MCAN Financial

Annual and Special Meeting of Shareholders

May 10, 2022

Opening Remarks

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 d/b/a MCAN Financial Group and its subsidiaries (the “Company”). 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.

The Company cautions readers not to place undue reliance on forward-looking statements when making decisions, as many risks and uncertainties could cause actual results, performance or achievements to be materially different from any future results, including those described in the Company’s annual information form, management’s discussion and analysis and other documents filed under the Company’s profile on SEDAR at www.sedar.com. Certain statements included in this presentation may also be considered a “financial outlook” for purposes of applicable Canadian securities laws. The Company presents its outlook to assist shareholders in understanding management’s assumptions and expectations on how the future will impact financial performance of the Company, and as such, these statements may not be appropriate for purposes other than this presentation. The Company does not undertake to update any forward-looking statements, whether oral or written, except as required by securities laws.

Non-GAAP and Other Financial Measures

This presentation references a number of non-GAAP and other financial measures and ratios to assess the Company’s performance such as return on average shareholders' equity, net corporate mortgage spread income, net securitized mortgage spread income, and total shareholder return. These measures are not calculated in accordance with International Financial Reporting Standards ("IFRS"), are not defined by IFRS and do not have standardized meanings that would ensure consistency and comparability between companies using these measures. These metrics are considered to be non-GAAP and other financial measures and are defined and reconciled to the most directly comparable IFRS measure in the "Non-GAAP and Other Financial Measures" section of the Company’s 2021 MD&A available on SEDAR at www.sedar.com, which section is incorporated herein by reference.

Notice of Meeting and Establishment of Quorum

2021 Financial Statements

Amendment to Section 3.01 of By-law No. Ten

Election of Directors

Appointment of Auditors

Certain Amendments to Article 8 of By-law No. Ten

Board's Approach to Executive Compensation

Scrutineer’s Preliminary Report

Results of Amendment to Section 3.01 of By-law No. Ten

Results of Director Election

Results of Auditor Vote

Results of Certain Amendments to Article 8 of By-law No. Ten

Results of Advisory Resolution on the Board's Approach to Executive Compensation

Adoption of Preliminary Report

Introduction of Elected Directors



Bonnie Agostinho



Brian W. Chu



John E. Coke



Glenn Doré



Philip Gillin



Gordon Herridge



Gaelen J. Morphet



Derek Sutherland



Karen Weaver

Termination of Meeting



Karen Weaver
President and
Chief Executive Officer



Floriana Cipollone
SVP and
Chief Financial Officer



Carl Brown
SVP Investments and Corporate Development



Avish Buck
SVP and
Chief Operating Officer

Management Presentation

MCAN Financial Group – New Brand and Trade Name

MCAN Financial

MCAN Home

MCAN Capital

MCAN Wealth



Invested in Canadian Communities

Our shareholders benefit from MCAN's investment in Canadian communities. MCAN offers exclusive access to a range of unique financing and investment opportunities for institutional and retail investors, originators and individuals across Canada that enables them to participate in Canadian real estate markets through:

- our lending on residential homes providing opportunities to Canadians to realize their home ownership dreams
- funding for residential construction for experienced builders to provide new homes in Canada
- our marketable securities portfolio which provide enhanced long term returns
- our non-marketable securities, comprised of partial ownership of MCAP, investments in high-yield loan funds that primarily provide construction financing and IRR-based long term investments that develop and enhance real estate in urban markets in Canada

