MCAN FINANCIAL GROUP REPORTS THIRD QUARTER RESULTS AND DECLARES 41 CENTS CASH DIVIDEND

Net income up 2% q/q and successful launch of new uninsured securitization program

Toronto, Ontario - November 5, 2025. MCAN Mortgage Corporation d/b/a MCAN Financial Group ("MCAN", the "Company" or "we") (TSX: MKP), a leading Canadian mortgage investment corporation, today announced its financial results for the three and nine months ended September 30, 2025. The results reflected higher income from our investment in MCAP, while provisions for credit losses were higher and fair value on our securities were lower due to uncertainty in the forecasted economic and geopolitical environment.

Q3 2025

- **Net interest income:** $23.8 million
- **Net income:** $20.5 million
- **ROE[1]:** 13.09%
- **EPS:** $0.52
- **Book value per share:** $15.85
- **Total assets under management[1]:** $7.0 billion
- **Cash dividends declared:** $0.41

YTD 2025

- **Net interest income:** $71.2 million
- **Net income:** $57.3 million
- **ROE[1]:** 12.44%
- **EPS:** $1.46
- **Total Capital and CET1 ratio[2]:** 19.01%
- **Income tax assets to capital ratio[3]:** 5.45

"We achieved good results for the quarter, with net income up 2% compared to last quarter. We achieved growth in our uninsured residential mortgage originations – up 30% from last quarter – as we successfully launched our uninsured residential mortgage securitization program. Although the forecasted economic outlook is uncertain and we recorded higher provisions for credit losses than in the prior year, our credit quality remains resilient, as strong underwriting has been an area of strength since our founding," said Derek Sutherland, CEO of MCAN. "MCAP continues to remain a key partner and a driver of our returns for our shareholders. Looking ahead, we continue to invest in new products and infrastructure with a multi-year focus on delivering sustainable and profitable growth."

Mortgage origination growth bringing total residential mortgage assets to $4.0 billion, +10% YTD, including uninsured residential mortgage assets of $1.2 billion, +10% YTD, and insured residential mortgage assets of $2.8 billion, +9% YTD

- Uninsured residential mortgage originations increased YTD, +30% y/y, with a $4.4 million y/y increase in uninsured residential mortgage interest income. Insured residential mortgage originations increased YTD, +22% y/y, along with strong renewal volumes.
- This performance during the year reflects our outstanding service to our brokers, originators and customers despite a challenging and competitive market.
- Successful launch of our uninsured residential mortgage securitization program in the quarter. We look to continue to grow this portfolio as part of our funding diversification and capital optimization strategy.

Residential construction mortgage balances grew to $1.2 billion, +8% YTD

- Residential construction loan advances increased YTD, +4% y/y.

- Originations have been steady this year with some extensions of projects due to normal construction delays or normal delays relating to the permitting and zoning process as well as the current economic environment. This led to not as much run-off in the portfolio as expected. To date, projects continue to progress toward completion.

MCAP continues to perform ahead of expectations from growth in their AUM

- MCAP income in the quarter of $10.4 million, +55% y/y, +6% q/q, and YTD of $25.7 million, +19% y/y, driven by higher securitization income from a higher average portfolio balance and lower non-securitized interest expenses as interest rates have declined. These were partially offset by lower non-securitized mortgage revenue due to lower mortgage rates and lower average portfolio balances, and lower mortgage origination fees from lower fee rates and lower commitment and whole loan sales volumes.
- Our investment in and partnership with MCAP continues to remain a key driver of returns for our shareholders.

Provisions for credit losses reflective of current uncertain market outlook; however, credit quality continues to remain resilient

- Provision for credit losses were $2.1 million in the quarter and $7.4 million YTD mainly due to worsening economic forecasts due to the current economic and geopolitical environment and interest provisioning on our impaired residential construction loans.
- Impaired non-securitized mortgage ratio[1] was 2.61% at September 30, 2025 compared to 2.34% at June 30, 2025 and 2.46% at December 31, 2024. At September 30, 2025, impaired mortgages mainly represent impaired construction loans as well as uninsured residential mortgages where asset recovery programs have been initiated or we expect the loans to be brought current.
- We believe overall that we have a quality uninsured residential mortgage loan portfolio with an average LTV of 65.4% at September 30, 2025 compared to 64.0% at June 30, 2025 and 63.7% at December 31, 2024.

MCAN quarterly dividend declared

- The Board of Directors declared a fourth quarter regular cash dividend of $0.41 per share to be paid January 2, 2026 to shareholders of record on December 15, 2025.

