MCAN Financial

Annual General Meeting of Shareholders

May 9, 2023

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, a pandemic. 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 investor 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, spread of corporate mortgages over term deposit interest and expenses, net corporate mortgage spread income, and book value per common share. 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 Q4 2022 MD&A available on SEDAR at www.sedar.com, which section is incorporated herein by reference.

Notice of Meeting and Establishment of Quorum

2022 Financial Statements

Election of Directors

Appointment of Auditors

Board’s Approach to Executive Compensation

Scrutineer’s Preliminary Report

Results of Director Election

Results of Auditor Vote

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

MCAN Financial

MCAN Home

Residential lending exclusively with mortgage professionals.

MCAN Capital

Real estate and residential construction-based financing and investments.

MCAN Wealth

CDIC-insured investment solutions.

INVESTING IN COMMUNITIES AND HOMES FOR CANADIANS



How we invest

- homeownership through mortgage lending.
- residential construction lending for borrowers building homes.
- a portfolio of long-term REIT investments expertly managed.
- private investment funds focused on lending and developing homes.
- our ownership interest in MCAP, privately owned and Canada’s largest mortgage financing company.

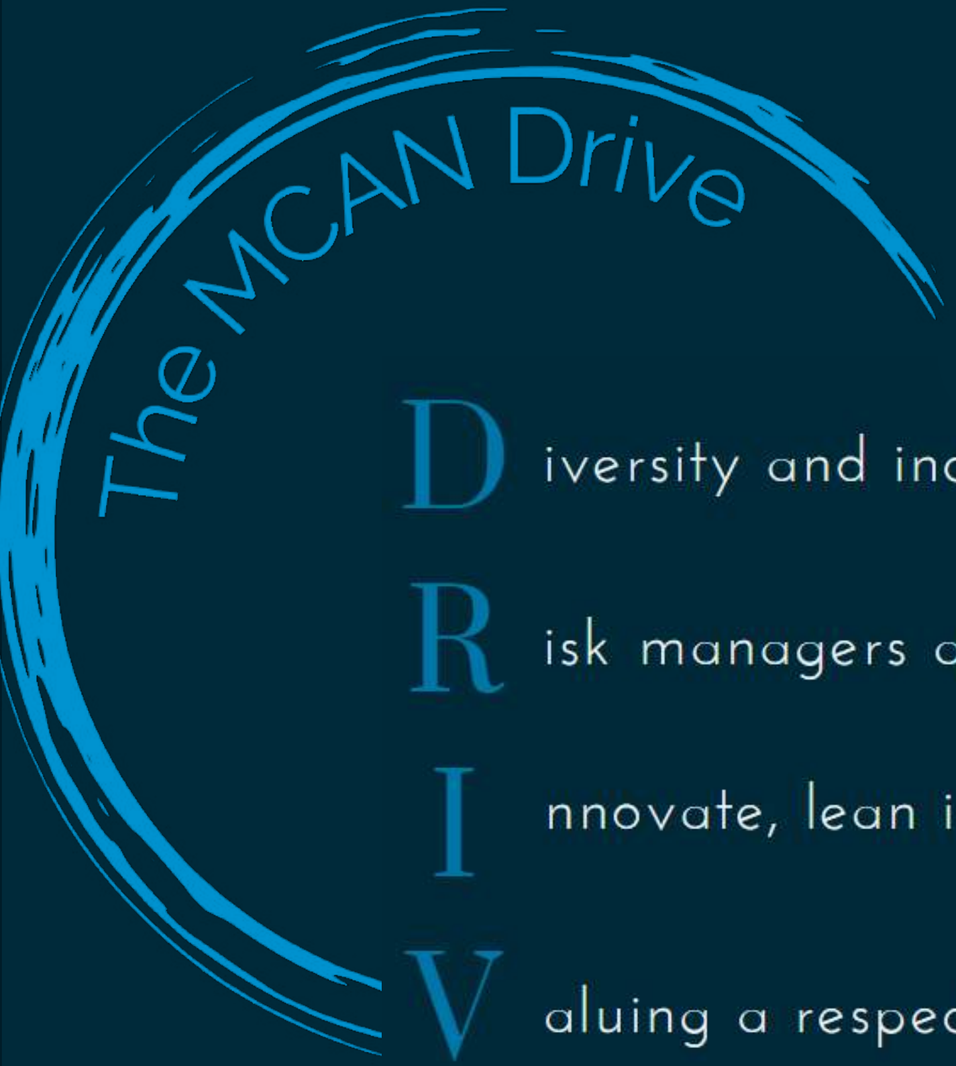
Our Vision is to be the preferred mortgage lender and investor within our chosen real estate markets in Canada.

Our Mission every day is to deliver sustainable growth and value for our stakeholders through:

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







D iversity and inclusion powering our ONE team mindset.

R isk managers are in all of us.

I nnovate, lean in to optimize and grow our business together.

V aluing a respectful, collaborative and relationship-focused team.

E mpowered to act like an owner, think like a customer.

