



2025 Q3 REPORT



Redefining opportunity to
drive growth for Canadians



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At MCAN, we are redefining what's possible for Canadians—inspiring them to dream bigger and build a bolder future.

For our team members, it means unlocking career growth through mentorship and the power of collaboration to drive professional advancement.

For our clients, it's making homeownership attainable while securing their financial future and expanding their investment potential.

We provide investors with exclusive opportunities to invest in Canadian real estate with confidence, backed by our proven track record and visionary leadership.

We are built for resilience—a trusted partner you can rely on for the long term, combining experience with forward-thinking innovation.

Our partners are empowered with programs that fuel their growth and build stronger relationships with the clients who trust them to deliver.

Beyond business, we strengthen communities through impactful partnerships, like planting trees with One Tree Planted and building homes with Habitat for Humanity.

We inspire Canadians to reimagine what is possible. When our communities thrive, so does the future we are shaping together.





We are reimagining opportunity to drive growth for Canadian communities.

Therefore, we promise that as Canada's leading alternative financial services company, we redefine possibility through agile solutions that adapt to the diverse needs of our clients. We envision a future where our communities prosper—fostering resilience, growth, and unity.

Everything we do balances risk and ingenuity through strong partnerships and principled stewardship, delivering value through residential real estate that inspires confidence, drives returns, and builds trust within our communities.

For our communities, we show up with Diversity, Resilience, Imagination, Vision and Enthusiasm.

MCAN DRIVE

We DRIVE growth with relentless dedication to curiosity, innovation, and performance. Every day we show up with

Diversity

Celebrating our differences, amplifying individual stories that strengthen our unified purpose and build community.

Resilience

Balancing risk with the pursuit of progress and purposeful experimentation, grounded in sound judgment and sustainable growth. We embrace the opportunity and responsibility of ownership, always acting with integrity and purpose.

Imagination

Sparking creative solutions through curiosity, collaboration, and deep expertise. We approach challenges with a smile and solutions with purpose.

Vision

Enabling our clients, colleagues, and community members with what they need to achieve their personal and professional goals. Our impact is measured by their growth and inspired outcomes.

Enthusiasm

Empowering each other to deliver an exceptional experience, ensuring that every interaction cultivates trust, transformation and meaningful connection.





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MESSAGE TO SHAREHOLDERS

We are committed to providing attractive returns for our shareholders through long-term sustainable growth. Although geopolitical and economic uncertainty in the financial services market is expected to persist, we have built a resilient portfolio that is performing well under current market conditions. We will continue to work with our partners and brokers to serve our clients and prudently grow the business while managing returns within our risk profile.

Results from our lending business have been strong despite the current geopolitical environment. We continue to leverage our brand and recognized customer service to grow our portfolios. We achieved 14% year-over-year growth in our year to date residential mortgage originations and construction loan advances without sacrificing credit quality as we continue to monitor tariff-impacted areas. The troubled economic forecasts from the unpredictability of tariffs led to higher provisioning on our loans; however, actual losses remain insignificant. We believe that we have a quality loan portfolio with conservative loan to value ratios supporting these loans. We continue to manage our spreads with mortgage pricing initiatives and our interest rate risk through the duration of our term deposit funding and related hedging strategies.

We are focused on building our pipeline for our construction lending portfolio, up 10% year to date, with our preferred borrowers and risk profile. We proactively manage investments in our construction portfolio in terms of product composition, geographic mix, and exposure. We also have strong strategic partnerships with originators that provide boots on the ground knowledge and assist with default management. The borrowers that we like to target are experienced developers with a successful track record of project completion and loan repayment, and who are often our repeat customers. We continue to increase our lending in and around the urban markets of Ontario, British Columbia and Alberta. There continues to be strong demand for builders to build more affordable housing and entry level homes in these markets due to household formation driven by population dynamics, and a lack of affordable housing.

We had record volumes of residential mortgage originations with 25% year-over-year growth which led to 10% growth year to date on our residential mortgage portfolio balance without sacrificing our credit profile. We continued our strategy of diversifying our residential mortgages with increased lending in the Alberta and British Columbia urban markets. We plan to grow our uninsured residential mortgage originations as we scale our participation into our uninsured residential mortgage securitization program.

Our investment in and partnership with MCAP continues to remain a key driver of returns for our shareholders. Income from MCAP increased 19% year-over-year as they have achieved record results. MCAP is privately owned and is Canada's largest independent mortgage finance company. With its market-leading position, we expect that MCAP will continue to provide great returns for our shareholders.

To support this growth, we continue our strategy to expand and diversify our funding base. We launched our uninsured residential mortgage securitization program and continued to grow our digital and broker GIC channels. We continue to invest in systems and infrastructure with a multi-year strategic focus on efficiencies to build operating leverage and deliver sustainable and profitable growth.