MCAN Value Proposition

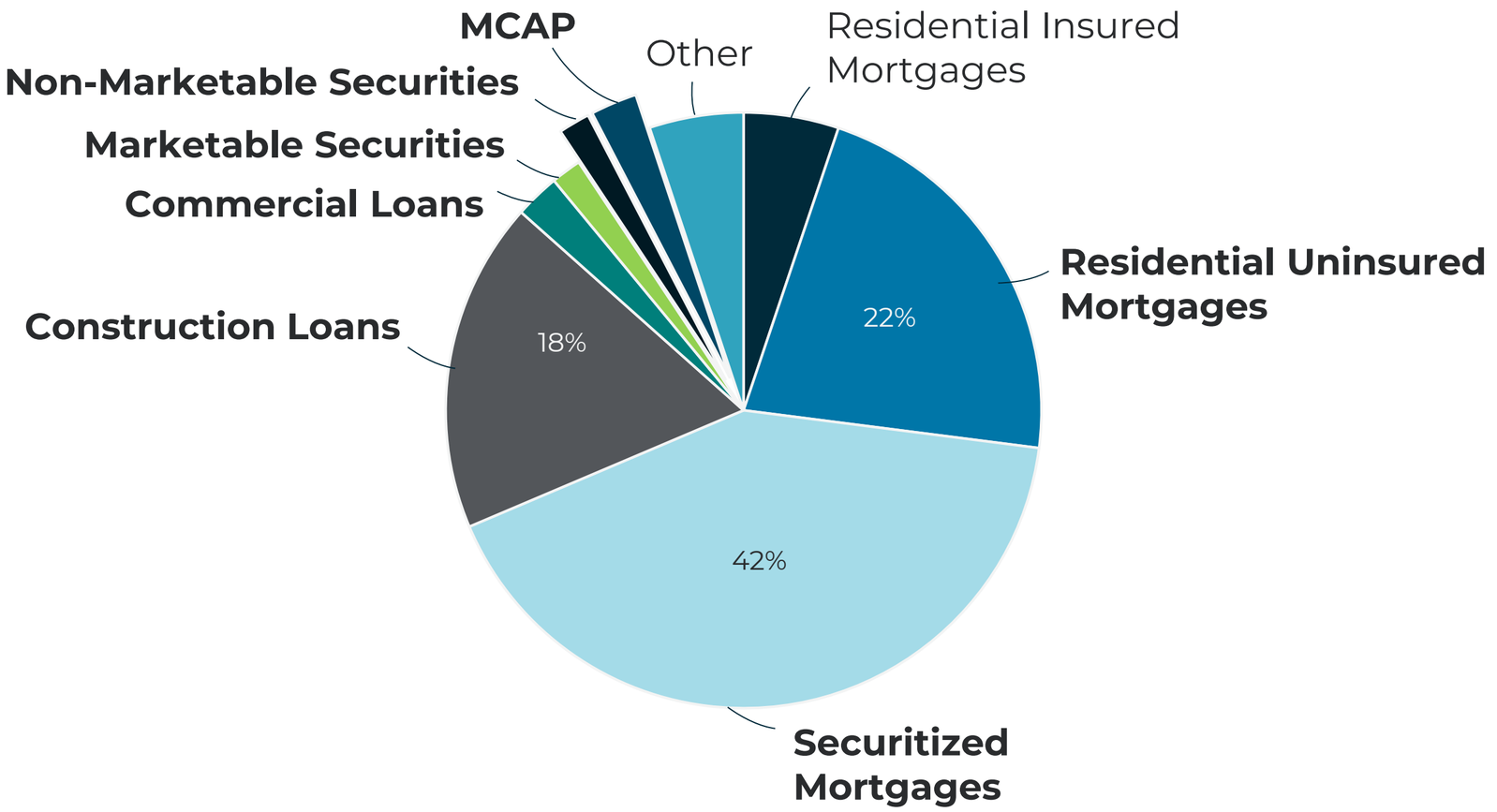
Lower risk profile than peer MICs with equal or higher returns driven by lower funding costs. Differentiated from OSFI-regulated peer lenders due to construction and other investment portfolio focus.

Unique Business Model with Strong Fundamentals	Attractive Financial Profile & Growth	Investment Portfolio a Source of Nascent Value	Seasoned Management Team with Industry Track Record	Consistent and Attractive Dividend Income
• Unique corporate structure as only OSFI-regulated MIC • Deep third-party relationships	• 14% average ROE 2012-2021 • >38% corporate asset growth in 2021 (above 10% target)	• Exposure to MCAP ownership, construction loans and other investments	• Senior Leadership Team has 120 years in collective experience in financial services and real estate at marquee companies	• Recurring regular dividends

Diversified Quality Mortgages and Other Investments

Balance sheet optimization achieved through risk and reward strategy

$3.8B
Total Assets
at December 31, 2021



2021 Year in Review

2021 Earnings Highlights

	FY 2021	Trend YoY
Spread of Corporate Mortgages over Term Deposit Interest and Expense[1]	2.80%	↑ +0.18%
Mortgage Interest – Corporate Assets	$71.8 million	↑ +12%
Net Gain on Marketable Securities	$14.8 million	↑ +262%
Provision for Credit Losses	$0.5 million	↓ -77%
Net Income	$64.4 million	↑ +50%
Basic and Diluted Earnings per Share	$2.40	↑ +37%
Return on Average Shareholders' Equity[1]	16.86%	↑ +3.73%

[1]Considered to be a non-GAAP and other financial measure. For further details, refer to the "Non-GAAP and Other Financial Measures" section of this presentation. Non-GAAP and other financial measures and ratios used in this document are not defined terms under IFRS and, therefore, may not be comparable to similar terms used by other issuers.

2021 Balance Sheet Highlights

	FY 2021	Trend YoY
Total Assets	$3.8 billion	⬆ +40%
Corporate Assets	$2.2 billion	⬆ +39%
Uninsured Balance*	$783 million	⬆ +62%
Uninsured Originations*	$575 million	⬆ +103%
Construction & Commercial Balance	$777 million	⬆ +42%
Construction & Commercial Originations	$728 million	⬆ +46%

*Uninsured Balance and Uninsured Originations exclude completed inventory

First Quarter 2022 Highlights

Q1 2022 Earnings Highlights

	Q1 2022	Trend YoY	
Mortgage Interest – Corporate Assets	$20.5 million	↑	+30%
Recovery of Credit Losses	$1.3 million		n/a
Spread of Corporate Mortgages over Term Deposit Interest and Expense[1]	2.59%	↓	-0.17%
Net Income	$15.5 million	↓	-3%
Return on Average Shareholders' Equity[1]	14.19%	↓	-3.96%

[1]Considered to be a non-GAAP and other financial measure. For further details, refer to the "Non-GAAP and Other Financial Measures" section of this presentation. Non-GAAP and other financial measures and ratios used in this document are not defined terms under IFRS and, therefore, may not be comparable to similar terms used by other issuers.