MCAN Value Proposition

We differentiate ourselves from MIC peers with:

1. A lower risk profile; and
2. Higher returns driven by lower funding costs.

We differentiate ourselves from OSFI-regulated peers with:

1. Our residential 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**

Diversified Quality Mortgages and Other Investments

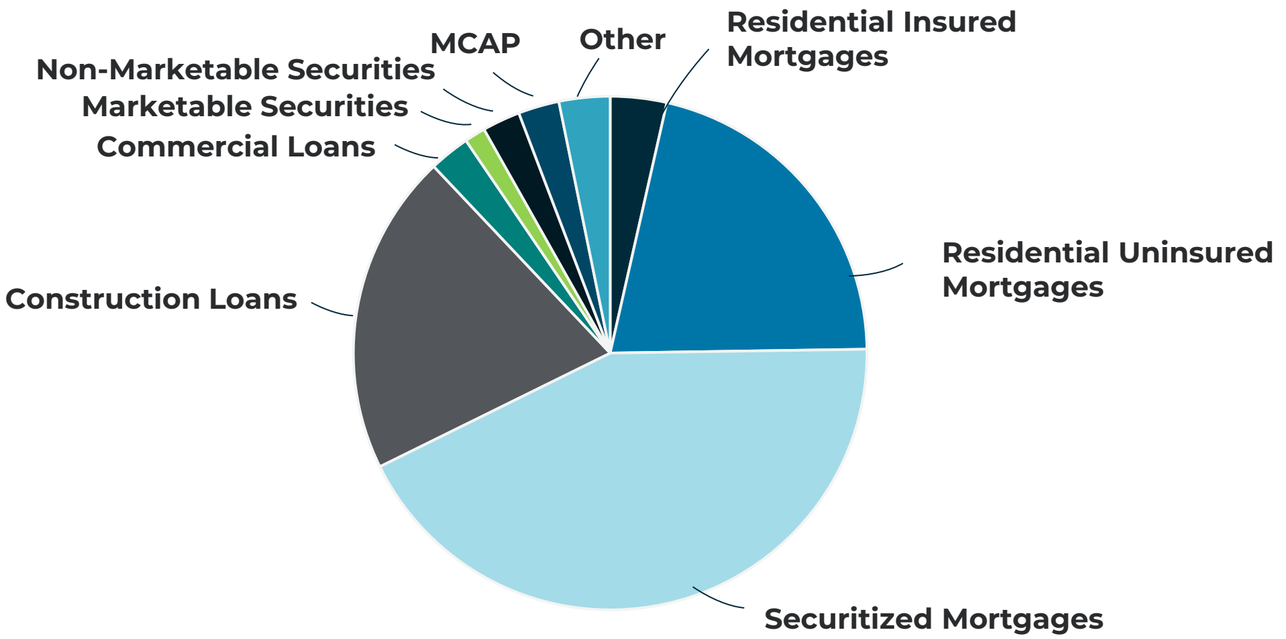
Residential Single-Family Lending

- $829 million total uninsured portfolio
- $1.8 billion total insured securitized portfolio
- $369 million total uninsured originations
- $588 million total insured originations

Commercial and Construction Lending

- $930 million total portfolio
- $537 million total originations

Mortgage Portfolio and Other Investments



$4.1B Total Assets

Data presented at December 31, 2022

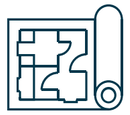
HIGHLIGHTS

Strategies and Execution

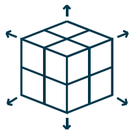
Over the last 4 years we have:



Achieved business growth with strategies that support long term sustainability and high-quality earnings



Pivoted to adapt to significant economic changes



Built and highly effective internal infrastructure, systems applications and team capability to support lean operations



Delivered differentiated service to customers and partners



Built a tremendous, award-winning culture of teamwork, respect, diversity and inclusion

Financial Results

MCAN FINANCIAL GROUP

2019-2022 Financial Results

Significant growth in our business since December 31, 2018:

$1.9B Corporate Mortgage Portfolio
+110%

$4.1B Total Assets
+95%

$55.4M Net Income
+53%

$1.44 per share Regular Cash Dividends
+13%

14.39% Average 4-yr ROE[1]
+0.93% vs previous 4-yr period



[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 presentation are not defined terms under IFRS and, therefore, may not be comparable to similar terms used by other issuers.

MCAN FINANCIAL GROUP

2022 Financial Results

$4.1B
TOTAL ASSETS

$1.77
EARNINGS PER SHARE

6%
CORPORATE ASSET GROWTH FROM DECEMBER 31, 2021

12.47%
RETURN ON AVERAGE SHAREHOLDERS' EQUITY[1]

41%
INCREASE IN NET CORPORATE MORTGAGE SPREAD INCOME FROM 2021

$2.41
DIVIDENDS PER SHARE

- 30+year track record of dividend distribution
- Cash dividends of $1.44 per share in 2022 and a special stock dividend of $0.97 per share paid in Q1 2022

$55M
NET INCOME

$515M
MARKET CAPITALIZATION



[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 presentation are not defined terms under IFRS and, therefore, may not be comparable to similar terms used by other issuers.