With a strong liquidity and capital position, high level of credit quality, and our strategy of continued diversification of our lending portfolio and funding base, we believe we are well positioned for success in an uncertain economic and geopolitical environment. I want to thank all our shareholders, partners, team members and the Board for their ongoing support. While we face geopolitical and economic uncertainty, there are positive signs that Canada will start to engage in activities to bolster our internal economy so that we are not so reliant on external forces. We remain focused on MCAN's strategic positioning in the Canadian residential mortgage market and preserving long-term value for our shareholders.



Derek Sutherland
Chief Executive Officer

OUR BUSINESS AND STRATEGY

MCAN is the largest Mortgage Investment Corporation (“MIC”) in Canada and the only federally regulated MIC. MCAN (TSX: MKP) provides sustainable growth and returns for our shareholders by leveraging our real estate expertise and providing our shareholders with unique access to investments in the Canadian real estate market and the returns that they generate. Our business mainly includes real estate lending and investing, including residential mortgage lending, residential construction lending, non-residential construction lending and commercial lending, and investing in strategic private investments including MCAP Commercial LP (“MCAP”) (privately-owned and Canada’s largest independent mortgage financing company) in which we own an almost 14% interest. We provide a breadth of expertise in all facets of the real estate cycle that our shareholders benefit from. Our unique tax structure as a flow-through MIC allows us to not be taxed at the corporate level by distributing all of our taxable earnings annually to shareholders. It also means that 67% of our non-consolidated tax assets are to be held in residential mortgages and cash.

MCAN’s lines of business include three divisions - MCAN Home, MCAN Capital and MCAN Wealth.



MCAN Home is our residential mortgage lender that partners exclusively with accredited mortgage professionals to offer both insured and uninsured mortgage solutions across Canada. MCAN Home operates through MCAN’s wholly owned subsidiary, MCAN Home Mortgage Corporation.

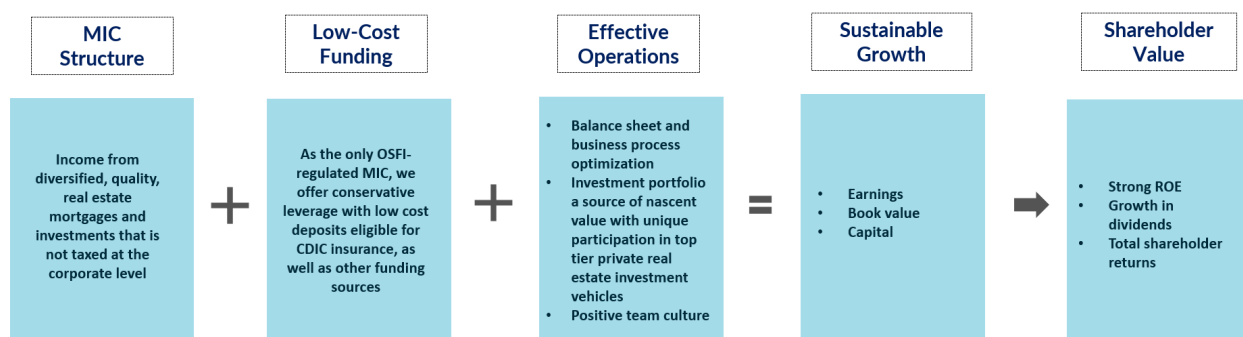


MCAN Capital focuses on unique financing and investment opportunities in construction and commercial loans, and an almost 14% equity interest in MCAP, Canada’s largest privately-owned mortgage financing company.



MCAN Wealth offers investors CDIC insured investment solutions at competitive rates, differing term options, and with no fees.

Business Model



MCAN’s business model provides focused investing in products and markets where we have extensive expertise and that are not generally accessible to our shareholders, to generate attractive financial returns. We use our expertise to source our term deposits through a network of independent financial agents, as well as through a direct-to-consumer channel.

