MCAN FINANCIAL GROUP REPORTS FIRST QUARTER RESULTS AND DECLARES 43 CENTS CASH DIVIDEND

Net income up from growth in lending business

Toronto, Ontario - April 30, 2026. 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 months ended March 31, 2026. The results reflected higher net interest income from growth in our mortgage portfolio, higher equity income from MCAP and higher net realized gains on our securities.

Q1 2026 highlights compared to Q1 2025

- **Net interest income:** $25.6 million, +8%
- **Net income:** $23.0 million, +39%
- **ROE[1]:** 14.17%
- **EPS:** $0.57
- **Book value per share:** $16.12
- **Total assets under management[1]:** $8.3 billion, +35%
- **Cash dividends declared:** $0.43, +5%
- **CET 1 ratio[2]:** 18.94%

"We grew our assets under management by 7% so far this year and recorded a significant increase in net income despite the current geopolitical and economic environment. We had steady originations and continued to grow our uninsured securitization program during the quarter. On top of our own business, MCAP remains a key strategic partner and a driver of returns for our shareholders," said Derek Sutherland, CEO of MCAN. "We believe we are well-reserved in our allowance for credit losses given the current environment and our credit quality remains resilient from our sound underwriting strength since our founding. Looking ahead, we will invest in new products and infrastructure with a multi-year focus on delivering sustainable and profitable growth."

Mortgage originations bringing total residential mortgage assets to $4.7 billion, +2% YTD, including uninsured residential mortgage assets of $1.3 billion, +4% YTD, and insured residential mortgage assets of $3.4 billion, +1% YTD

- Compared to Q1 2025, uninsured residential mortgage originations increased 36% and insured residential mortgage originations increased 136%, along with strong renewal volumes.
- This performance reflects our outstanding service to our brokers, originators and customers despite a challenging and competitive market.
- This growth was supported by our uninsured residential mortgage securitization program. We look to continue to grow this portfolio as part of our funding diversification and capital optimization strategy.

Construction and commercial mortgages balances grew to $1.2 billion, +3% YTD

- Loan advances of $84.8 million for the quarter, including adding more commercial loans to diversify our portfolio
- Originations have been steady this quarter with some extensions of projects due to normal construction delays relating to the permitting and zoning process as well as the current economic environment. This led to lower run-off in the portfolio than expected. To date, projects continue to progress toward completion.

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

- MCAP income YTD of $7.9 million, +43% compared to Q1 2025, primarily due to higher securitization income from higher average portfolio balances.
- Our investment in and strategic partnership with MCAP continues to remain a key driver of returns for our shareholders.

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

- Provision for credit losses were $1.5 million for the quarter mainly due to interest provisioning on our impaired residential construction loans, growth in our uninsured residential mortgages and uncertain economic forecasts.
- Impaired total mortgage ratio[1] was 0.99% at March 31, 2026 compared to 0.70% at December 31, 2025. At March 31, 2026, 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 mortgage loan portfolio with an average LTV of 67.4% for our uninsured residential mortgages and 60.8% for our construction loans at March 31, 2026.

MCAN quarterly dividend declared

- The Board of Directors declared a second quarter regular cash dividend of $0.43 per share to be paid June 30, 2026 to shareholders of record on June 15, 2026.
    - Under our Dividend Reinvestment Plan ("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. Our DRIP program provides enhanced returns for shareholders that participate. For how to enroll in the DRIP, please refer to our Management Information Circular dated February 27, 2026 or visit our website at www.mcanfinancial.com.

Annual and Special Meeting of Shareholders

- The Company's Annual and Special Meeting of Shareholders will be held at 4:30pm EST on April 30, 2026.

[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.*

Consolidated Financial Statements

Consolidated balance sheets
(Unaudited) (in thousands of Canadian dollars)

	March 31 2026	December 31 2025
Assets		
Cash and cash equivalents	$ 129,488	$ 79,828
Cash held in trust	68,642	71,856
Marketable securities	54,076	54,146
Mortgages	6,053,512	5,938,259
Non-marketable securities	127,474	126,592
Equity investment in MCAP Commercial LP	135,488	133,995
Derivative financial instruments	824	1,907
Deferred tax assets	1,874	1,650
Other assets	86,518	69,237
	6,657,896	**6,477,470**
Liabilities and Shareholders' Equity		
Liabilities		
Financial liabilities from securitization	3,562,390	3,433,883
Term deposits	2,349,945	2,340,483
Demand loans payable	69,584	19,438
Derivative financial instruments	1,162	46
Other liabilities	18,786	38,772
	6,001,867	**5,832,622**
Shareholders' Equity		
Share capital	496,057	491,015
Contributed surplus	510	510
Retained earnings	159,023	153,442
Accumulated other comprehensive income (loss)	439	(119)
	656,029	**644,848**
	$ 6,657,896	**$ 6,477,470**

