MCAN FINANCIAL GROUP ANNOUNCES INSIDER PARTICIPATION IN RECENTLY COMPLETED RIGHTS OFFERING

Toronto, Ontario - Jan 10, 2023. MCAN Mortgage Corporation d/b/a MCAN Financial Group ("MCAN", the "Company" or "we") (TSX: MKP) today announced additional information regarding the participation of insiders of MCAN in the rights offering of the Company that expired on December 20, 2022 (the "Rights Offering").

Pursuant to the basic subscription privilege under the Rights Offering, 1,826,553 common shares of the Company (the "Common Shares") were distributed at a price of $14.00 per Common Share (the "Subscription Price"). Of these Common Shares, 318,426 were distributed to persons who are insiders of MCAN and 1,508,127 were issued to the remaining subscribers under the basic subscription privilege.

Pursuant to the additional subscription privilege under the Rights Offering, 623,854 Common Shares were distributed at the Subscription Price. Of these Common Shares, 127,426 were distributed to persons who are insiders of MCAN and 496,428 were issued to the remaining subscribers under the additional subscription privilege.

MCAN is a public company listed on the Toronto Stock Exchange under the symbol MKP and is a reporting issuer in all provinces and territories in Canada. MCAN also qualifies as a mortgage investment corporation ("MIC") under the Income Tax Act (Canada) (the "Tax Act").

The Company's primary objective is to generate a reliable stream of income by investing in a diversified portfolio of Canadian mortgages, including residential, residential construction, non-residential construction and commercial loans, as well as other types of securities, loans and real estate investments. MCAN employs leverage by issuing term deposits that are eligible for Canada Deposit Insurance Corporation deposit insurance that are sourced through a network of independent financial agents. We manage our capital and asset balances based on the regulations and limits of both the Tax Act and the Office of the Superintendent of Financial Institutions.

As a MIC, we are entitled to deduct the dividends that we pay to shareholders from our taxable income. Regular dividends are treated as interest income to shareholders for income tax purposes. We are also able to pay capital gains dividends, which would be treated as capital gains to shareholders for income tax purposes. Dividends paid to foreign investors may be subject to withholding taxes. To meet the MIC criteria, 67% of our non-consolidated assets measured on a tax basis are required to be held in cash or cash equivalents and residential mortgages.

Our MCAN Home division operates through MCAN's wholly owned subsidiary, XMC Mortgage Corporation, which has legally changed its name effective April 1, 2022, to MCAN Home Mortgage Corporation.

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