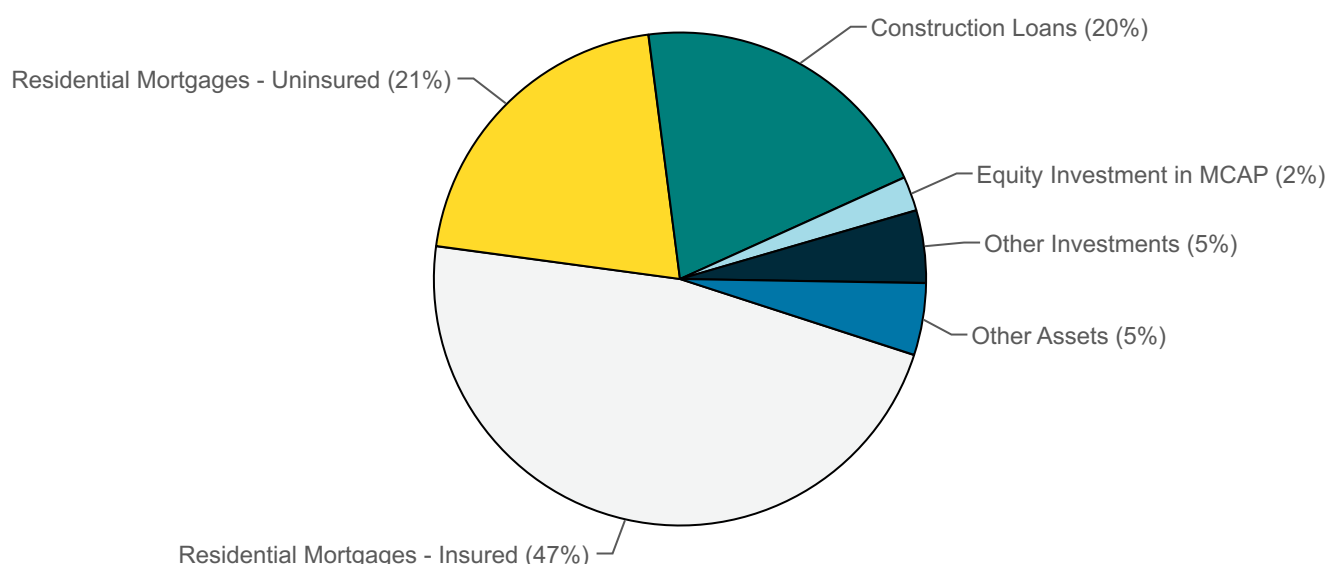
Our business model helps us to achieve our long-term objectives:

- Sustained 13% to 15% average return on average shareholders' equity ("ROE");
- Sustained 10% average annual growth of assets; and
- Sustained and prudent dividend growth.

Our Investment Portfolio

With extensive in-house expertise, MCAN is a strategic investor in the Canadian real estate market. Our portfolio is focused on residential mortgages and residential construction loans. We also have a strategic investment in and a strong partnership with MCAP.

Total Assets at September 30, 2025 of \$5.9 billion



Residential Mortgage Lending (September 30, 2025 - \$4.0 billion; December 31, 2024 - \$3.7 billion)

We originate insured and uninsured residential mortgages across Canada primarily focused on first time and move up homebuyers. Although we lend across Canada, our geographical focus is in the major urban regions in Ontario and to a lesser extent in Alberta and British Columbia. We have in-house origination, underwriting and boots on the ground in our core markets. These residential mortgages are originated through our strategic relationships with mortgage brokers. We focus our uninsured residential mortgage lending to those customers with credit challenges and to those who are self-employed. Our products include purchases, refinances and renewals. We also have strategies to either originate and securitize our on-balance sheet residential mortgages, which are included in residential mortgages above, or sell our residential mortgage commitments, depending on market conditions.

Construction Lending (September 30, 2025 - \$1.2 billion; December 31, 2024 - \$1.1 billion)

Residential construction loans are made to developers to finance residential construction projects. We focus our lending on the construction of more affordable housing in urban/suburban growth markets with a preference for proximity to transit. This approach aims to mitigate the impact of price volatility and tightened sales activity in the event of market corrections. As well, these markets are where we, or our originating partners, have experience and local expertise. We have long established strategic relationships with originators, partners and borrowers. In house, we apply our own seasoned experience, underwriting and monitoring. The borrowers that we target are experienced developers with a successful track record of project completion and loan repayment, and often repeat customers. These loans generally have a floating interest rate, with a floor rate set at origination and loan terms

typically ranging between 24 and 36 months. We also strategically lend at the land development stage to enhance longer term relationships with borrowers. Non-residential construction loans provide similar construction financing, but for industrial developments, retail shopping developments and office buildings.

Investment in MCAP (September 30, 2025 - \$133 million; December 31, 2024 - \$122 million)

We have an almost 14% equity interest in MCAP. MCAP is Canada's largest independent mortgage finance company with assets under management of \$157 billion, serving many institutional investors and over 400,000 homeowners. This investment allows us to participate in the growth of MCAP that typically provides quarterly distributions on our investment.