MCAN FINANCIAL GROUP

Q1 2023 Financial Results

3.78% **+1.19% YoY**

SPREAD OF CORPORATE MORTGAGES OVER TERM DEPOSIT INTEREST AND EXPENSE[1]

$21.0M **+75% YoY**

NET CORPORATE MORTGAGE SPREAD INCOME[1]

$23.3M **+50% YoY**

NET INCOME

$0.67 **+29% YoY**

BASIC AND DILUTED EARNINGS PER SHARE

18.60% **+4.41% YoY**

RETURN ON AVERAGE SHAREHOLDERS' EQUITY[1]

$2.39B **+5% YoY**

CORPORATE ASSETS

$4.2B **+4% YoY**

TOTAL ASSETS



[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 presentation are not defined terms under IFRS and, therefore, may not be comparable to similar terms used by other issuers.

Liquidity and Funding Highlights and Strategy

2022 Liquidity and Funding Highlights

	Started 2020	2021	End of 2022
Liquidity Sources	• One operating facility	• New $50M warehouse facility to facilitate originations of insured residential mortgages prior to securitization	• Expanded operating facility by $100M, with reduced costs • Expanded warehouse facility by $50M
Funding Sources	• Low to moderate deposit raising activities only	• Agreement to sell insured residential mortgage loan commitments	• Raising record amounts of deposits - $1B in 2022
Treasury Operations	• Nascent treasury function	• Began maturing treasury function, with improved analytics and expanded monitoring and digital capabilities	• Launched a derivatives and hedging program to manage interest rate risk
Capital Activities	• No capital raising for many years; utilized excess MIC capacity	• $53M in capital raised via 2 oversubscribed Rights Offerings • Filed a $400M Base Shelf prospectus to accommodate future equity raises • Launched an At-The-Market program to raise incremental equity capital, cost effectively	• $34M in capital raised through oversubscribed Rights Offering • > $4M raised to date on At-The-Market equity program • Expanded investor visibility

2023 and Beyond - Liquidity and Funding Strategy

- Continued expansion of liquidity and funding sources to support growth
  - Expand our hedging program
  - Loan sales at commitment stage with additional partners and new products

- Continued maturation of capital markets activities
  - Continue market visibility
  - Over time, expand shareholder base through equity raises

MCAN Home

Business Update and Strategy



MCAN HOME

Our Business

- Focus on first time/first move-up homebuyers, self-employed professionals, property investors, individuals with credit challenges
- Purchases, refinances and renewals
- Fixed and adjustable-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
- Pivot between securitization or sale of insured mortgages

MCAN HOME

2022 Highlights

$957M

Total Originations

$588M

Insured Originations

$369M

Uninsured Originations

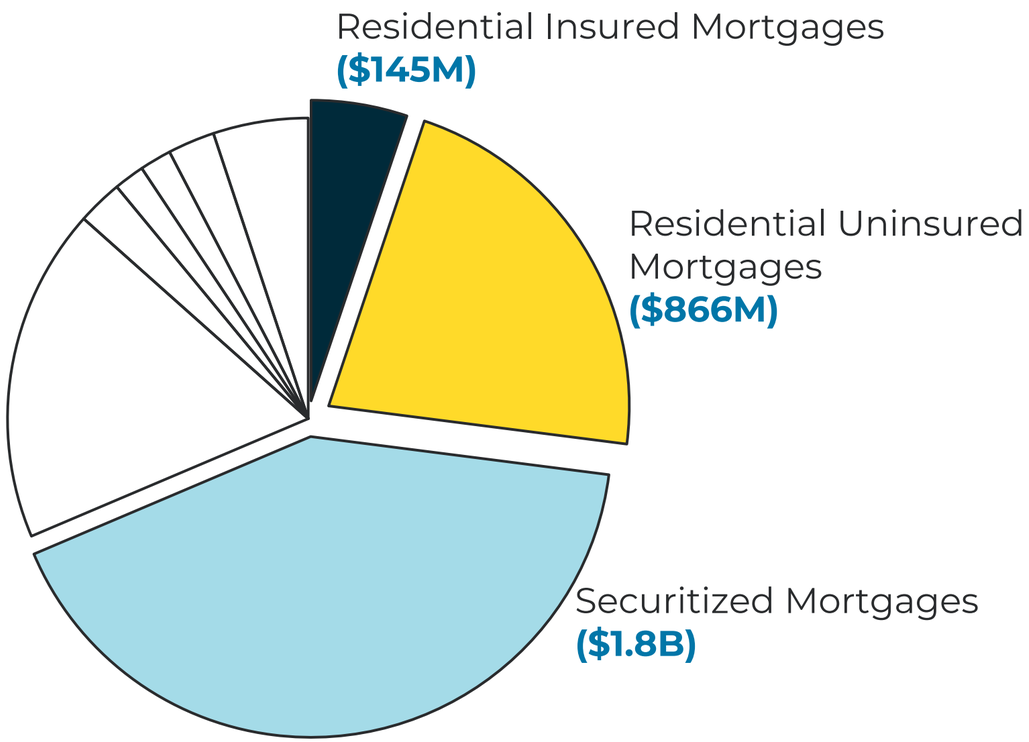
$450M

Renewals



MCAN HOME

2022 Overview



Market Growth Strategy

- Strong originations despite market slowdown
- Higher retention rate in comparison to previous years
- Strategy focused on maintaining net interest margins