Q1 2022 Balance Sheet Highlights

	FY 2021	Trend YoY
Total Assets	$4.0 billion	⬆ +5%
Corporate Assets	$2.3 billion	⬆ +5%
Uninsured Balance*	$834 million	⬆ +6%
Uninsured Originations*	$120 million	⬇ -24%
Construction & Commercial Balance	$820 million	⬆ +5%
Construction & Commercial Originations	$102 million	⬇ -16%

*Uninsured Balance and Uninsured Originations exclude completed inventory

2021 Liquidity and Funding Highlights and 2022 Strategy

2021 Liquidity and Funding Highlights

- Active liquidity and funding management
    - $53 million in capital raised via two Rights Offerings
    - $400 million Base Shelf prospectus filed
    - Supplemental $30 million At-the-Market program
    - $50 million secured warehouse facility for insured residential mortgages prior to securitization
    - Record $974 million raised in term deposits
    - Agreement with MCAP to sell insured residential loan commitments, with $76 million sold in 2021
    - Securitized $724 million in insured residential loans

2022 Liquidity and Funding Strategy

- Continued expansion of funding sources to support growth
  - Share sales under At-the-Market program
  - Expand the shareholder base through further equity raises
  - Loan sales at commitment stage with additional partners
  - Secured warehouse facility increased by $50 million to $100 million
  - Operating facility expanded by $100 million to $220 million, at a lower cost
  - Instituted a hedging program

MCAN Wealth

Business Update and Strategy

2021 Highlights and 2022 Strategy

- CDIC-insurable term deposits
- Low-cost liability funding
- Significant source of funding
- Record $974 million raised in term deposits in 2021
- 2022 and beyond strategy
    - Expand term deposit channels
    - Efficiencies in operations
    - Implement digital solutions

MCAN Home

Business Update and Market Outlook



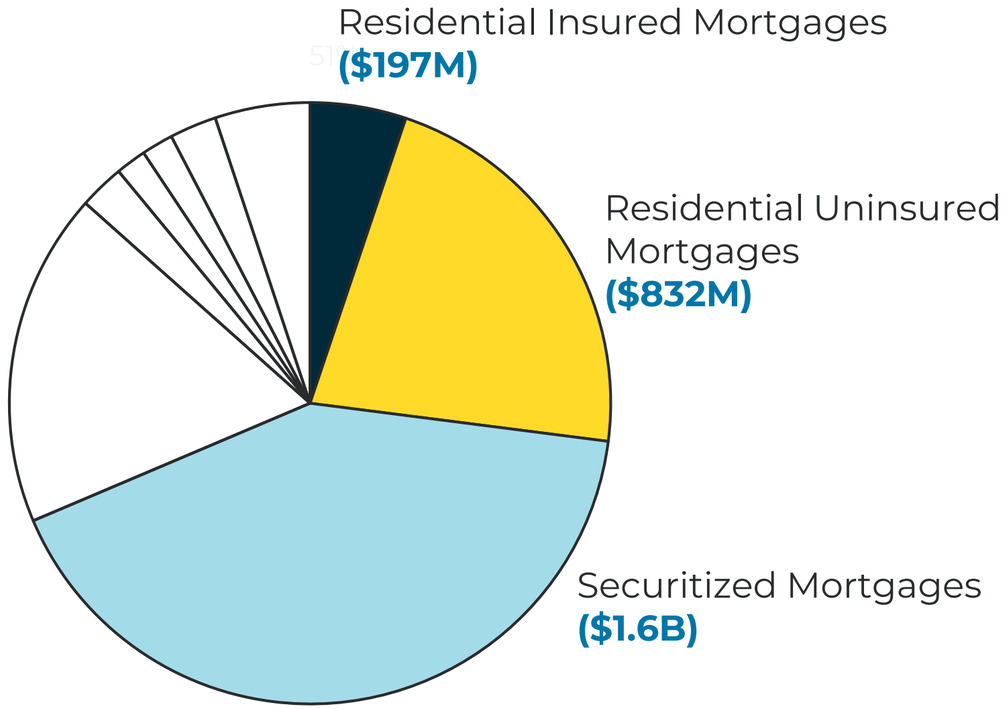
Our Business

- Focus on first time/move-up homebuyers, self-employed professionals, property investors, individual with credit challenges
- Purchases, refinances and renewals
- Fixed and variable rate mortgages
- Geographical focus in major urban areas of Ontario, Alberta, and BC
- In-house origination, underwriting and boots on the ground in core markets
- Deep relationships with third-party mortgage brokers
- Securitize majority of insured mortgages