Our Loan Portfolio Quality

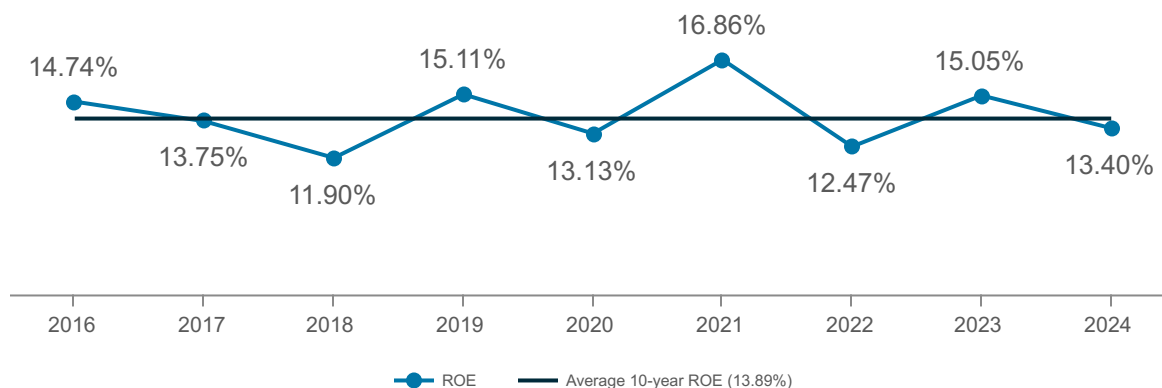
The majority of residential mortgage arrears activity occurs in the 1-30 day category, in which the bulk of arrears are resolved and do not migrate to arrears categories over 30 days. We closely monitor and actively manage these arrears. We believe that we have a quality uninsured residential mortgage loan portfolio with an average loan to value of 65.4% at September 30, 2025 based on an industry index of current real estate values.

We have historically had low arrears related to our construction loan portfolio due to our prudent and selective lending methodology and our account management processes in this product type. We believe that we have a quality construction loan portfolio with an average loan to value of 60.6% at September 30, 2025 based on appraisal values. We have a strong track record with our asset recovery programs as the need arises. Our realized loan losses on our construction portfolio have been negligible.

Our Shareholder Returns

ROE is a key performance metric for MCAN. With our diversified asset base, we believe that we are able to generate strong returns for shareholders through various cycles of the real estate market.

Historical ROE¹



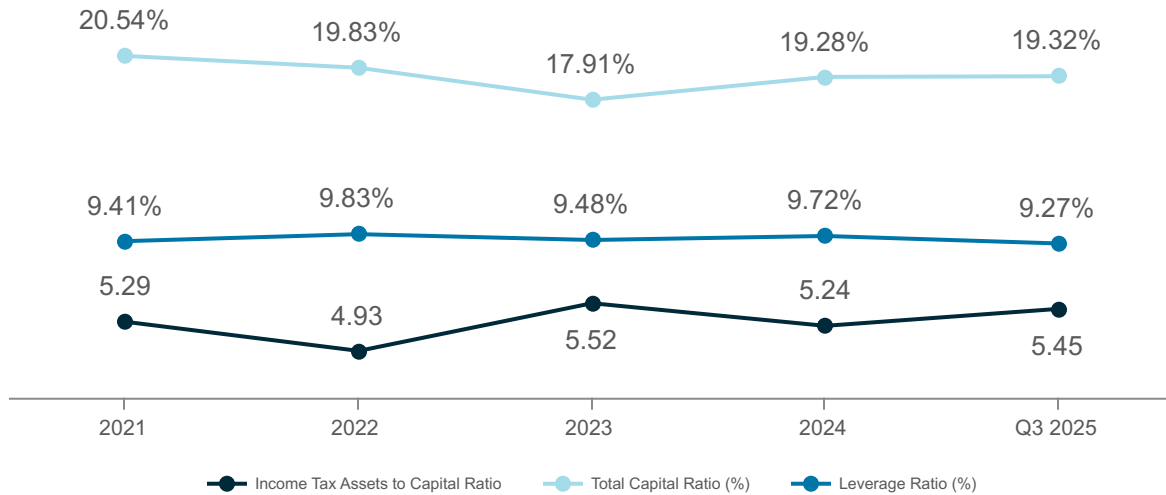
Our long-term objective is sustained 13% to 15% average ROE. The nature of our investing activities may result in fluctuations in our ROE year to year. In the last 10 years, we have delivered an average ROE¹ of 13.89%.

¹ Considered to be a non-GAAP and other financial measure. For further details, refer to the "Non-GAAP and Other Financial Measures" of our 2025 MD&A available below or on SEDAR+ at www.sedarplus.ca. 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.

Our Capital Strength

We manage our capital and asset balances based on the regulations and limits of the *Trust and Loan Companies Act* (the “Trust Act”), *Income Tax Act* (Canada) (the “Tax Act”) and the Office of the Superintendent of Financial Institutions Canada (“OSFI”). Our strong capital base over the years has allowed us to pursue our growth strategy while achieving our long-term objectives. We have made a conscious effort over the last few years to try to optimize our balance sheet in order to position ourselves well for future growth and returns.