Product Development

- Launched Second Mortgage and Adjustable-Rate Mortgage

Market Development

- Targeted areas of growth - Western and Atlantic Canada
  - Dedicated Business Development Managers in these regions

Digitization of key channels and processes

- Continued development of broker portal, platform enhancement, and critical processes to improve broker and client experience

MCAN HOME

2022 Overview

Rebrand to MCAN Home

- Increased brand awareness and reach through digital channels, including our new MCAN^{TV}
- Increased demand from growing broker network
- Industry recognition for service, culture and product development
  - Winner of 5-Star Mortgage Product Awards
  - Excellence Awardee in categories of Underwriter, BDM and Employer of Choice at 2023 Canadian Mortgage Awards









2023 Outlook and Strategy

Outlook

- Credit monitoring critical – expect minimal arrears
- Moderating housing market demand in the short term
    - House prices likely have further to drop
- Pausing rate hiking cycle should encourage housing market in 2H 2023/2024
- Solid market fundamentals despite near term uncertainty

Strategy

- New products to meet market demand
- Continue to expand funding sources for these products
- 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 Strategy



MCAN CAPITAL

Our Business

Construction and Commercial Lending

- Primarily residential construction loans for more affordable housing
- Focus on urban/suburban growth markets in ON, AB, BC with proximity to transit

Marketable Securities

- Expertly managed REIT portfolio
- Larger market capitalizations and diversification

Non-Marketable Securities

- Private real estate funds
- Investing with experienced originators and developers in Canada

MCAN CAPITAL

2022 Highlights

$930M

Construction and Commercial Portfolio

$537M

Construction and Commercial Originations

$14M

5-Year Marketable Securities Realized Capital Gains

$176M

Non-Marketable Securities Commitment

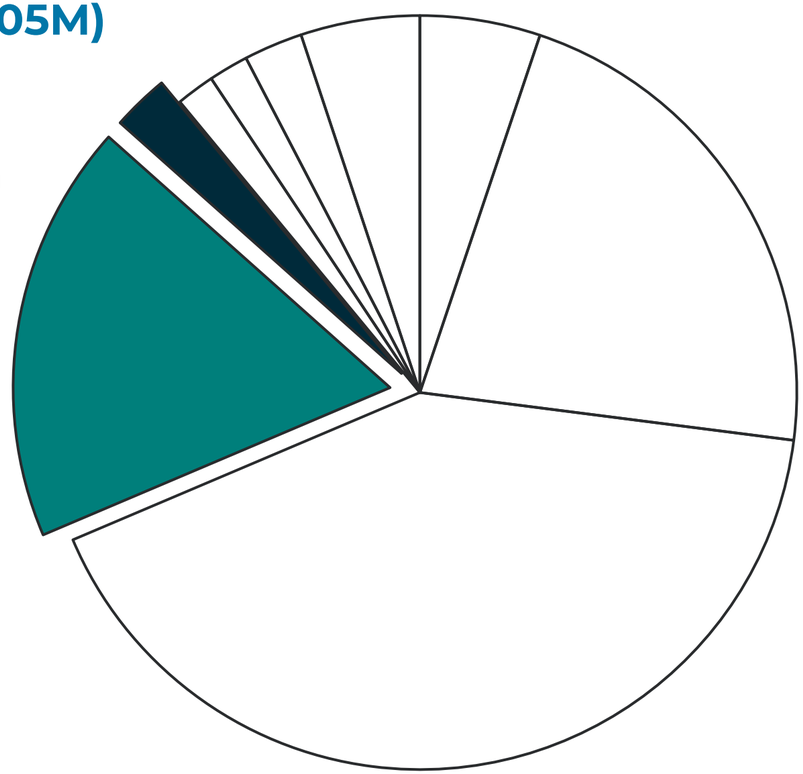


MCAN CAPITAL

2022 Overview and 2023 Outlook and Strategy

Commercial Loans **($105M)**

Construction Loans **($825M)**



Construction and Commercial

2022 Highlights

- Strong growth in total portfolio (20% YoY)
- Benefited from higher interest rates
- Strong portfolio credit performance

