INVESTOR PRESENTATION | Q2 2021

August 12, 2021



Our mission every day is to provide **sustainable growth and returns** for all our stakeholders

- through **relationship-driven** mortgage lending and investing;
- by delivering quality work through an **expert, engaged and committed team**; and
- **dedication to excellence** in service of our clients, our colleagues and our community.

Forward-looking Information

This presentation may contain forward-looking information within the meaning of applicable Canadian securities laws, including statements regarding the business and anticipated financial performance of MCAN Mortgage Corporation and its subsidiaries. These statements are based on current expectations and are subject to a number of risks and uncertainties that may cause actual results to differ materially from those contemplated by the forward-looking statements. Some of the factors that could cause such differences include legislative or regulatory developments, competition, technology changes, global market activity, interest rates, changes in government and economic policy, general economic conditions in geographic areas where MCAN operates and the impact of, and responses to, COVID-19. Often, but not always, forward-looking information can be identified by the use of words such as “may,” “believe,” “will,” “anticipate,” “expect,” “planned,” “estimate,” “project,” “future,” and variations of these or similar words or other expressions that are predictions of or indicate future events and trends and that do not relate to historical matters.

Reference is made to the risk factors disclosed in MCAN’s Management's Discussion and Analysis of Operations for the quarter ended June 30, 2021, which can be found on SEDAR or at www.mcanmortgage.com. These and other factors should be considered carefully, and undue reliance should not be placed on MCAN’s forward-looking statements. Subject to applicable securities law requirements, MCAN does not undertake to update any forward-looking statements.