Historical Capital Ratios

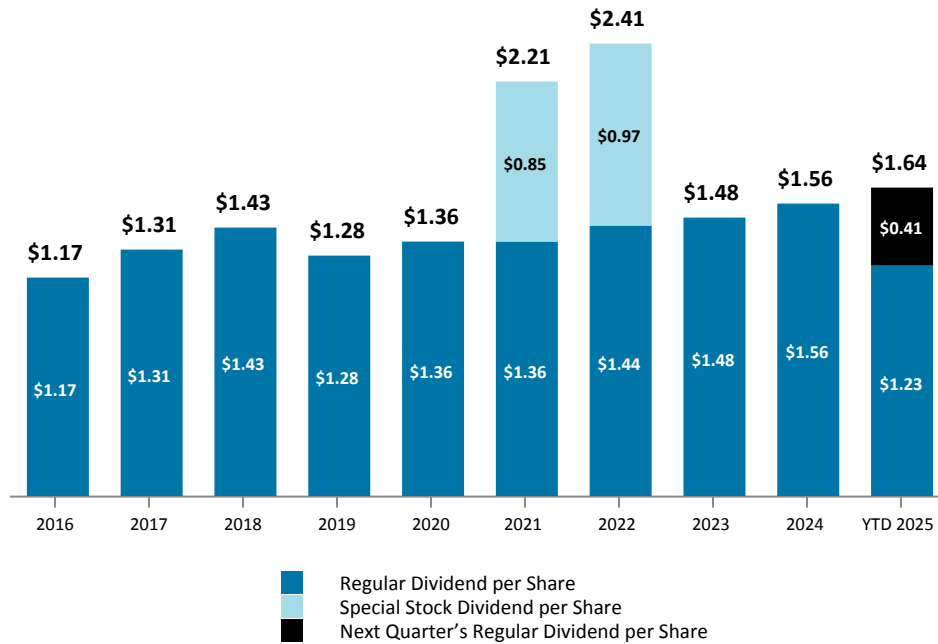


Our capital ratios have adjusted over the years as we have optimized our balance sheet, growing our assets utilizing excess capital room. We had capital growth of \$15.8 million due to our at-the-market equity program and \$9.4 million from our dividend reinvestment program so far this year. Further growth in our capital will be dependent on equity market conditions and shareholder appetite as well as business growth opportunities. All of our capital and leverage ratios are within our internal risk appetite and regulatory guidelines.

Our Dividends

Uniquely structured as a MIC, our dividend policy is to pay out substantially all of our taxable income to our shareholders. These dividends are taxable to our shareholders as interest income. Should taxable income per share exceed our regular cash dividends per share, we would distribute special cash or stock dividends per our dividend policy. We have been paying regular dividends since our founding in 1992.

Dividend History



The Board of Directors ("Board") 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.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF OPERATIONS

MCAN Mortgage Corporation is doing business as ("d/b/a") MCAN Financial Group ("MCAN", the "Company" or "we"). This Management's Discussion and Analysis of Operations ("MD&A") should be read in conjunction with the interim unaudited consolidated financial statements and accompanying notes for the quarter and the nine months ended September 30, 2025 and the audited consolidated financial statements, accompanying notes and MD&A for the year ended December 31, 2024. These items and additional information regarding MCAN, including continuous disclosure materials such as the Annual Information Form are available on the System for Electronic Document Analysis and Retrieval ("SEDAR+") at www.sedarplus.ca and our website at www.mcanfinancial.com. Except as indicated below, all other factors discussed and referred to in the MD&A for fiscal 2024 remain substantially unchanged. Information has been presented as of November 5, 2025.

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A CAUTION ABOUT FORWARD-LOOKING INFORMATION AND STATEMENTS

This MD&A contains forward-looking information within the meaning of applicable Canadian securities laws. All information contained in this MD&A, other than statements of current and historical fact, is forward-looking information. All of the forward-looking information in this MD&A 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 MD&A 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, this 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 MD&A 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.