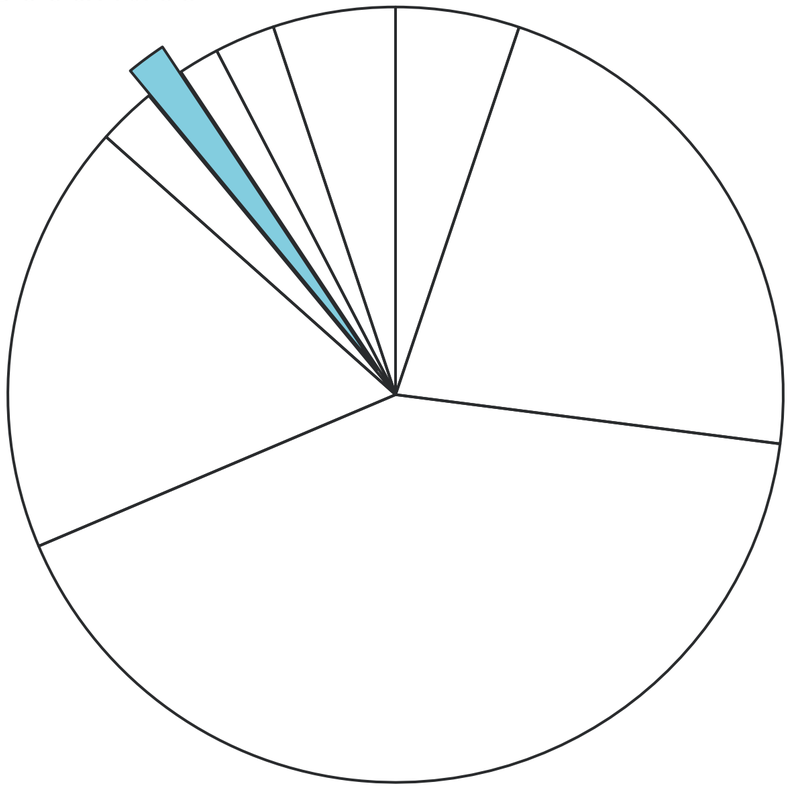
2023 Outlook and Strategy

- Continued focus on urban/suburban markets supported by increased immigration levels
- Solid relationships with co-investors/partners
- Maintain strong credit performance
- Manage loan run-off following project completions in 2023

MCAN CAPITAL

2022 Overview and 2023 Outlook and Strategy

Marketable Securities
($54M)



Marketable Securities

2022 Highlights

- Strong distribution yield of 6%
- $14M realized capital gains over last 5 years

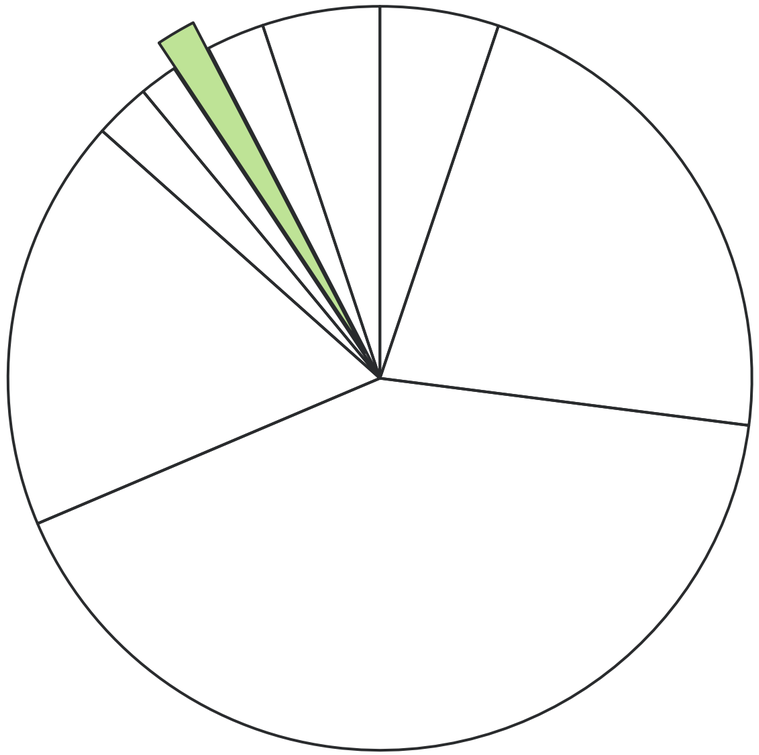
2023 Outlook and Strategy

- Continued market volatility given interest rate environment; but improved from 2022
- Strategic management of portfolio
- Target 9-11% total return

MCAN CAPITAL

2022 Overview and 2023 Outlook and Strategy

Non-Marketable Securities
($97M)



Non-Marketable Securities

2022 Highlights

- Invested in 10 real estate funds with $97 million funded as at year end.
- Diversified investment portfolio across multiple asset classes to experienced partners.