[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 new release. 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.*
[2] *These measures have been calculated in accordance with OSFI's Capital Adequacy Requirements guidelines.*
[3] *Tax balances are calculated in accordance with the Tax Act.*

Interim Consolidated Financial Statements

Consolidated balance sheets (unaudited)

	September 30 2025	December 31 2024
Assets		
Non-securitized Assets		
Cash and cash equivalents	$ 141,889	$ 61,703
Marketable securities	54,452	66,345
Mortgages	2,535,698	2,464,091
Non-marketable securities	125,443	117,428
Equity investment in MCAP Commercial LP	132,949	122,265
Derivative financial instruments	4,401	2,508
Deferred tax assets	1,115	1,430
Other assets	36,976	24,547
	3,032,923	**2,860,317**
Securitization Assets		
Cash held in trust	62,924	47,249
Mortgages	2,781,009	2,419,871
Other assets	32,395	20,128
	2,876,328	**2,487,248**
	$ 5,909,251	**$ 5,347,565**
Liabilities and Shareholders' Equity		
Liabilities		
Non-securitized Liabilities		
Term deposits	$ 2,473,256	$ 2,288,226
Demand loans payable	172	107
Current taxes payable	155	—
Other liabilities	20,040	36,807
	2,493,623	**2,325,140**
Securitization Liabilities		
Financial liabilities from securitization	2,779,219	2,423,236
	2,779,219	**2,423,236**
	5,272,842	**4,748,376**
Shareholders' Equity		
Share capital	484,355	456,683
Contributed surplus	510	510
Retained earnings	152,495	143,620
Accumulated other comprehensive income (loss)	(951)	(1,624)
	636,409	**599,189**
	$ 5,909,251	**$ 5,347,565**

Consolidated statements of income (unaudited)

For the Periods Ended September 30	Q3 2025	Q3 2024	YTD 2025	YTD 2024
Net interest income - non-securitized assets				
Mortgage interest	$ 47,133	$ 48,067	$ 139,163	$ 144,497
Interest on cash and other	1,223	920	3,264	3,085
	48,356	**48,987**	**142,427**	**147,582**
Term deposit interest and expenses	26,606	28,021	76,990	81,617
Interest on loans payable	1,755	153	4,242	2,578
	28,361	**28,174**	**81,232**	**84,195**
	19,995	**20,813**	**61,195**	**63,387**
Net interest income - securitized assets				
Mortgage interest	22,046	16,593	59,748	44,628
Interest on cash and other	442	593	1,267	1,471
	22,488	**17,186**	**61,015**	**46,099**
Interest on financial liabilities from securitization	18,723	14,064	51,035	37,744
	18,723	**14,064**	**51,035**	**37,744**
	3,765	**3,122**	**9,980**	**8,355**
Total Net Interest Income	**23,760**	**23,935**	**71,175**	**71,742**
Non-interest Income				
Equity income from MCAP Commercial LP	10,361	6,667	25,664	21,576
Distribution income from securities	2,362	2,731	7,354	8,078
Fees	922	1,024	2,763	2,653
Net gain (loss) on securities	(320)	5,671	1,185	4,983
Other	763	—	1,520	—
Gain on dilution of investment in MCAP Commercial LP	—	—	—	680
	14,088	**16,093**	**38,486**	**37,970**
Total Income	**37,848**	**40,028**	**109,661**	**109,712**
Provision for credit losses	2,056	1,302	7,372	2,098
Non-interest Expenses				
Salaries and benefits	6,933	6,627	20,925	18,971
General and administrative	8,172	5,207	23,641	18,493
	15,105	**11,834**	**44,566**	**37,464**
Net Income Before Income Taxes	**20,687**	**26,892**	**57,723**	**70,150**
Provision for (recovery of) income taxes				
Current	125	363	127	431
Deferred	57	(363)	314	(142)
	182	**—**	**441**	**289**
Net Income	**$ 20,505**	**$ 26,892**	**$ 57,282**	**$ 69,861**
Basic and diluted earnings per share	$ 0.52	$ 0.70	$ 1.46	$ 1.87
Cash dividends per share	$ 0.41	$ 0.39	$ 1.23	$ 1.17
Weighted average number of basic and diluted shares (000's)	39,766	38,186	39,327	37,315

Consolidated statements of comprehensive income (unaudited)

For the Periods Ended September 30	Q3 2025	Q3 2024	YTD 2025	YTD 2024
Net Income	$ 20,505	$ 26,892	$ 57,282	$ 69,861
Other comprehensive income items that may be subsequently reclassified to income (loss):				
Cash Flow Hedges				
Net gains (losses) from changes in fair value of cash flow hedges	(191)	(716)	366	(1,949)
Reclassification of net losses (gains) to net income	86	101	307	110
Total Other Comprehensive Income	**(105)**	**(615)**	**673**	**(1,839)**
Comprehensive Income	**$ 20,400**	**$ 26,277**	**$ 57,955**	**$ 68,022**