SELECTED FINANCIAL INFORMATION

Table 1: Financial Statement Highlights - Q3 2025

(in thousands except for per share amounts and %) For the Periods Ended	Q3 2025	Q2 2025	Change (%)	Q3 2024	Change (%)	YTD 2025	YTD 2024	Change (%)
Income Statement Highlights								
Net interest income - non-securitized assets	\$19,995	\$20,536	(3%)	\$20,813	(4%)	\$61,195	\$63,387	(3%)
Net interest income - securitized assets	\$ 3,765	\$ 3,126	20%	\$ 3,122	21%	\$ 9,980	\$ 8,355	19%
Net interest income	\$23,760	\$23,662	—%	\$23,935	(1%)	\$71,175	\$71,742	(1%)
Equity income from MCAP Commercial LP	\$10,361	\$ 9,732	6%	\$ 6,667	55%	\$25,664	\$21,576	19%
PPPT income ¹	\$22,743	\$22,977	(1%)	\$28,194	(19%)	\$65,095	\$72,248	(10%)
Provision for credit losses	\$ 2,056	\$ 2,227	(8%)	\$ 1,302	58%	\$ 7,372	\$ 2,098	251%
Net income	\$20,505	\$20,187	2%	\$26,892	(24%)	\$57,282	\$69,861	(18%)
Basic and diluted earnings per share	\$ 0.52	\$ 0.51	2%	\$ 0.70	(26%)	\$ 1.46	\$ 1.87	(22%)
Dividends per share - cash	\$ 0.41	\$ 0.41	—%	\$ 0.39	5%	\$ 1.23	\$ 1.17	5%
Next quarter's dividend per share - cash	\$ 0.41							
Return on average shareholders' equity ¹	13.09 %	13.19 %	(0.10%)	18.16 %	(5.07%)	12.44 %	16.29 %	(3.85%)
Taxable income per share ²	\$ (0.07)	\$ 0.22	(132%)	\$ 0.25	(128%)	\$ 0.60	\$ 1.35	(56%)
Spreads								
Spread of non-securitized mortgages over term deposit interest and expenses ¹	2.63 %	2.74 %	(0.11%)	2.78 %	(0.15%)	2.75 %	2.95 %	(0.20%)
Spread of insured securitized mortgages over liabilities ¹	0.47 %	0.50 %	(0.03%)	0.49 %	(0.02%)	0.49 %	0.47 %	0.02%
Spread of uninsured securitized mortgages over liabilities ¹	2.67 %	— %	2.67%	— %	2.67%	2.67 %	— %	2.67%
Average term to maturity (in months)								
Mortgages - non-securitized	9.5	11.3	(16%)	12.9	(26%)			
Term deposits	16.8	17.7	(5%)	19.1	(12%)			
At	Sept 30 2025	June 30 2025	Change (%)	Dec 31 2024	Change (%)			
Balance Sheet Highlights (\$ million)								
Total assets	\$ 5,909	\$ 5,739	3%	\$ 5,348	10%			
Mortgages - non-securitized	\$ 2,536	\$ 2,741	(7%)	\$ 2,464	3%			
Mortgages - securitized	\$ 2,781	\$ 2,429	14%	\$ 2,420	15%			
Total liabilities	\$ 5,273	\$ 5,118	3%	\$ 4,748	11%			
Shareholders' equity	\$ 636	\$ 621	2%	\$ 599	6%			
Assets under management ¹	\$ 7,047	\$ 6,655	6%	\$ 5,989	18%			
Capital Ratios								
Income tax assets to capital ratio ²	5.45	5.42	1%	5.24	4%			
CET 1 & Tier 1 capital ratio ⁴	19.01 %	18.90 %	1%	19.02 %	(0.01%)			
Total capital ratio ⁴	19.32 %	19.22 %	0.10%	19.28 %	0.04%			
Leverage ratio ³	9.27 %	9.32 %	(0.05%)	9.72 %	(0.45%)			
Credit Quality								
Impaired mortgage ratio (non-securitized) ¹	2.61 %	2.34 %	0.27%	2.46 %	0.15%			
Impaired mortgage ratio (total) ¹	1.25 %	1.25 %	—%	1.25 %	—%			
Mortgage Arrears								
Non-securitized	\$145,818	\$121,647	20%	\$96,368	51%			
Securitized	6,804	7,070	(4%)	4,103	66%			
Total	\$152,622	\$128,717	19%	\$100,471	52%			
Common Share Information (end of period)								
Number of common shares outstanding	40,163	39,604	1%	38,717	4%			
Book value per common share ¹	\$ 15.85	\$ 15.68	1%	\$ 15.48	2%			
Common share price - close	\$ 21.69	\$ 19.45	12%	\$ 18.25	19%			
Market capitalization (\$ million)	\$ 871	\$ 770	13%	\$ 707	23%			

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 MD&A. 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 For further information refer to the "Taxable Income" and "Income Tax Capital" sections of this MD&A. Tax balances are calculated in accordance with the Tax Act.

³ This measure has been calculated in accordance with OSFI's Leverage Requirements guidelines. Mortgages securitized through the market MBS program and CMB program for which derecognition has not been achieved are included in regulatory assets in the leverage ratio. For further information, refer to the "Capital Management" section of this MD&A.

⁴ These measures have been calculated in accordance with OSFI's Capital Adequacy Requirements guidelines.