MCAN at-a-glance

$3.3B Total Assets

1,925% Net Income Increase YoY

19.8% Return on Equity YTD

53% Market Capitalization Increase YoY

M·CAN

Residential Lending

$651M Total Uninsured portfolio

$1.4B Total Insured securitized portfolio

$147M Q2 Uninsured originations

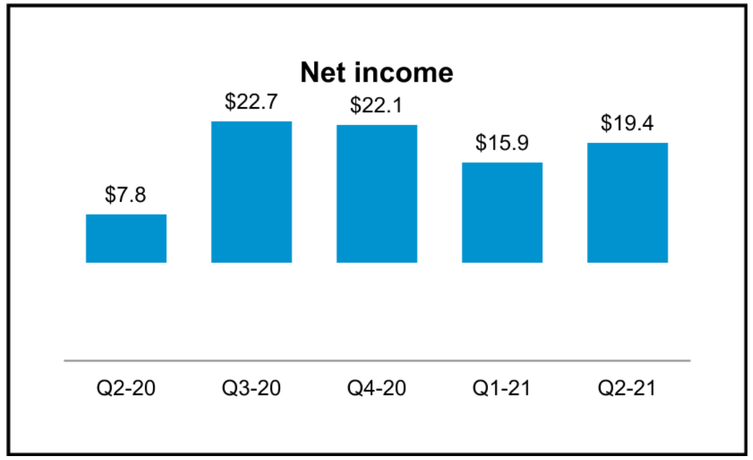
$157M Q2 Insured originations

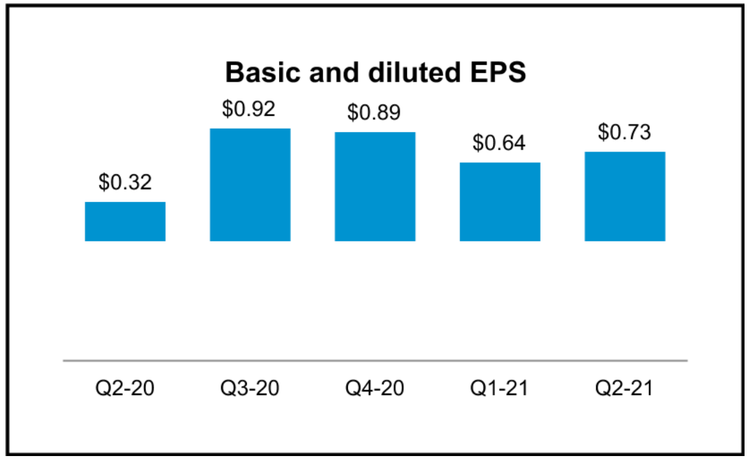
Commercial and Construction Lending

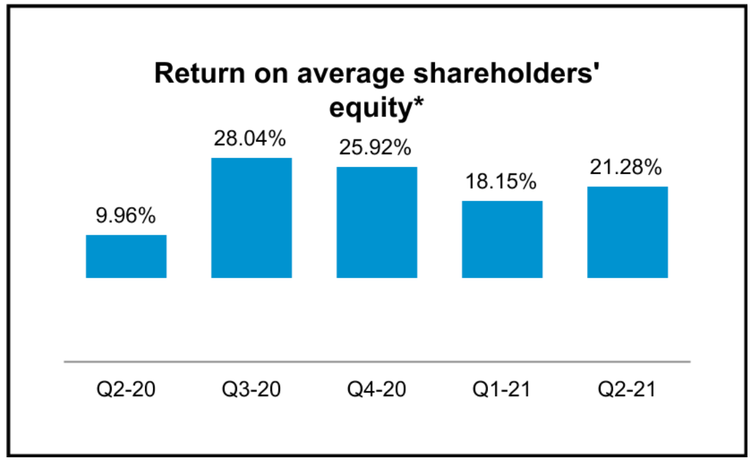
$612M Total portfolio

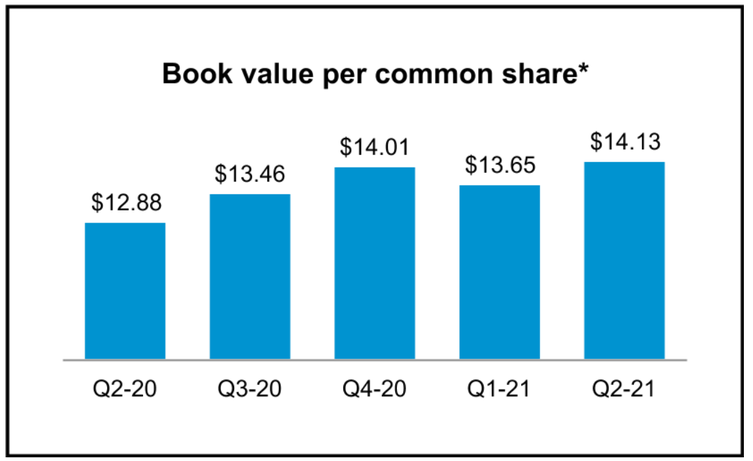
$246M Q2 originations

Key Performance Indicators









* Non IFRS measure as defined in MCAN's Q2 2021 MD&A

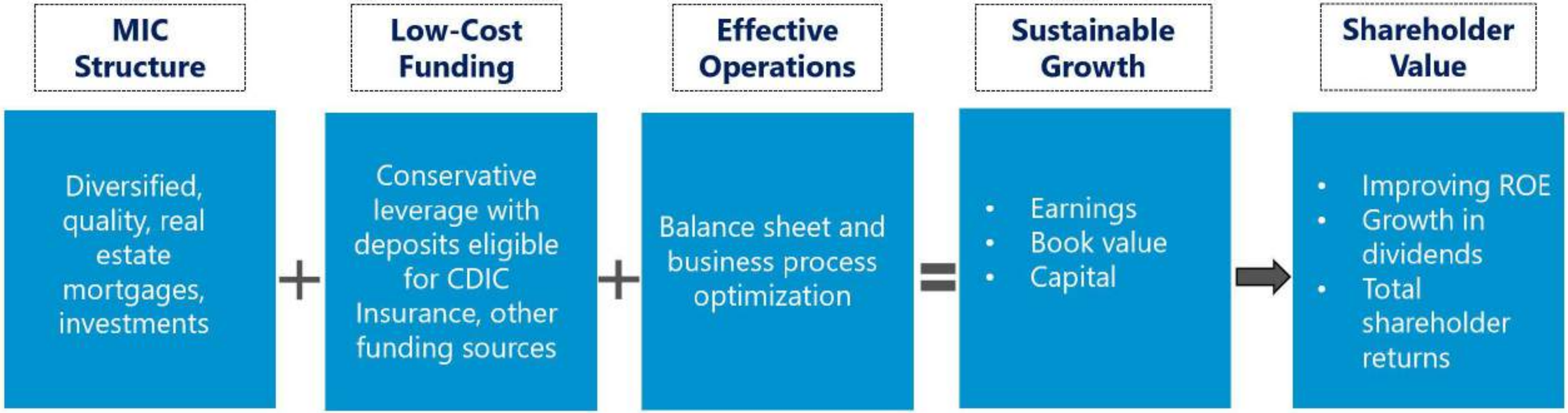
BUSINESS OVERVIEW AND INVESTMENT STRATEGY

Business Model

Our focus since founding in 1991 has consistently and successfully been strategic long-term growth and return on investment.

LONG-TERM OBJECTIVES

- Sustained annual growth of assets 10%
- Sustained ROE 13-15%
- Sustained and prudent dividend growth

