginning of year	333,537	\$ 2,597	349,405	\$ 1,752
Granted ²	116,944	405	26,726	50
Dividends credited ³	25,005	346	26,704	173
RSUs reclassified from equity-settled to cash settled	–	46	(1,574)	119
Settled	(153,399)	(1,713)	(72,884)	(681)
Forfeited	(4,326)	(26)	(2,121)	–
Variation due to change in fair value and vesting	–	548	–	385
Outstanding, end of period⁴	317,761	\$ 2,203	326,256	\$ 1,798
Weighted average remaining life (years)	0.91		1.11	

¹ The liability related to the RSUs is recorded in trade and other payables, and the expense related to the vested RSUs and the variation due to change in fair value are included in operating costs.

² The liability related to the RSUs granted represents the portion that is vested as at September 30.

³ Dividends in the form of additional RSUs are credited to the Participant's account on each dividend payment date and are equivalent in value to the dividend paid on common shares.

⁴ The number of restricted shares vested as of September 30, 2025 is 196,413 (2024 – 185,900).

Deferred Share Unit Plan

During the fourth quarter of 2024, the Board approved the termination and liquidation of the deferred share unit plan (the “DSU Plan”), effective as of December 16, 2024, and the payment of all accrued benefits so that such amounts are payable in lump sum to the Participants. Pursuant to the DSU plan, each Participant will receive a lump sum cash payment equal to the number of DSUs credited to the Participant's account multiplied by the VWAP of YP's common share for the five trading days immediately preceding the effective termination date. As of September 30, 2025, \$1.4 million remains payable and is included in Trade and other payables (December 31, 2024 - \$2.4 million).

Stock options

A maximum of 2,806,932 stock options may be granted under the Stock Option Plan.

The following table summarizes the continuity of the stock options during the nine-month periods ended September 30:

	2025		2024	
	Number of options	Liability ¹	Number of options	Liability ¹
Outstanding, beginning of year	2,020,826	\$ 907	1,608,066	\$ 397
Granted	–	–	895,945	147
Stock options reclassified from equity-settled to cash settled	–	–	–	28
Exercised	(5,890)	(3)	–	–
Settled	(212,195)	(133)	–	–
Forfeited and cancelled	(653,039)	(243)	(480,124)	(25)
Variation due to change in fair value and vesting	–	(133)	–	(388)
Outstanding, end of period²	1,149,702	\$ 395	2,023,887	\$ 159

¹ The liability related to the stock options is recorded in trade and other payables, and the expense related to the vested options and the variation due to change in fair value are included in operating costs.

² The number of stock options vested as of September 30, 2025 is 963,263 (2024 – 1,173,601).

The following table summarizes the continuity of stock options under the Stock Option Plan, during the nine-month periods ended September 30:

	2025		2024	
	Number of options	Weighted average exercise price per option	Number of options	Weighted average exercise price per option
Outstanding, beginning of year	2,020,826	\$ 12.27	1,608,066	\$ 13.44
Granted	–	\$ –	895,945	\$ 10.60
Exercised	(5,890)	\$ 10.60	–	\$ –
Settled	(212,195)	\$ 10.60	–	\$ –
Forfeited and cancelled	(653,039)	\$ 12.90	(480,124)	\$ 13.07
Outstanding, end of period	1,149,702	\$ 12.23	2,023,887	\$ 12.27
Exercisable, end of period	535,923	\$ 12.72	269,492	\$ 12.71

Share appreciation rights plan

The following table summarizes the continuity of the share appreciation rights (“SARs”) during the nine-month periods ended September 30:

	2025		2024	
	Number of SARs	Liability ¹	Number of SARs	Liability ¹
Outstanding, beginning of year	643,627	\$ 343	584,018	\$ 169
Granted	2,739,232	468	351,618	64
Settled	(87,904)	(54)	–	–
Forfeited and cancelled	(639,951)	(43)	–	–
Variation due to change in fair value and vesting	–	52	–	(171)
Outstanding, end of period²	2,655,004	\$ 766	935,636	\$ 62

¹ The liability related to the SAR Plan is recorded in trade and other payables, and the expense related to the units vested and the variation due to change in fair value are included in operating costs.

² The number of SARs vested as of September 30, 2025 is 1,075,544 (2024 – 617,822).

The following table shows the key assumptions used in applying the valuation model for the SARs as at September 30:

	2025	2024
Weighted average grant date share price	\$ 11.19	\$ 10.60
Exercise price	\$ 11.19	\$ 10.60
Expected volatility	24.06%	22.45%
Expected life (years)	2.2 years	2.7 years
Risk-free interest rate	2.80%	4.32%

The following amounts for stock-based compensation are recorded in the consolidated statements of income in operating costs:

For the three and nine-month periods ended September 30,	2025		2024	
RSU plan	\$ 380	\$ 398	\$ 1,350	\$ 764
DSU plan	–	293	–	(227)
Stock Options	(104)	77	(376)	(243)
SARs	156	30	475	(107)
Total expense	\$ 432	\$ 798	\$ 1,449	\$ 187