2021 Highlights

- Record volumes and originations
- Continued focus on operating capabilities and customer support
- Industry recognition in 4 Canadian Mortgage Professionals Brokers on Lenders survey categories
- Winner of 5-Star Mortgage Product Awards for product development and excellence in service





$1.4 B
Total Originations in 2021

$801 M
Insured Originations in 2021

$575 M
Uninsured Originations in 2021

$724 M
Securitization Volumes in 2021

2022 Outlook and Strategy

- Outlook
  - Moderating housing market demand
  - Competitive market given rising interest rates
- Strategy
  - New products to meet market demand
  - Continued focus on service to borrowers and brokers
  - Efficiencies through technology, business infrastructure and process improvements
  - Expand geographic footprint
  - Prudent and disciplined lending

MCAN Capital

Business Update and Market Outlook



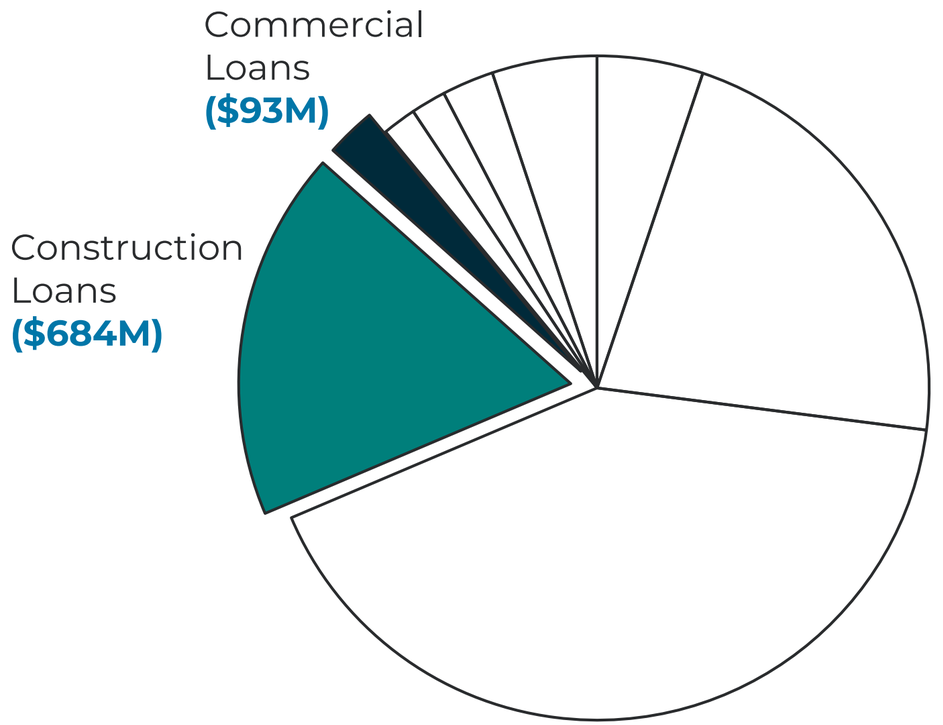
Our Business

- Construction and Commercial Lending
  - Primarily residential construction loans
  - Focus on urban/suburban growth markets in ON, AB, BC
- Marketable Securities
  - Expertly managed REIT portfolio
  - Larger market capitalizations and diversification
- Non-Marketable Securities
  - Private real estate funds
  - Lending to experienced originators and developers in Canada
  - Currently invested in 4 funds; due diligence for an additional 2 funds ongoing

2021 Highlights and 2022 Outlook & Strategy

Construction and Commercial Lending

- 2021 Highlights
  - Strong growth in originations (+46% YoY) and total portfolio (+42% YoY) in 2021
  - Solid relationships with co-investors and partners
  - Strong portfolio credit performance
- 2022 Outlook and Strategy
  - Continued focus on urban/suburban markets
  - Strong credit performance



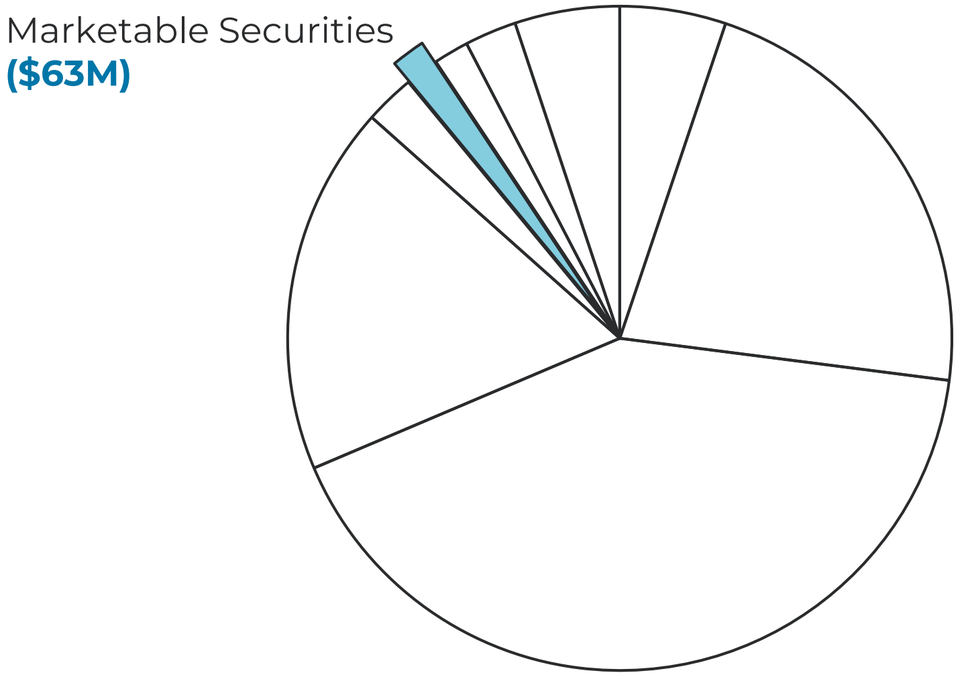
$777 M
Total Portfolio
At December 31, 2021