Table 2: Financial Statement Highlights - Quarterly

(in thousands except per share amounts, % and where indicated)	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023
Income Statement Highlights								
Net interest income - non-securitized assets	\$19,995	\$20,536	\$20,664	\$21,091	\$20,813	\$21,228	\$21,346	\$22,314
Net interest income - securitized assets	\$3,765	\$3,126	\$3,089	\$3,570	\$3,122	\$2,590	\$2,643	\$2,670
Net interest income	\$23,760	\$23,662	\$23,753	\$24,661	\$23,935	\$23,818	\$23,989	\$24,984
Equity income from MCAP Commercial LP	\$10,361	\$9,732	\$5,571	\$7,227	\$6,667	\$7,726	\$7,183	\$4,429
Net gain (loss) on securities	\$ (320)	\$ 406	\$1,099	\$(11,326)	\$5,671	\$ (715)	\$ 27	\$1,977
PPPT income¹	\$22,743	\$22,977	\$19,375	\$7,564	\$28,194	\$21,774	\$22,280	\$23,506
Provision for (recovery of) credit losses	\$2,056	\$2,227	\$3,089	\$1,160	\$1,302	\$1,436	\$ (640)	\$2,114
Net income	\$20,505	\$20,187	\$16,590	\$7,725	\$26,892	\$19,749	\$23,220	\$19,855
Basic and diluted earnings per share	\$ 0.52	\$ 0.51	\$ 0.43	\$ 0.20	\$ 0.70	\$ 0.52	\$ 0.65	\$ 0.56
Dividends per share - cash	\$ 0.41	\$ 0.41	\$ 0.41	\$ 0.39	\$ 0.39	\$ 0.39	\$ 0.39	\$ 0.38
Return on average shareholders' equity ¹	13.09 %	13.19 %	10.99 %	5.14 %	18.16 %	13.63 %	17.09 %	15.01 %
Taxable income (loss) per share ²	\$ (0.07)	\$ 0.22	\$ 0.45	\$ 0.51	\$ 0.25	\$ 0.44	\$ 0.67	\$ (0.13)
Spreads								
Spread of non-securitized mortgages over term deposit interest and expenses ¹	2.63 %	2.74 %	2.89 %	2.83 %	2.78 %	2.93 %	3.14 %	3.34 %
Spread of insured securitized mortgages over liabilities ¹	0.47 %	0.50 %	0.50 %	0.54 %	0.49 %	0.46 %	0.46 %	0.39 %
Spread of uninsured securitized mortgages over liabilities ¹	2.67 %	— %	— %	— %	— %	— %	— %	— %
Average term to maturity (in months)								
Mortgages - non-securitized	9.5	11.3	9.1	9.5	12.9	12.1	11.5	12.7
Term deposits	16.8	17.7	17.7	18.5	19.1	19.2	18.2	18.5
Balance Sheet Highlights (\$ million)								
Total assets	\$5,909	\$5,739	\$5,443	\$5,348	\$5,213	\$5,097	\$4,894	\$4,739
Mortgages - non-securitized	\$2,536	\$2,741	\$2,545	\$2,464	\$2,472	\$2,500	\$2,385	\$2,415
Mortgages - securitized	\$2,781	\$2,429	\$2,354	\$2,420	\$2,290	\$2,170	\$2,095	\$1,930
Total liabilities	\$5,273	\$5,118	\$4,836	\$4,748	\$4,611	\$4,512	\$4,318	\$4,207
Shareholders' equity	\$ 636	\$ 621	\$ 607	\$ 599	\$ 602	\$ 585	\$ 576	\$ 532
Assets under management ¹	\$7,047	\$6,655	\$6,138	\$5,989	\$5,712	\$5,601	\$5,405	\$5,255
Capital Ratios								
Income tax assets to capital ratio ²	5.45	5.42	5.41	5.24	5.38	5.34	5.14	5.52
CET 1 & Tier 1 capital ratios ⁴	19.01 %	18.90 %	19.12 %	19.02 %	19.94 %	19.10 %	19.00 %	17.61 %
Total capital ratio ⁴	19.32 %	19.22 %	19.43 %	19.28 %	20.19 %	19.35 %	19.23 %	17.91 %
Leverage ratio ³	9.27 %	9.32 %	9.64 %	9.72 %	9.99 %	9.85 %	10.11 %	9.49 %
Credit Quality								
Impaired mortgage ratio (non-securitized) ¹	2.61 %	2.34 %	2.31 %	2.46 %	2.26 %	3.50 %	3.42 %	3.26 %
Impaired mortgage ratio (total) ¹	1.25 %	1.25 %	1.20 %	1.25 %	1.19 %	1.90 %	1.83 %	1.82 %
Mortgage Arrears								
Non-securitized	\$145,818	\$121,647	\$105,044	\$96,368	\$139,427	\$136,499	\$136,175	\$112,789
Securitized	\$6,804	\$7,070	\$4,757	\$4,103	\$6,333	\$5,278	\$6,085	\$4,661
Total	\$152,622	\$128,717	\$109,801	\$100,471	\$145,760	\$141,777	\$142,260	\$117,450
Common Share Information (end of period)								
Number of common shares outstanding	40,163	39,604	39,128	38,717	38,463	38,153	37,831	35,432
Book value of common share ¹	\$15.85	\$15.68	\$15.52	\$15.48	\$15.65	\$15.34	\$15.24	\$15.01
Common share price - close	\$21.69	\$19.45	\$18.36	\$18.25	\$17.98	\$16.10	\$15.73	\$15.89
Market capitalization (\$ million)	\$ 871	\$ 770	\$ 718	\$ 707	\$ 692	\$ 614	\$ 595	\$ 563