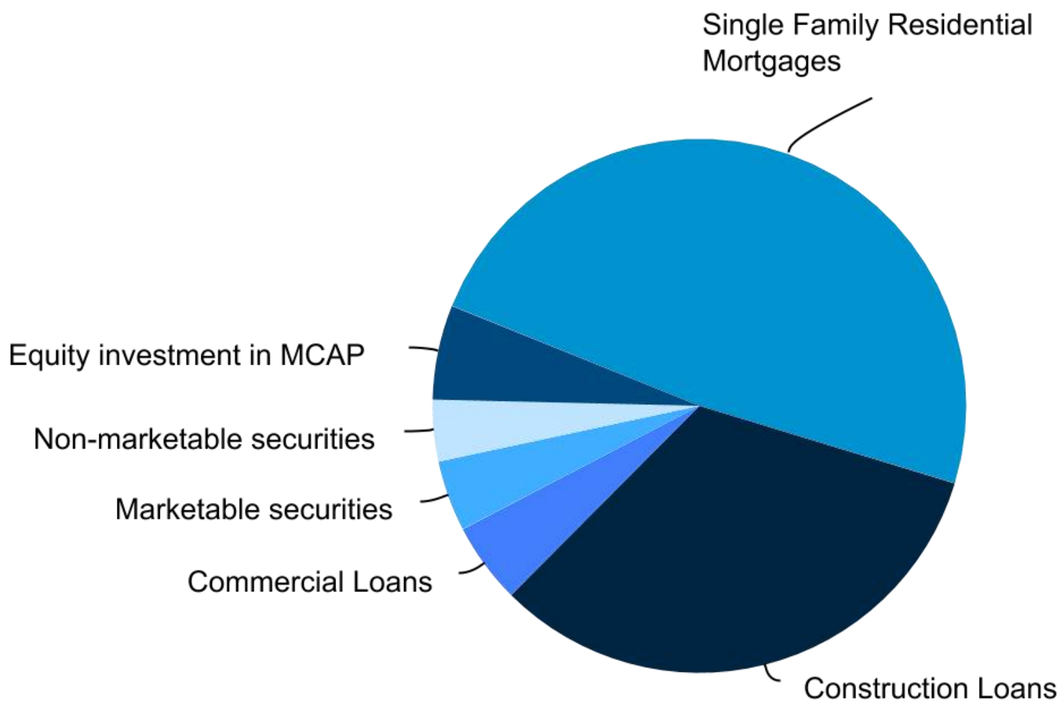


Diversified Quality Real Estate Investments

$1.8B
Total Corporate Assets

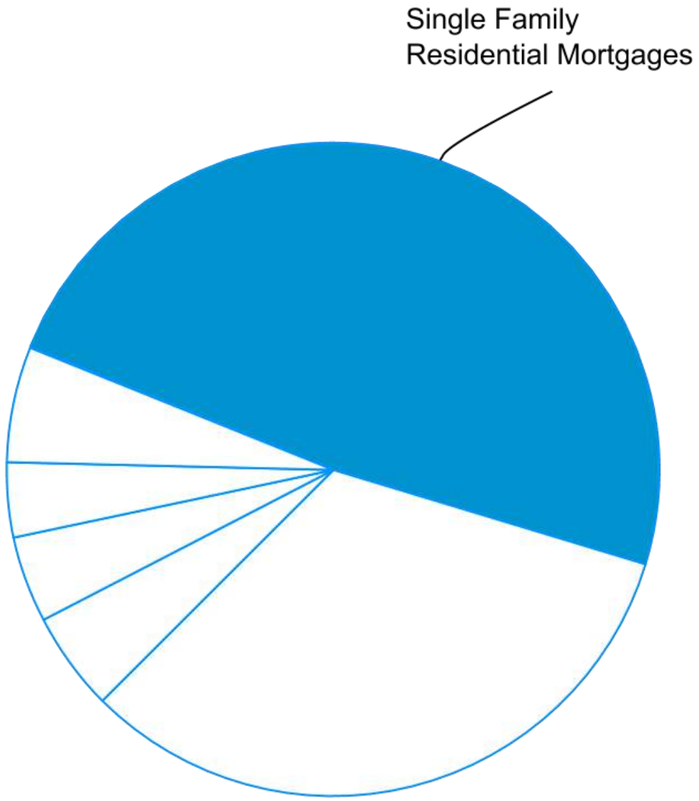
$3.3B
Total Assets

Real Estate Investment Portfolio



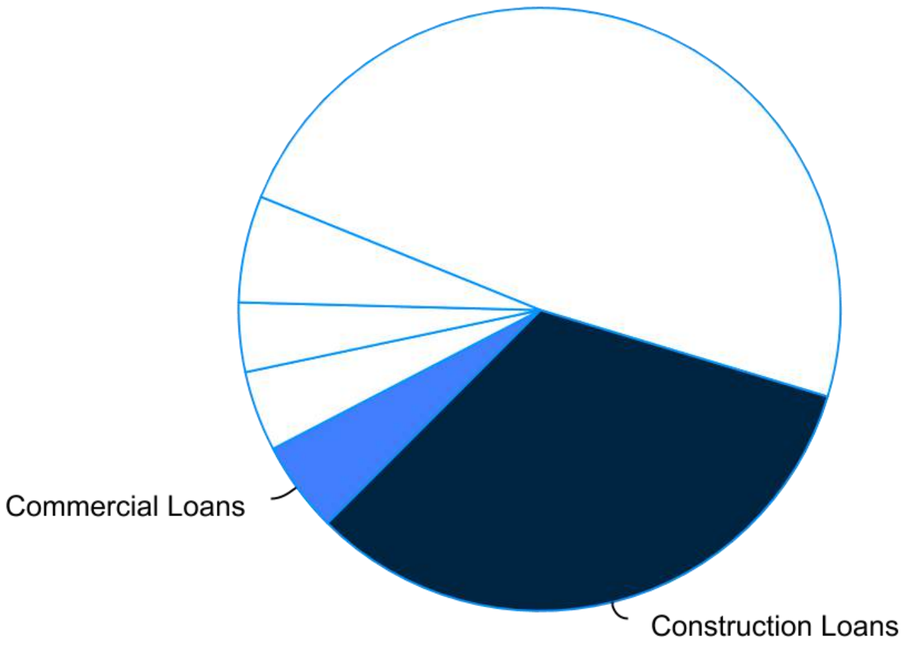
- 12.8 months average term to maturity of the corporate mortgage portfolio
- Data presented at June 30, 2021

Residential Lending



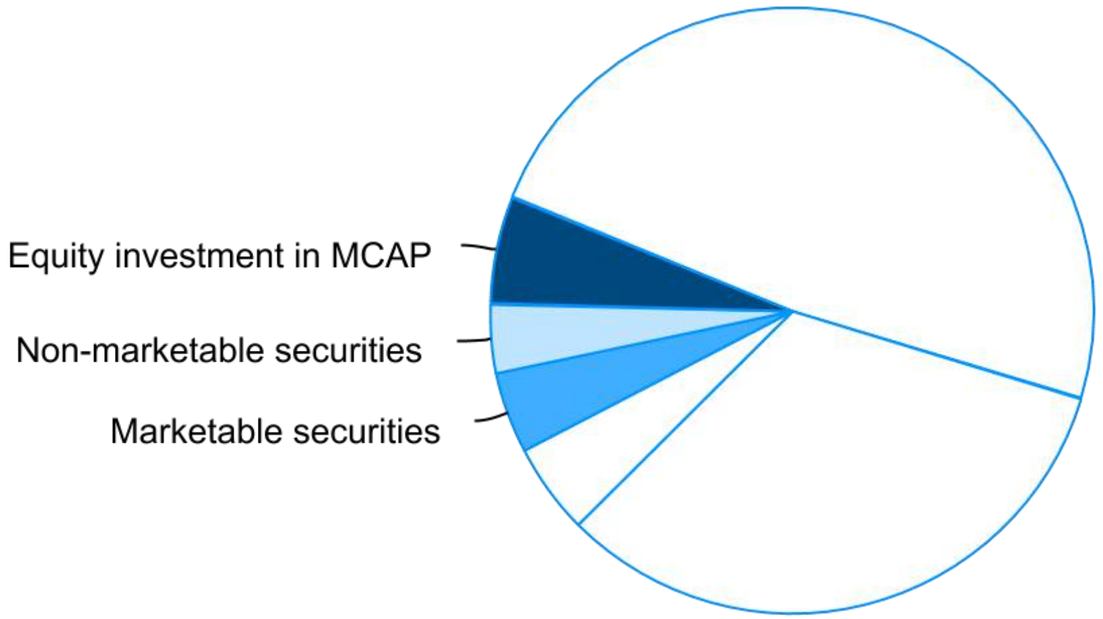
- Purchases, refinances and renewals
- Insurable and uninsured mortgages
  - Strategy of securitizing insured mortgages
- Focus on first time/ first move-up homebuyers characterized by:
  - Lower price points and products
  - Lower price volatility
  - Steady product absorption based on demographics
- Borrowers include customers with credit challenges or who are self-employed
- Relationships with mortgage brokers
- In-house origination, underwriting and boots on the ground