$728 M
Total Originations
In 2021

2021 Highlights and 2022 Outlook & Strategy

Marketable Securities

- 2021 Highlights
  - 2021 distribution yield of 5.5%
  - Sold $17 million, $4 million realized capital gain
  - Opportunistic reinvestment of $15 million
- 2022 Outlook and Strategy
  - Target 9-11% total return
  - Expect continued market volatility
  - Strategic management of portfolio



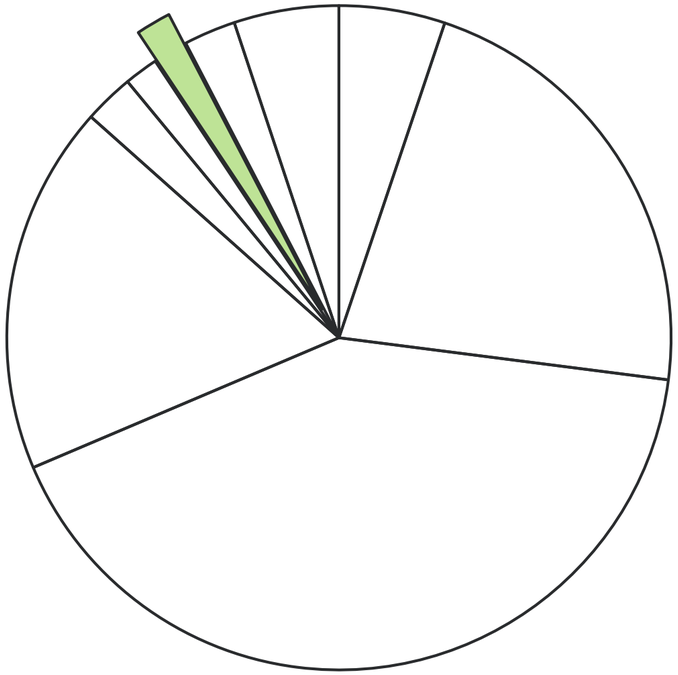
11%	$4 M	5.5%
5-Year Portfolio CAGR	Realized Capital Gains in 2021	2021 Distribution Yield

2021 Highlights and 2022 Outlook & Strategy

Non-Marketable Securities

- 2021 Highlights
  - Over $33 million in new commitments over 4 funds
- 2022 Outlook and Strategy
  - Long term holdings
  - 15% target return for real estate equity funds
  - 6-12% target return for real estate debt funds
  - Continue to increase investments

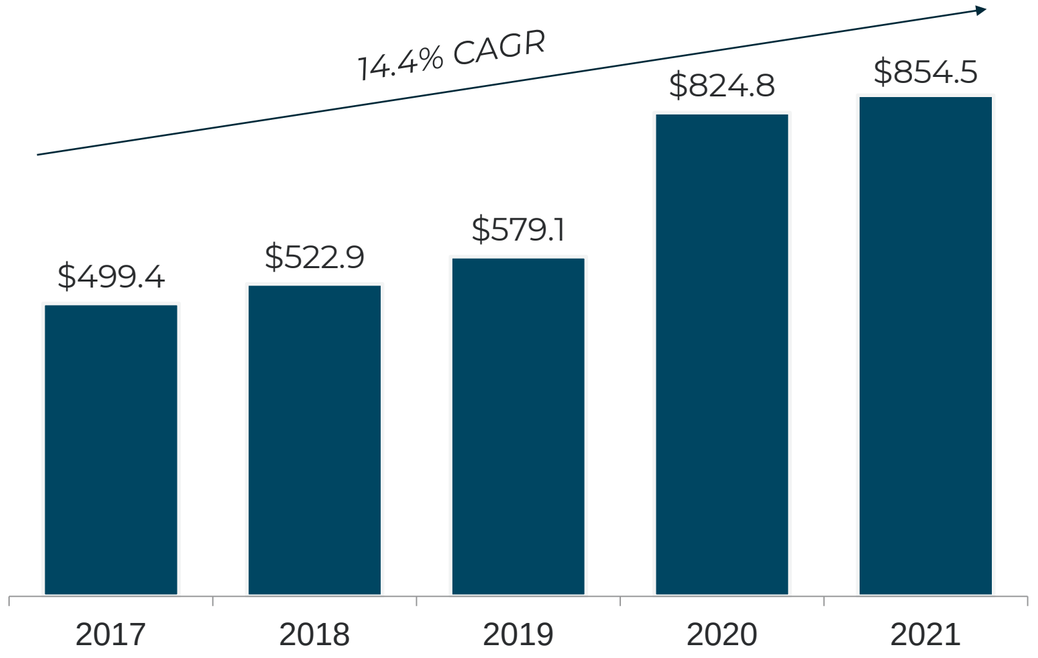
Non-Marketable Securities
($65M)