Consolidated statements of changes in shareholders' equity (unaudited)

For the Periods Ended September 30	Q3 2025	Q3 2024	YTD 2025	YTD 2024
Share Capital				
Balance, beginning of period	$ 472,927	$ 446,841	$ 456,683	$ 406,528
Share capital issued, net of share issuance costs	11,428	5,258	27,672	45,571
Balance, end of period	**484,355**	**452,099**	**484,355**	**452,099**
Contributed Surplus	**510**	**510**	**510**	**510**
Retained Earnings				
Balance, beginning of period	148,296	138,986	143,620	124,708
Net income	20,505	26,892	57,282	69,861
Dividends declared	(16,306)	(14,906)	(48,407)	(43,597)
Balance, end of period	**152,495**	**150,972**	**152,495**	**150,972**
Accumulated Other Comprehensive Income				
Balance, beginning of period	(846)	(1,126)	(1,624)	98
Other comprehensive income	(105)	(615)	673	(1,839)
Balance, end of period	**(951)**	**(1,741)**	**(951)**	**(1,741)**
Total Shareholders' Equity	**$ 636,409**	**$ 601,840**	**$ 636,409**	**$ 601,840**

Consolidated statements of cash flows (unaudited)

For the Periods Ended September 30	Q3 2025	Q3 2024	YTD 2025	YTD 2024
Cash flows from (for):				
Operating Activities				
Net income	$ 20,505	$ 26,892	$ 57,282	$ 69,861
Adjustments to determine cash flows relating to operating activities:				
Deferred taxes	57	(363)	314	(142)
Equity income from MCAP Commercial LP	(10,361)	(6,667)	(25,664)	(21,576)
Gain on dilution of investment in MCAP Commercial LP	—	—	—	(680)
Provision for credit losses	2,056	1,302	7,372	2,098
Net (gain) loss on securities	500	(5,671)	1,387	(4,983)
Amortization of cash flow hedges net losses (gains)	87	101	308	109
Amortization of securitized mortgage and liability transaction costs	2,916	2,546	8,097	7,560
Amortization of other assets	556	216	1,667	592
Changes in operating assets and liabilities:				
Marketable securities	4,055	—	13,058	(209)
Non-securitized and securitized mortgages	(150,639)	(94,965)	(445,900)	(423,681)
Non-marketable securities	(4,789)	(1,262)	(10,567)	(7,474)
Derivative Financial Instruments	(1,756)	(3,324)	(1,527)	(4,250)
Other assets	(9,472)	(3,433)	(19,084)	(8,195)
Cash held in trust	(768)	19,229	(15,675)	6,041
Term deposits	84,395	(6,901)	185,030	107,943
Financial liabilities from securitization	328,003	112,584	353,670	364,357
Current taxes payable	155	363	155	370
Other liabilities	(311)	1,740	(3,896)	217
Cash flows from operating activities	**265,189**	**42,387**	**106,027**	**87,958**
Investing Activities				
Distributions from MCAP Commercial LP	6,327	5,439	14,980	13,918
Acquisition of capital and intangible assets	(973)	(2,992)	(4,755)	(5,377)
Cash flows from investing activities	**5,354**	**2,447**	**10,225**	**8,541**
Financing Activities				
Proceeds from issuance of common shares, net of share issuance costs	9,082	3,023	15,796	30,176
Net change in demand loans	(258,193)	(15,416)	65	(64,614)
Increase (decrease) in premises lease liability	(100)	6,771	2,205	6,581
Dividends paid	(13,960)	(12,670)	(54,132)	(42,281)
Cash flows for financing activities	**(263,171)**	**(18,292)**	**(36,066)**	**(70,138)**
Increase in cash and cash equivalents	7,372	26,542	80,186	26,361
Cash and cash equivalents, beginning of period	134,517	60,164	61,703	60,345
Cash and cash equivalents, end of period	**$ 141,889**	**$ 86,706**	**$ 141,889**	**$ 86,706**
Supplementary Information				
Interest received	$ 71,982	$ 65,198	$ 205,855	$ 197,074
Interest paid	40,508	39,383	113,178	116,552
Distributions received from securities	2,213	2,732	6,985	8,097

Further Information

See our complete 2025 Third Quarter Report filed on the System for Electronic Document Analysis and Retrieval ("SEDAR+") at www.sedarplus.ca and on the Company's website at www.mcanfinancial.com.

For our Outlook, refer to the "Outlook" section of the 2025 Third Quarter Report.

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). MCAN is the largest MIC in Canada and the only federally regulated MIC that issues term deposits eligible for Canada Deposit Insurance Corporation deposit insurance.

MCAN's primary objective is to generate a reliable stream of income by investing in a diversified portfolio of Canadian mortgages, including residential mortgages, residential construction, non-residential construction, and commercial loans, as well as other types of securities, loans, and real estate investments. MCAN is **Investing in Communities and Homes for Canadians**.