Construction and Commercial Lending



- Lending on the construction of affordable housing in urban/suburban growth markets
- Long-established relationships with originators, partners and borrowers
    - Invest where deep experience and knowledge exist
    - In-house expertise and underwriting
- Target experienced borrowers with a successful track record of project completion and loan repayment
- Presales and other prudent loan structuring
- Strategic use of land development loans as a "feeder product"
- Select commercial term loans

Investments



- Portfolio yield enhanced through select real estate-related investments, including our investment in MCAP Commercial LP
- Marketable securities in REIT portfolio
- Non-marketable securities in various real estate development funds or mortgage and mortgage product funds

Liability Funding

TERM DEPOSITS

- Since 1993
- Non-redeemable prior to maturity[1]
- Eligible for CDIC insurance coverage
- $1.41 billion at June 30, 2021
- 19.6 months average term to maturity

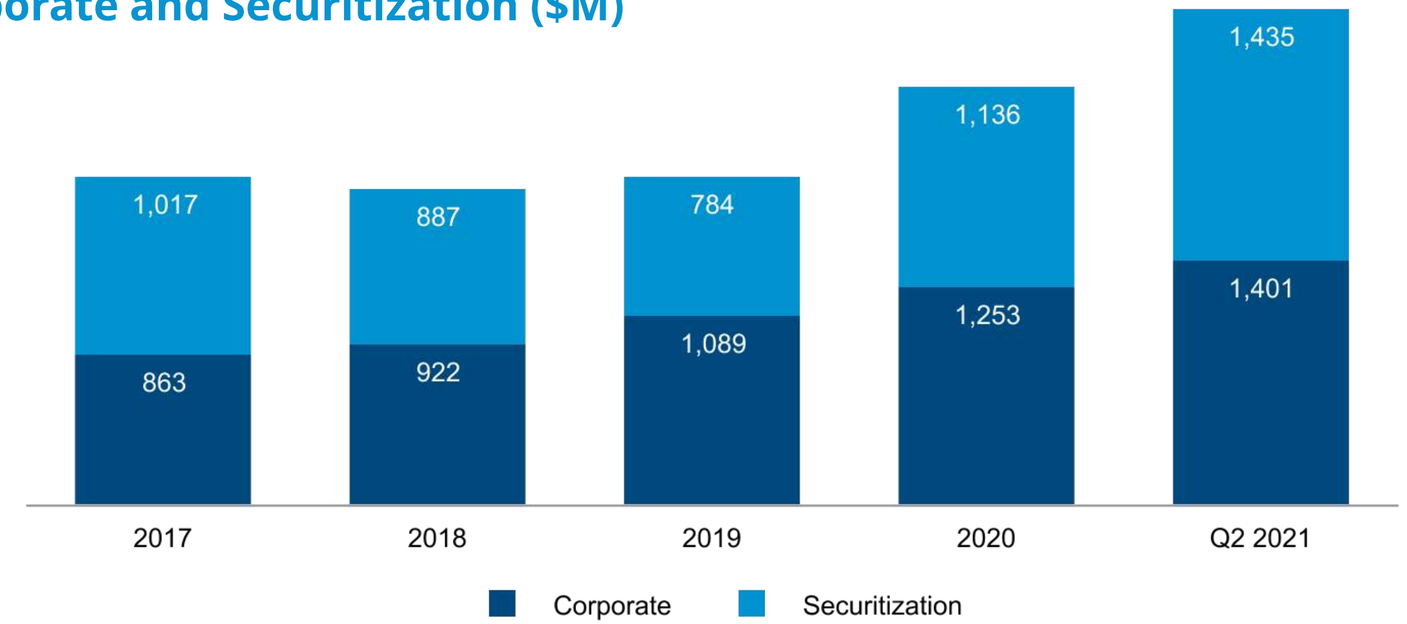
OTHER FUNDING SOURCES

- Securitization of insured single-family mortgages via CMHC securitization program
- Operating line of credit
- Warehouse facility for insured single-family mortgages prior to securitization
- Partner programs
- Equity raises when needed to fund growth
- Currently expanding funding sources as we grow

[1] Term deposits are non-redeemable prior to maturity except in the event of the death of a depositor or financial hardship

Total Mortgage Portfolio

Mortgages - Corporate and Securitization ($M)