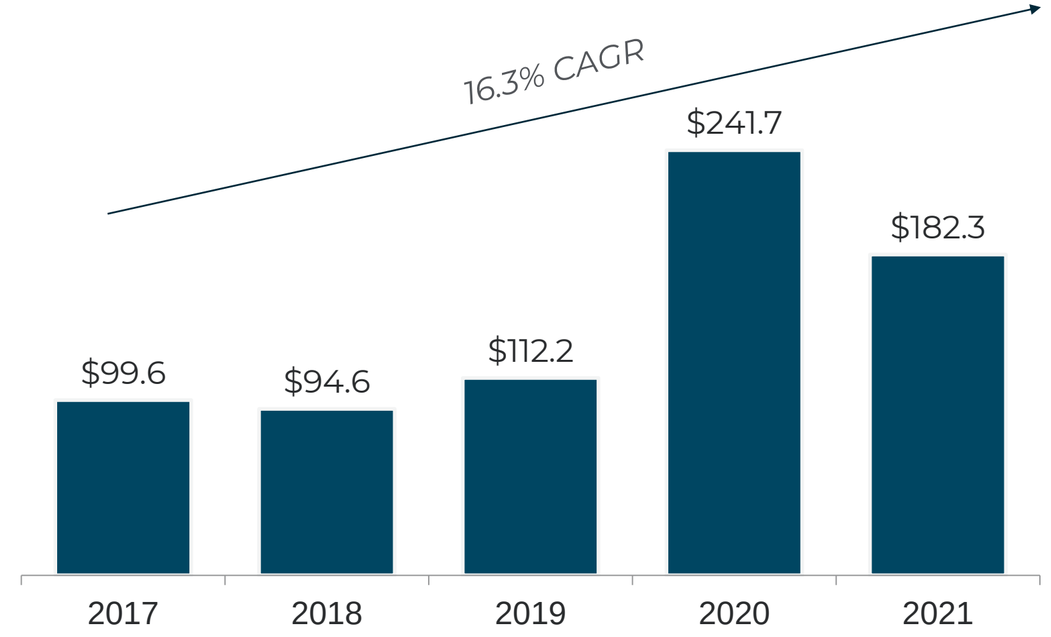
Investment in MCAP

- Strategic relationship with Canada's largest independent mortgage finance company ($147 billion in AUM at February 28, 2022), BBB DBRS Rating
- MCAN owns ~14% equity interest in MCAP (majority owned by CDPQ)
- MCAP serves many institutional investors and over 400,000 homeowners
  - Over 1,400 professionals in 8 offices across Canada
  - National mortgage originator and servicer

MCAP REVENUE ($MM)



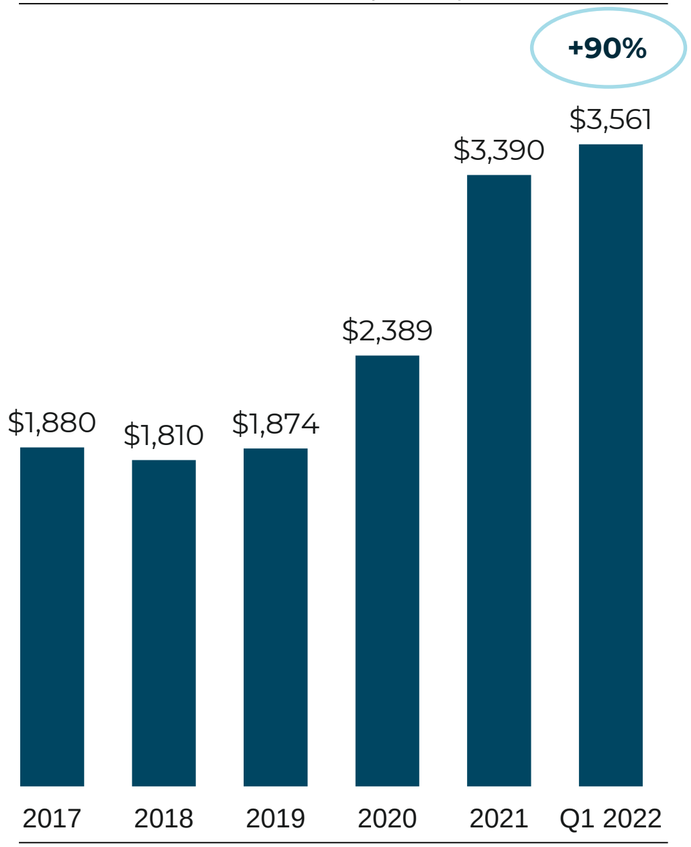
MCAP NET INCOME ($MM)