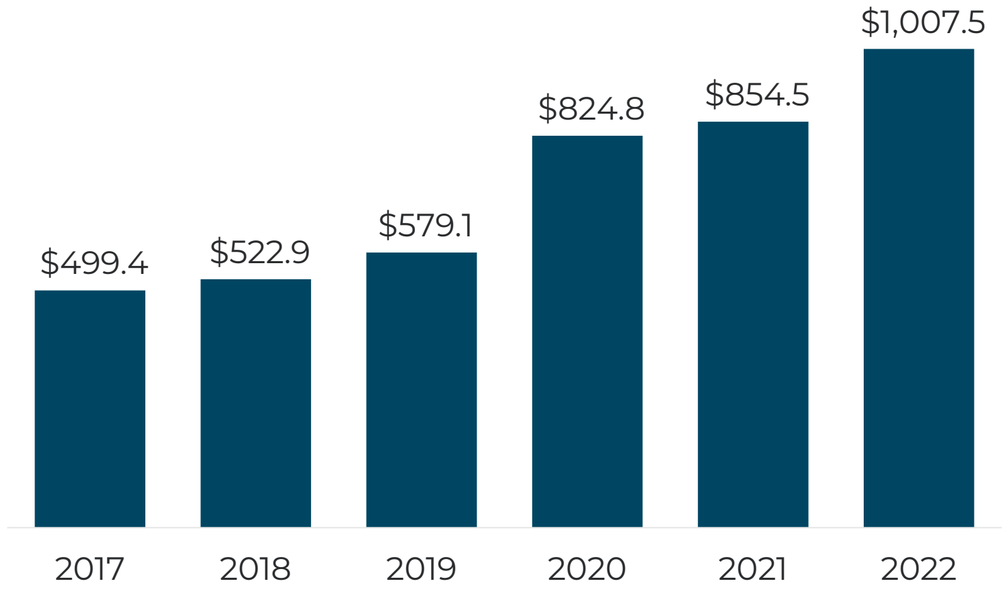
2023 Outlook and Strategy

- Long term holdings up to 10 years
- 12-15% target return for real estate equity funds
- 9-12% target return for real estate debt funds

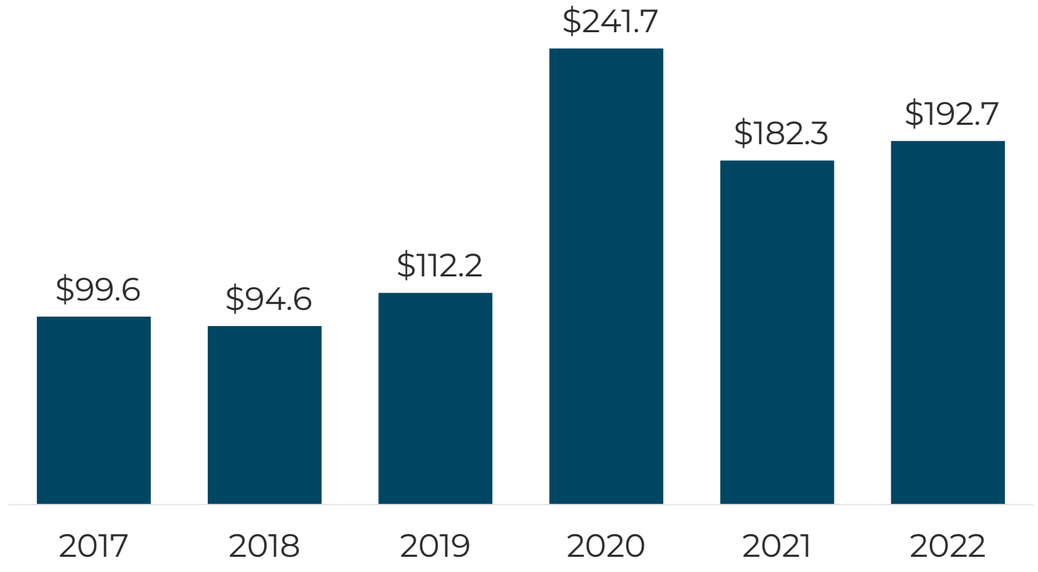
Investment in MCAP

- Strategic relationship with Canada's largest independent mortgage finance company ($154 billion in AUM at November 30, 2022), BBB DBRS Rating
- Privately owned - 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 ($M)



MCAP NET INCOME ($M)



MCAN Wealth

Business Update and Strategy



MCAN WEALTH

Our Business

- CDIC-insurable term deposits
- Low-cost liability funding
- Significant source of funding
- Short and long-term investment options
- Non-redeemable