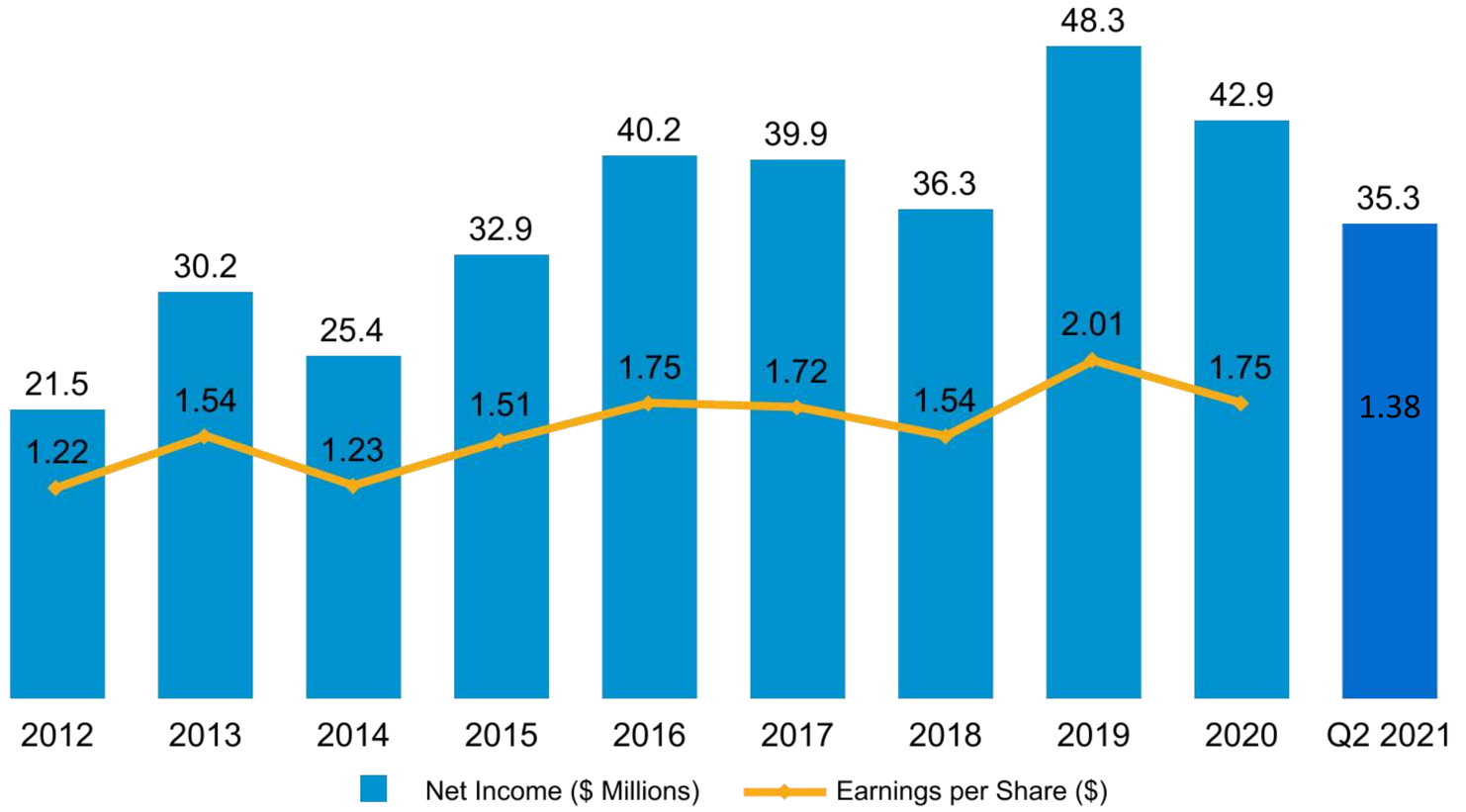
($ millions)	Q2 2021	Q1 2021	Change	Q4 2020	Change
Single Family	$ 789	$ 728	8 %	$ 706	12%
Construction & Commercial	$ 612	$ 559	9 %	$ 547	12%
Total Corporate Mortgages	$ 1,401	$ 1,287	9 %	$ 1,253	12%
Securitization	$ 1,435	$ 1,327	8 %	$ 1,136	26%