Strategy and Outlook

Attractive Financial Profile

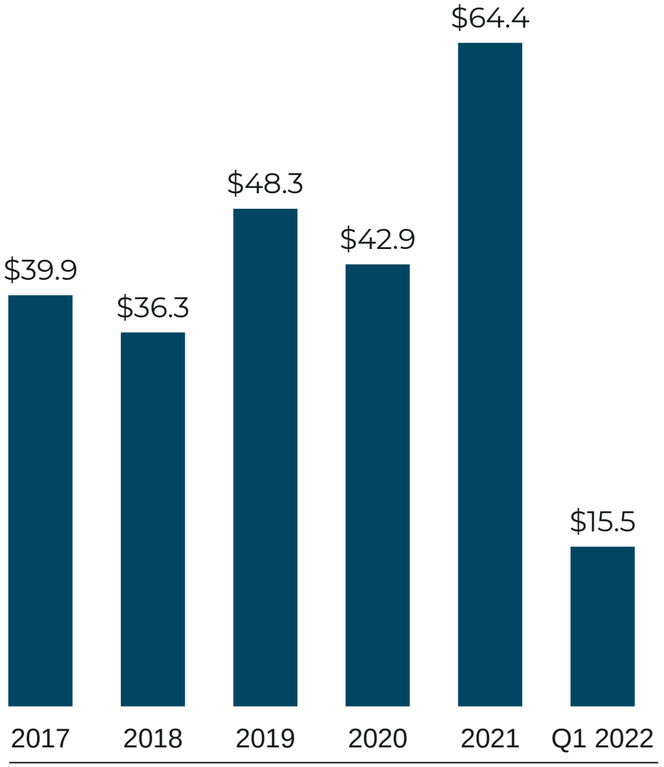
MORTGAGE ASSETS ($MM)



Strong asset growth driven by robust housing market

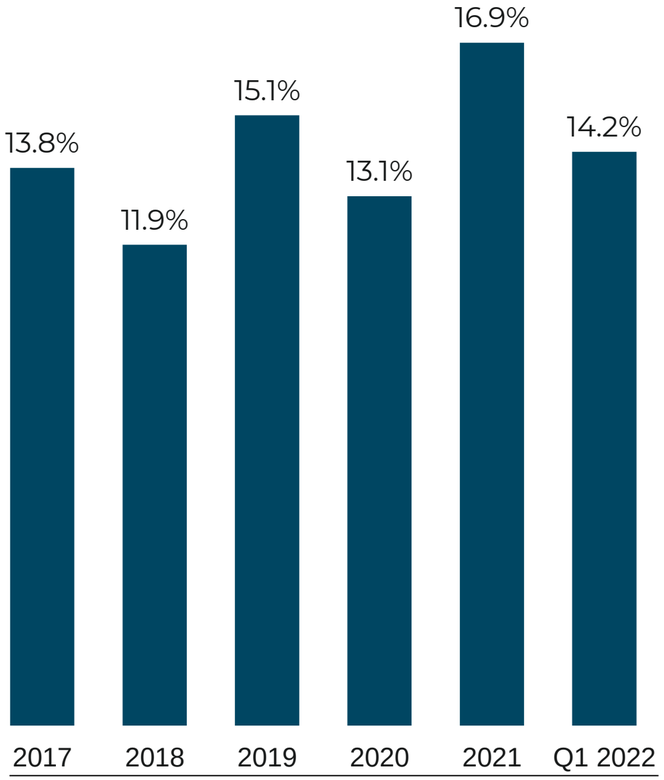
Historically negligible loan losses in the last 10 years

NET INCOME ($MM)



Profitable growth driven by optimized funding and operating leverage

AVERAGE RETURN ON SHAREHOLDERS' EQUITY[1]