MCAN WEALTH

2022 Highlights

$1B

Term Deposits Raised

16Mths

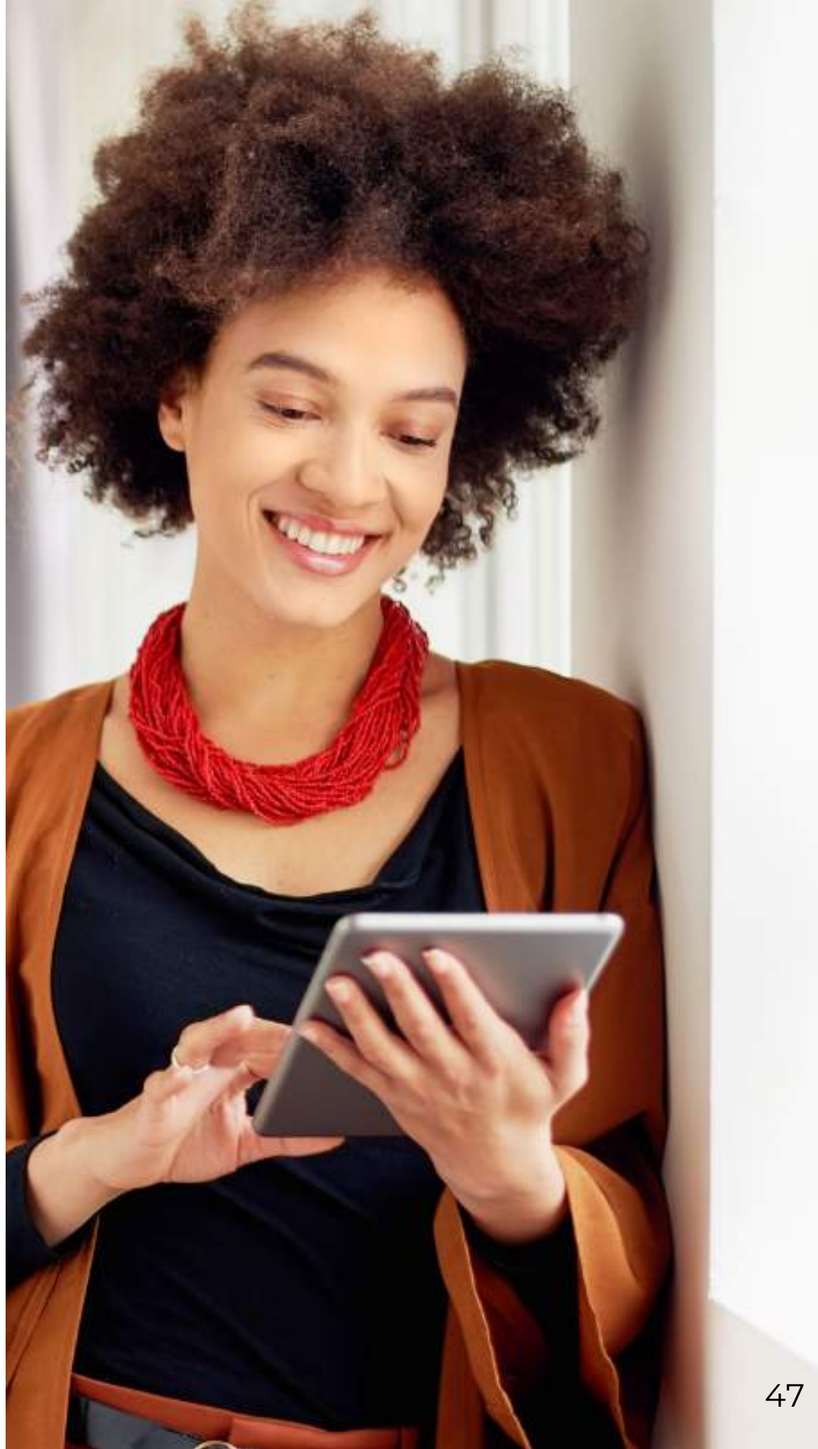
Average Term to Maturity

3

Total Number of Large Bank Boards Used to Source Term Deposits

>40

Total Number of Brokers and Agents Used to Source Term Deposits



MCAN WEALTH

2022 Overview

- Gained access to another Sched I Chartered Bank deposit board
- Record $1 billion raised in term deposits in 2022
- Began process efficiencies and automation within MCAN Wealth
- Began working on a digital deposit channel

2023 Outlook and Strategy

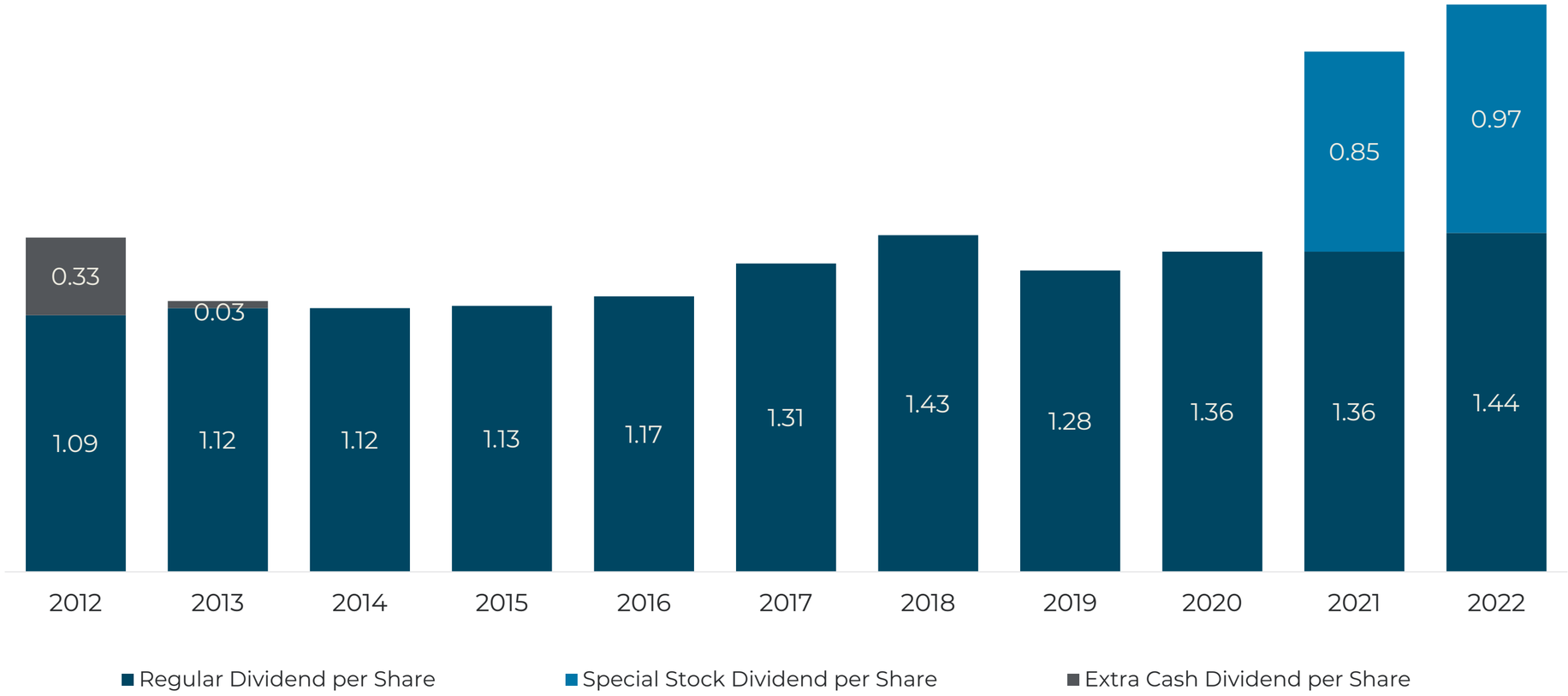
- Outlook
  - Active market for deposits
  - Continued volatility in Government of Canada bond rates will impact deposit market