10-YEAR HISTORY

Net Income and Earnings Per Share

$35.3M
Net Income

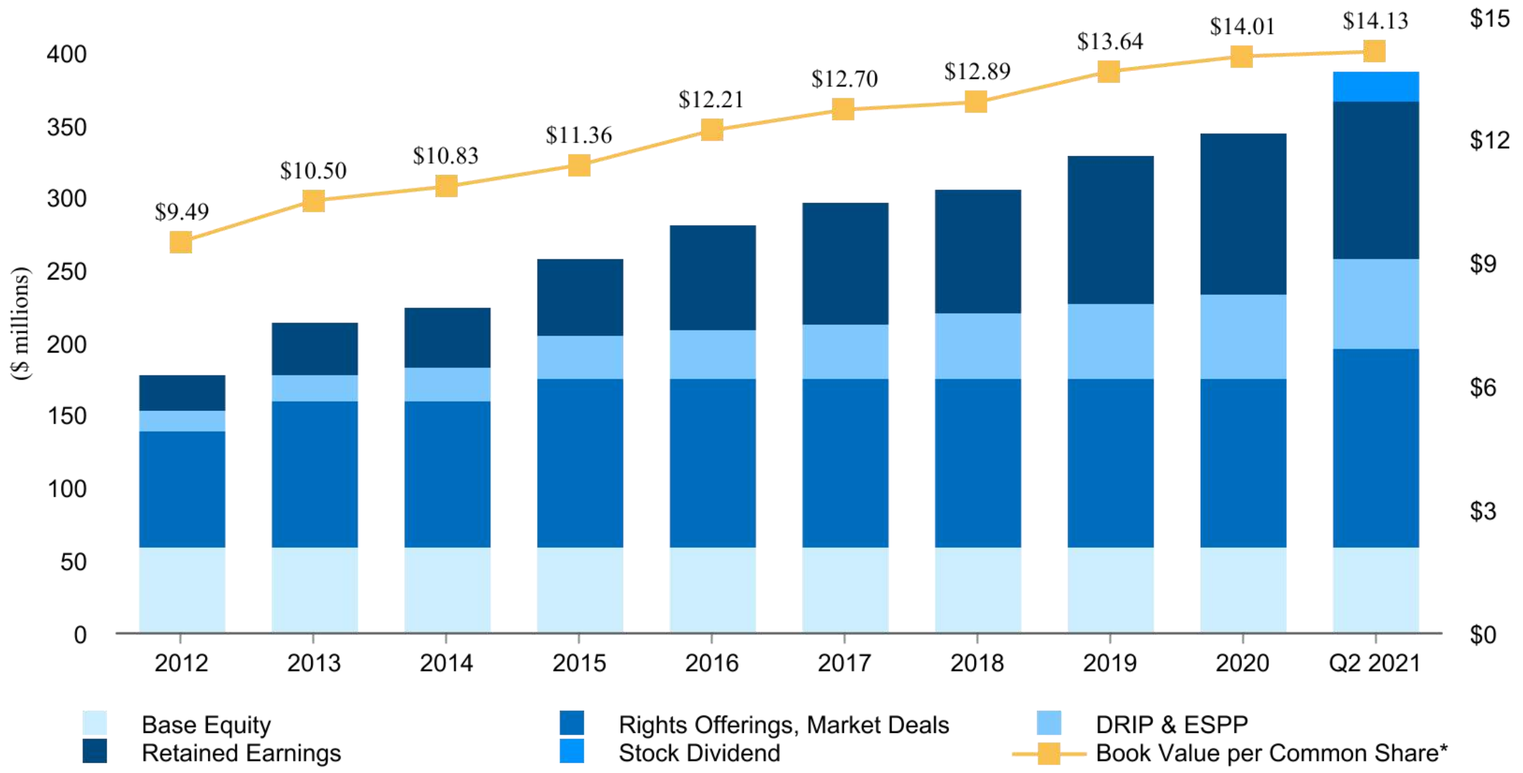
$1.38
EPS YTD 2021



Capital History

$14.13

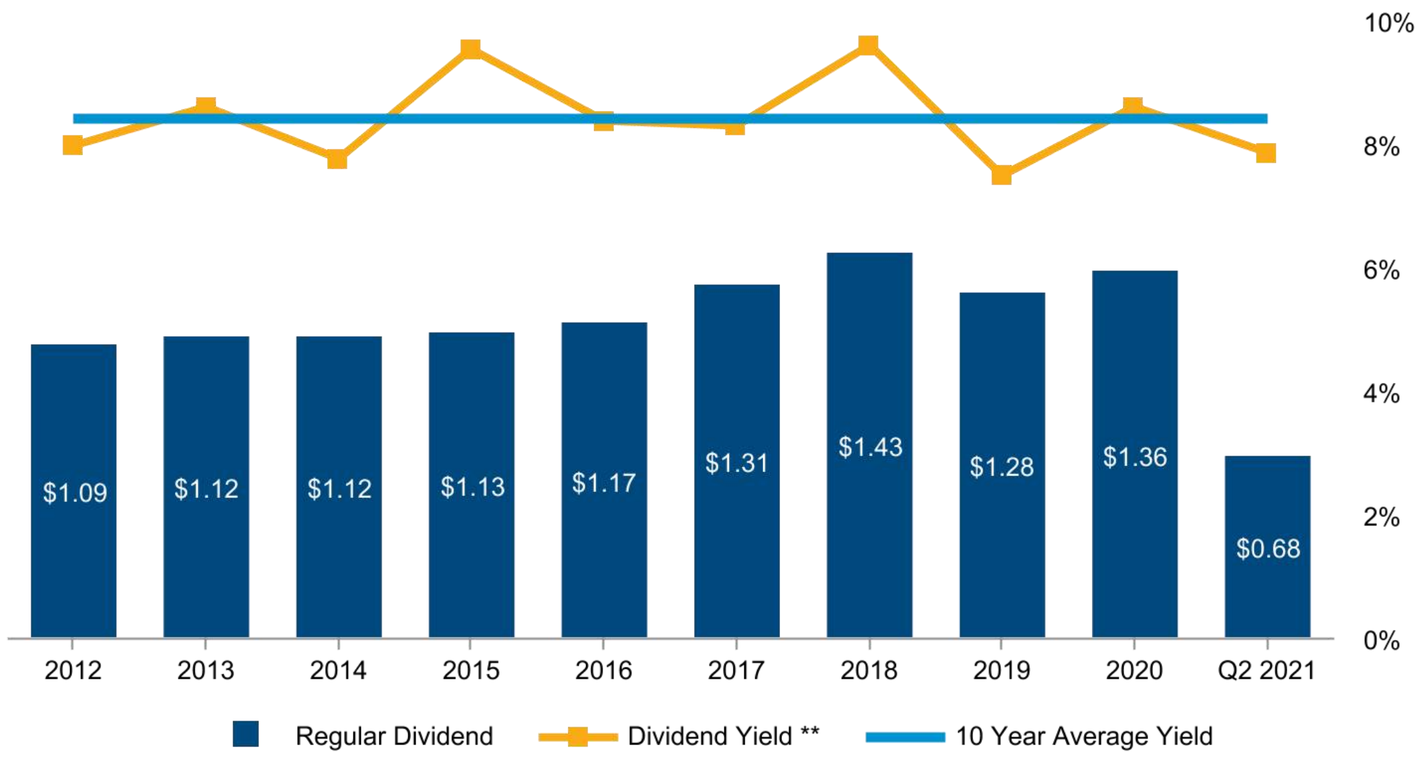
Q2 2021 book value per share*



* Non IFRS measure as defined in MCAN's Q2 2021 MD&A

Dividend Growth and Yield

8.42%
10-year average yield**



** MKP CN Equity - Dividend Indicated Yield – Gross; monthly data 2012 to 2021

MCAN Financial

Q2 2021

Q2 2021 Balance Sheet Highlights

	QoQ	Q2 2021	Q1 2021	Q4 2020	Q3 2020
USF Balance**		$651 million	$575 million	$532 million	$491 million
USF Originations**		$147 million	$105 million	$113 million	$66 million
ISF Originations**		$157 million	$210 million	$218 million	$196 million
Corporate Assets		$1.82 billion	$1.61 billion	$1.56 billion	$1.57 billion
Book Value per Common Share*		$14.13	$13.65	$14.01	$13.46

* Non IFRS measure as defined in MCAN's Q2 2021 MD&A
** USF = Uninsured Single Family and excludes completed inventory; ISF = Insured Single Family