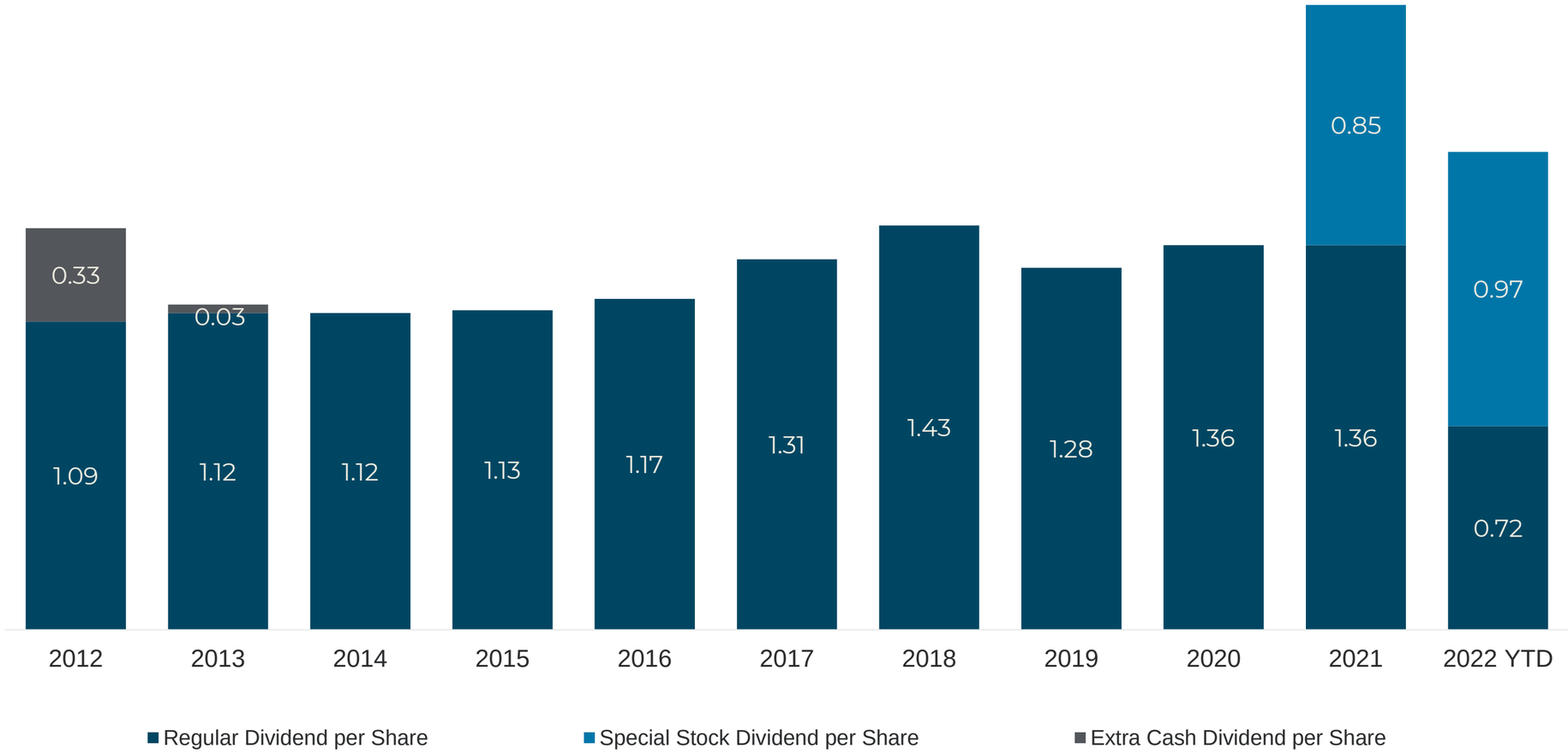


Highly efficient balance sheet and risk adjusted margin driving ROE expansion

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30-Year History of Attractive Dividends

Paying dividends since 1992



Strong Total Shareholder Return



	CAGR[1]	Volatility[2]
LTM	25.09%	2.98
3-Year	17.27%	1.56
5-Year	15.23%	1.79

Source: Bloomberg

[1] Total shareholder return is adjusted for reinvested dividends; trading data as at March 31, 2022.
[2] Volatility measured as the standard deviation in one-day returns.
3 Represents the normalized total return index at the end of the two year period ending March 31, 2022.

Market Outlook

- Adapting to dynamic market conditions with risks and opportunities
- Long term business
- Focused on the long run

Business Outlook

MCAN Home

- Align for mutual success with broker partners
- Increase complement of product offerings
- Expand markets and geographies
- Realize efficiencies in operations through investments in systems and infrastructure

MCAN Capital

- Quality partnerships and relationship driven investing
- Optimized mix of quality investments
- Continued diversification of investments

MCAN Wealth

- Expand term deposit channels
- Streamlined and efficient operations
- Digital solutions

ESG Highlights

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

E	Providing capital and loans to real estate developers and investment funds who are committed to **community and climate-based responsible development**, primarily for **residential density development in urban communities close to mass transit**
S	Cultivating a **highly capable, inclusive and diverse team**, whose foundation is backed by a set of comprehensive policies and programs to support team culture, career development, and community programs
G	**Strong governance and risk culture** aligned with being a public company and a regulated financial institution focused on our stakeholders, including our shareholders, customers, business partners and team members

MCAN Value Proposition

Lower risk profile than peer MICs with equal or higher returns driven by lower funding costs. Differentiated from OSFI-regulated peer lenders due to construction and other investment portfolio focus.

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A Thank You to Our Team

- Effective remote/hybrid work style
- Rewarding team member benefits
- Professional development and career advancement opportunities



- #13 overall on 2022 list of Best Workplaces™
- Great Place to Work® certified

Q&A

Thank You