- Strategy
  - Continued efficiencies in operations
  - Launch of our new digital deposit channel

Strategy and Outlook

32-Year History of Attractive Dividends

Paying dividends since 1992



Strong Total Shareholder Return

	Total Shareholder Return	CAGR[1]
3-Year	29.04%	8.87%
5-Year	45.25%	7.74%
10-Year	183.05%	10.96%

Source: Bloomberg

[1] Total shareholder return is adjusted for reinvested dividends; trading data as at December 31, 2022.

Market Outlook

- Dynamic market conditions
- Canadian housing market fundamentals ultimately strong
- Long term business
- Focused on the long run

2023 Strategic Priorities

- Grow, diversify and add new products to our portfolio of investments ✓
- Expand our funding sources and capital ✓
- Invest in technology and process efficiencies ✓
- Improve customer, partner and shareholder relations ✓
- Enhance people management and capabilities, and team member experience ✓
- Focus on both internal and external growth ✓

Business Outlook

MCAN Home

- Continue focus on service to borrowers and brokers
- Increase complement of product offerings and funding sources for those products
- Continue expanding markets and geographies
- Continue investment in technology to realize operating efficiencies

MCAN Capital

- Quality partnerships and relationship driven investing
- Strategic management of portfolios
- Continue sourcing quality projects to invest in and lend to

MCAN Wealth

- Continue streamlining for efficiency
- Digital channel for term deposits
- Additional banks in the Broker channel

MCAN FINANCIAL GROUP

2022 ESG Highlights

8,260

Trees planted in partnership with *One Tree Planted*

$55M

Committed for investments in equity funds focused on the environment

$51,000

Amount of free mortgage payments covered via MCAN *ICON Partner Program*

$24M

Funded in construction of affordable housing projects



#MCANLIFE

2022 Team Member Survey Highlights



92%

MCAN allows me the flexibility to integrate the needs of my personal life and work life.

97%

My immediate co-workers go the extra mile to achieve great results

MCAN FINANCIAL GROUP

Our Amazing Team

- 13th overall on 2022 list of Best Workplaces™ in Canada
- *Report on Business* Women Lead Here last 4 years
- *Great Place to Work®* certified
  - 2022 Best Workplaces for Inclusion
  - 2022 Best Workplaces for Professional Development
  - 2022 and 2023 Best Workplaces for Women
  - 2022 Best Workplaces in Financial Services & Insurance
  - 2022 Best Workplaces in Ontario
  - 2023 Best Workplaces for Giving Back Award
  - 2023 Best Workplaces Managed by Women
- *Canadian Mortgage Professional* 2023 Top Mortgage Employer
- *Canadian Mortgage Professional* 2023 5-Star Mortgage Products
- *Canadian Mortgage Professional* 2023 Excellence Awardee for Underwriter and BDM of the Year
- 2023 Innovative HR Teams

"A fair place and room to grow. People are supportive and collaborative.
The "Can Do" attitude."

"Teamwork and diverse culture, as well as flexibility in work-life to balance both"

"I feel that I contribute to a growing company. We all care for one another on a human level"

MCAN Value Proposition

We differentiate ourselves from MIC peers with:

1. A lower risk profile; and
2. Higher returns driven by lower funding costs.

We differentiate ourselves from OSFI-regulated peers with:

1. Our 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**

Q&A

Thank You