For how to enroll in the DRIP, please refer to the Management Information Circular dated March 21, 2025 or visit our website at www.mcanfinancial.com. Under the DRIP, dividends paid to shareholders are automatically reinvested in common shares issued out of treasury at the weighted average trading price for the five days preceding such issue less a discount of 2% until further notice from MCAN.

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A Caution About Forward-Looking Information and Statements

This news release contains forward-looking information within the meaning of applicable Canadian securities laws. All information contained in this news release, other than statements of current and historical fact, is forward-looking information. All of the forward-looking information in this news release is qualified by this cautionary note. 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. Forward-looking information in this news release includes, among others, statements and assumptions with respect to:

- the current business environment, economic environment and outlook;
- possible or assumed future results;
- our ability to create shareholder value;
- our business goals and strategy;
- the potential impact of new regulations and changes to existing regulations as well as any changes in tax legislation;
- the stability of home prices;
- the effect of challenging conditions on us;
- the performance of our investments;
- factors affecting our competitive position within the housing lending market;
- international trade, including changes in tariffs, international economic uncertainties, failures of international financial institutions and geopolitical uncertainties and their impact on the Canadian economy;
- sufficiency of our access to liquidity and capital resources;
- the timing and effect of interest rate changes on our cash flows; and
- the declaration and payment of dividends.

Forward-looking information is not, and cannot be, a guarantee of future results or events. Forward-looking information reflects management’s current beliefs and is based on information currently available to management. Forward-looking information is based on, among other things, opinions, assumptions, estimates and analyses that, while considered reasonable by us at the date the forward-looking information is provided, inherently are subject to significant risks, uncertainties, contingencies and other factors that may cause actual results and events to be materially different from those expressed or implied by the forward-looking information.

The material factors or assumptions that we identified and were applied by us in drawing conclusions or making forecasts or projections set out in the forward-looking information, include, but are not limited to:

- our ability to successfully implement and realize on our business goals and strategy;
- government regulation of our business and the cost to us of such regulation;
- factors and assumptions regarding interest rates, including the effect of Bank of Canada actions already taken;
- the effect of supply chain issues;
- the effect of inflation;
- housing sales and residential mortgage borrowing activities;
- the effect of household debt service levels;
- the effect of competition;
- systems failure or cyber and security breaches;
- the availability of funding and capital to meet our requirements;
- investor appetite for securitization products;
- the value of mortgage originations;
- the expected spread between interest earned on mortgage portfolios and interest paid on deposits;
- the relative uncertainty and volatility of real estate markets;
- acceptance of our products in the marketplace;
- the stage of the real estate cycle and the maturity phase of the mortgage market;

- impact on housing demand from changing population demographics and immigration patterns;
- our ability to forecast future changes to borrower credit and credit scores, loan to value ratios and other forward-looking factors used in assessing expected credit losses and rates of default;
- availability of key personnel;
- our operating cost structure;
- the current tax regime; and
- operations within, and market conditions relating to, our equity and other investments.

External geopolitical conflicts and government and Bank of Canada economic policy have resulted in uncertainty relating to the Company's internal expectations, estimates, projections, assumptions and beliefs, including with respect to the Canadian economy, employment conditions, interest rates, supply chain issues, international trade, inflation, levels of housing activity and household debt service levels. There can be no assurance that such expectations, estimates, projections, assumptions and beliefs will continue to be valid. The impacts that any further or escalating geopolitical conflicts will have on our business is uncertain and difficult to predict.

Reliance should not be placed on forward-looking information because it involves known and unknown risks, uncertainties and other factors, which may cause actual results to differ materially from anticipated future results expressed or implied by such forward-looking information. Factors that could cause actual results to differ materially from those set forth in the forward-looking information include, but are not limited to, the risk that any of the above opinions, estimates or assumptions are inaccurate and the other risks and uncertainties referred to in our Annual Information Form for the year ended December 31, 2024, our MD&A and our other public filings with the applicable Canadian regulatory authorities.

Subject to applicable securities law requirements, we undertake no obligation to publicly update or revise any forward-looking information after the date of this news release whether as a result of new information, future events or otherwise or to explain any material difference between subsequent actual events and any forward-looking information. However, any further disclosures made on related subjects in subsequent reports should be consulted.

Non-GAAP and Other Financial Measures

This news release references a number of non-generally accepted accounting principles ("non-GAAP") and other financial measures and ratios to assess our performance. 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 incorporated by reference and defined in the "Non-GAAP and Other Financial Measures" section of our 2025 Third Quarter Management's Discussion and Analysis of Operations ("MD&A") available on SEDAR+ at www.sedarplus.ca.