Consolidated statements of income
(Unaudited) (in thousands of Canadian dollars except for per share amounts)

For the Quarters Ended March 31	2026	2025
Net Interest Income		
Mortgage interest	$ 74,694	$ 63,890
Interest on cash and other	1,268	1,175
	75,962	**65,065**
Term deposit interest and expenses	22,883	24,882
Interest on financial liabilities from securitization	27,009	16,036
Interest on loans payable	501	394
	50,393	**41,312**
Total Net Interest Income	**25,569**	**23,753**
Non-interest Income		
Equity income from MCAP Commercial LP	7,939	5,571
Distribution income from securities	2,799	2,741
Fees	976	1,080
Net gain on securities	3,289	1,099
Other	1,030	12
	16,033	**10,503**
Total Income	**41,602**	**34,256**
Provision for credit losses	1,461	3,089
Non-interest Expenses		
Salaries and benefits	7,735	7,119
General and administrative	9,598	7,762
	17,333	**14,881**
Net Income Before Income Taxes	**22,808**	**16,286**
Provision for (recovery of) income taxes		
Current	—	—
Deferred	(224)	(304)
	(224)	**(304)**
Net Income	**$ 23,032**	**$ 16,590**
Basic and diluted earnings per share	$ 0.57	$ 0.43
Cash dividends per share	$ 0.43	$ 0.41
Weighted average number of basic and diluted shares (000's)	40,621	38,940

Consolidated statements of comprehensive income
(Unaudited) (in thousands of Canadian dollars)

For the Quarters Ended March 31	2026	2025
Net Income	$ 23,032	$ 16,590
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	486	—
Reclassification of net losses (gains) to net income	72	114
Total Other Comprehensive Income	**558**	**114**
Comprehensive Income	**$ 23,590**	**$ 16,704**

Consolidated statements of changes in shareholders' equity
(Unaudited) (in thousands of Canadian dollars)

For the Quarters Ended March 31	2026	2025
Share Capital		
Balance, beginning of quarter	$ 491,015	$ 456,683
Share capital issued, net of share issuance costs	5,042	7,423
Balance, end of quarter	**496,057**	**464,106**
Contributed Surplus	**510**	**510**
Retained Earnings		
Balance, beginning of quarter	153,442	143,620
Net income	23,032	16,590
Dividends declared	(17,451)	(15,951)
Balance, end of quarter	**159,023**	**144,259**
Accumulated Other Comprehensive Income		
Balance, beginning of quarter	(119)	(1,624)
Other comprehensive income	558	114
Balance, end of quarter	**439**	**(1,510)**
Total Shareholders' Equity	**$ 656,029**	**$ 607,365**

Consolidated statements of cash flows
(Unaudited) (in thousands of Canadian dollars)

For the Quarters Ended March 31	2026	2025
Cash flows from (for):		
Operating Activities		
Net income	$ 23,032	$ 16,590
Adjustments to determine cash flows relating to operating activities:		
Deferred taxes	(224)	(304)
Equity income from MCAP Commercial LP	(7,939)	(5,571)
Provision for credit losses	1,461	3,089
Net unrealized (gain) loss on securities	658	361
Amortization of cash flow hedges net losses (gains)	73	114
Amortization of securitized mortgage and liability transaction costs	2,761	2,554
Amortization of other assets	485	633
Changes in operating assets and liabilities:		
Marketable securities	99	3,834
Mortgages	(118,664)	(18,954)
Non-marketable securities	(1,569)	(5,027)
Derivative financial instruments	2,686	(3,485)
Other assets	(17,668)	(4,902)
Cash held in trust	3,214	(15,539)
Term deposits	9,462	50,975
Financial liabilities from securitization	127,699	(55,997)
Other liabilities	(3,770)	(6,798)
Cash flows from (for) operating activities	**21,796**	**(38,427)**
Investing Activities		
Distributions from MCAP Commercial LP	6,446	5,031
Acquisition of capital and intangible assets	(104)	(3,082)
Cash flows from investing activities	**6,342**	**1,949**
Financing Activities		
Proceeds from issuance of common shares, net of share issuance costs	—	1,098
Net change in demand loans	50,146	113,827
Increase (decrease) in premises lease liability	355	(82)
Dividends paid	(28,979)	(26,513)
Cash flows from financing activities	**21,522**	**88,330**
Increase in cash and cash equivalents	49,660	51,852
Cash and cash equivalents, beginning of quarter	79,828	61,703
Cash and cash equivalents, end of quarter	**$ 129,488**	**$ 113,555**
Supplementary Information		
Interest received	$ 77,401	$ 65,637
Interest paid	53,380	44,251
Distributions received from securities	2,717	2,620

Further Information

See our complete 2026 First 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 2026 First 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 **Reimagining Opportunity to Drive Growth for Canadian Communities.**

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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, 2025, 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 2026 First Quarter Management's Discussion and Analysis of Operations available on SEDAR+ at www.sedarplus.ca.