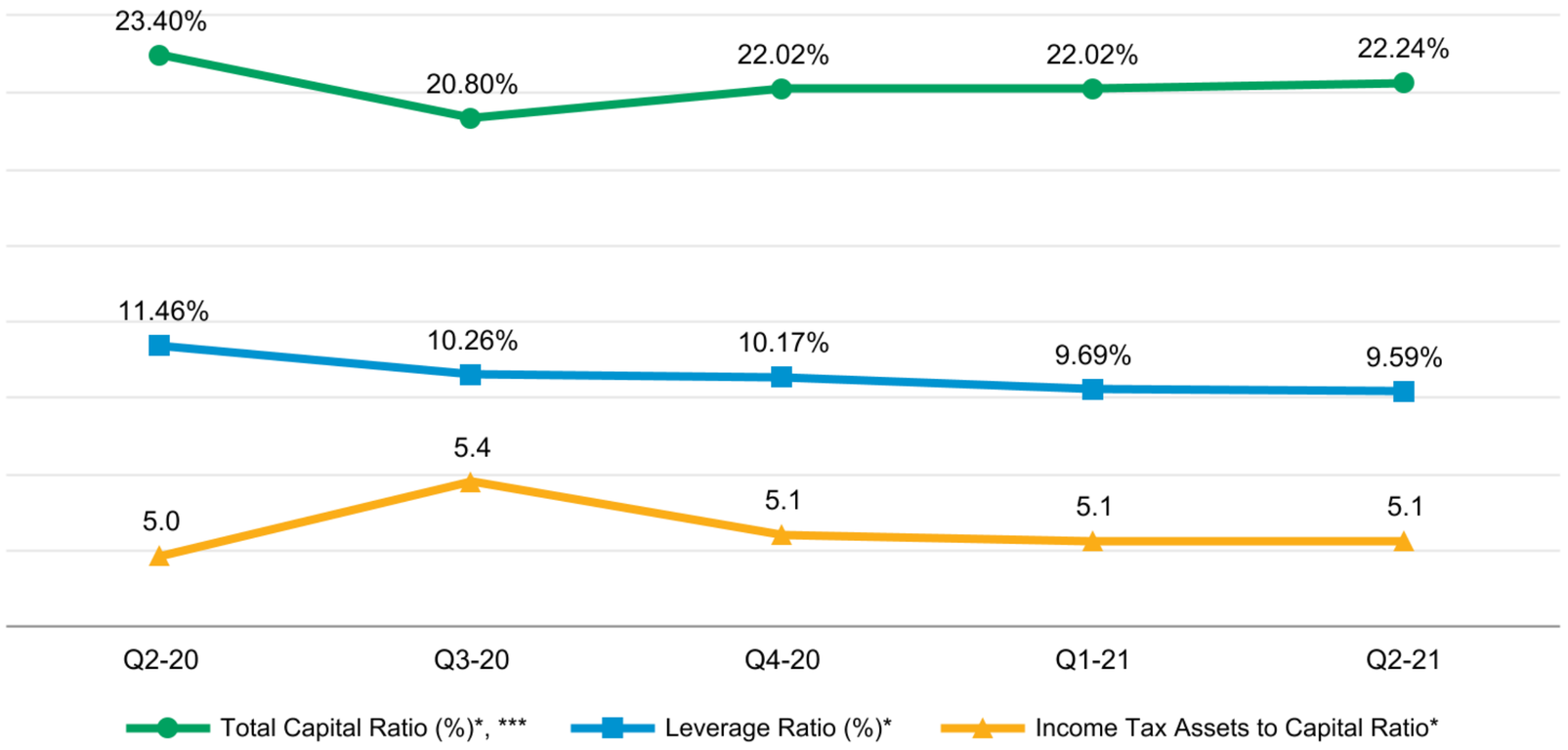
Earnings Highlights

The board declared a third-quarter cash dividend of $0.34 per share and conforms with OSFI's current restriction on increasing cash dividends in effect since March 2020.

	Trend QoQ	Q2 2021	Q2 2020	Trend YoY	YTD Q2 2021	YTD Q2 2020
Mortgage Interest - Corporate Assets	↑	$16.5 million	$15.4 million	↑	$32.3 million	$30.8 million
Net Investment Income - Corporate	↑	$24.4 million	$12.6 million	↑	$44.6 million	$7.6 million
Net Investment Income - Securitization	↑	$1.6 million	$0.4 million	↑	$3.1 million	$1.2 million
Net Gain (Loss) on Marketable Securities	↑	$6.5 million	$1.4 million	↑	$10.4 million	$(14.3) million
Provision for (Recovery of) Credit Losses	↑	$(0.4) million	$0.3 million	↑	$(0.2) million	$2 million
Net Income (Loss)	↑	$19.4 million	$7.8 million	↑	$35.3 million	$(1.9) million
Basic and Diluted Earnings (Loss) per Share	↑	$0.73	$0.32	↑	$1.38	$(0.08)
Return on Average Shareholders' Equity*	↑	21.28%	9.96%	↑	19.75%	(1.21)%
Spread of Corporate Mortgages over Term Deposit Interest and Expense*	↑	2.89%	2.48%	↑	2.83%	2.52%
Dividends per share						
Cash	↔	$0.34	$0.34	↔	$0.68	$0.68
Special Stock	↔	–	–	↑	$0.85	–

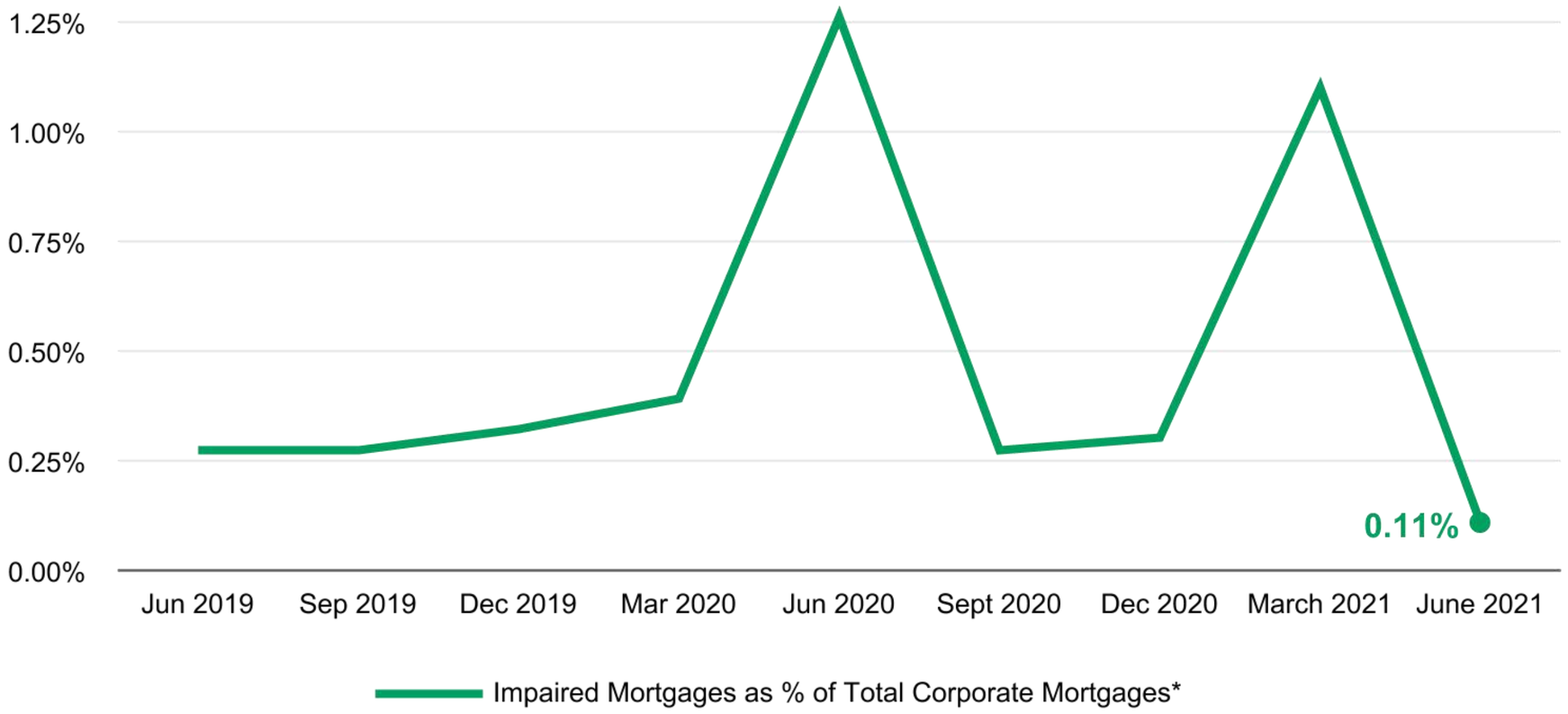
* Non IFRS measure as defined in MCAN's Q2 2021 MD&A

Strong Capital Position



* Non IFRS measure as defined in MCAN's Q2 2021 MD&A
*** Effective March 31, 2020, the total capital ratio includes Tier 2 capital comprising Stage 1 and Stage 2 allowances on our mortgage portfolio. Prior period ratios have not been restated. For further information, refer to MCAN's Q2 2021 MD&A

Portfolio Credit Quality



- At June 30, 2020, we had one construction mortgage where an asset recovery program was initiated, and we received full recovery of past-due interest and principal in Q3 2020. At March 31, 2021, we also had one impaired construction mortgage where an asset recovery program was initiated, and we recovered all past-due interest and principal in Q2 2021. The impairment of both construction mortgages was not related to COVID-19.

* Non IFRS measure as defined in MCAN's Q2 2021 MD&A

ENVIRONMENTAL, SOCIAL, GOVERNANCE

ESG Strategic Highlights

Our values and culture are rooted in our people, and we are committed to responsible environmental, social and governance practices, with focus on:

ENVIRONMENTAL

- Working with real estate development partners committed to responsible corporate citizenship.
- Partnering with originators to source lending opportunities supported by local governments or CMHC sponsored community-based lending.
- Reducing the environmental footprint in our office.

GOVERNANCE

- Sustainable infrastructure ensuring strong governance practices and protocols, including high ethical standards through our Code of Conduct
- Strong governance and risk culture supported by an integrated risk management framework, including our Three-Lines-of-Defense model

SOCIAL

- Cultivating an inclusive and diverse team, including having an Executive Officer Diversity Policy
  - Honouree 2020 and 2021: Globe and Mail Report on Business “Women Lead Here” awards
  - Diverse workforce: diversity surveys indicate > 70% of respondents identified as diverse ethnicities and > 50% as women
- Supporting borrowers most affected by the COVID-19 pandemic by instituting deferral and other programs
- Creating a supportive work environment and benefits for team members during the COVID-19 pandemic
- Providing flex working structure through continued hybrid/remote operations
- Enriching team experience through professional development, an Executive Leadership Development program, volunteer days and a robust benefits plan
- Supporting various charitable organizations

Leadership Team



Karen Weaver
President and Chief Executive Officer



Floriana Cipollone
VP and Chief Financial Officer



Carl Brown
VP Investments



Avish Buck
VP Residential Lending



Emily Randle
VP and Chief Risk Officer



Brenna McGibney
VP Human Resources



Mike Jensen
VP and Chief Compliance Officer



Sylvia Pinto
VP and Corporate Secretary



Milica Pejic
VP Finance



Paul Gill
VP Information Technology



Nazeera Khan
Chief Audit Officer

MCAN Financial

Our vision is to be the **preferred mortgage lender and investor** within our chosen real estate markets **in Canada.**

CONTACT

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