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 MD&A. 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 For further information refer to the "Taxable Income" and "Income Tax Capital" sections of this MD&A. Tax balances are calculated in accordance with the Tax Act.

³ This measure has been calculated in accordance with OSFI's Leverage Requirements guidelines. Mortgages securitized through the market MBS program and CMB program for which derecognition has not been achieved are included in regulatory assets in the leverage ratio. For further information, refer to the "Capital Management" section of this MD&A.

⁴ These measures have been calculated in accordance with OSFI's Capital Adequacy Requirements guidelines.

Quarterly Trends

- In Q4 2023, we saw some stabilization in interest rates compared to prior periods. There continued to be volatility in REIT stock prices leading to unrealized losses. In 2024, we saw the beginning of interest rate cuts which helped initially with a recovery on REIT stock prices; however, Q4 2024 saw larger unrealized losses on our REITS and our non-marketable securities mainly related to the economic environment and its impact on valuations. So far in 2025, income from MCAP has been higher and we increased our provision for credit losses mainly due to the forward looking macroeconomic impacts from the current economic and geopolitical environment.
- In Q4 2023, the higher interest rate environment had increased rates in our floating rate residential construction portfolio above their floor rates. We also focused on changing the laddering of the duration of our term deposits which kept average term deposit rates from rising faster than our mortgage rates. This increased our spread of non-securitized mortgages over term deposit interest and expenses. Beginning in Q2 2024, we saw a larger decline in our spread of non-securitized mortgages over term deposit interest and expenses as rates on our non-securitized mortgages fell faster than our term deposits in the declining interest rate environment. In Q4 2024 and Q1 2025, we saw increases in our spread of non-securitized mortgages over term deposit interest and expenses due to our hedging strategies and pricing initiatives which lowered our term deposit costs more than our non-securitized mortgage rates. In Q2 2025 and Q3 2025, the decline is mainly due to prime rate cuts impacting our floating rate residential construction loans as well as the timing of new hedging positions.
- We saw spreads decline on securitizations in Q4 2023 as a result of a decline in the spread of Government of Canada bond yields versus our mortgage rates. Government of Canada bond yields remained elevated in Q4 2023. As a result, we had reduced our securitization volumes in 2023. 2023 volumes were also impacted by lower insured residential mortgage originations due to the higher interest rate environment. Since Q4 2023, we have seen better economics on securitizations as the spread of Government of Canada bond yields versus our mortgage rates widened. More recently, we have seen some volatility in the spread of Government of Canada bond yields versus our mortgage rates due to the current economic environment. We participate in this market opportunistically. Beginning in Q3 2025, we securitized uninsured residential mortgages as part of a securitization program sponsored by a Canadian Schedule I Chartered bank.
- In order to take advantage of the tax benefits provided by our Mortgage Investment Corporation ("MIC") status, we pay out all of MCAN's non-consolidated taxable income to shareholders through dividends. In Q4 2023, we had lower taxable income as a result of tax timing differences on multi-family securitization transactions. In 2024 and Q1 2025, we have higher taxable income mainly as a result of higher taxable income from MCAP. In Q1 2024, we increased our quarterly cash dividend by 3% to \$0.39. In Q1 2025, we increased our quarterly cash dividend by 5% to \$0.41 due to taxable income growth. In Q2 2025, we had slightly lower taxable income due to lower taxable income from MCAP and higher multi-family securitization transactions. In Q3 2025, we had lower taxable income due to lower taxable income from MCAP and higher multi-family securitization transactions.
- Common Equity Tier 1 ("CET 1"), Tier 1 Capital and Total Capital to risk-weighted assets ratio reductions are generally due to our growing risk-weighted assets compared to our capital base. In 2023, 2024 and so far in 2025, we raised \$2 million, \$7 million and \$16 million, respectively, of capital through our at-the-market equity program ("ATM Program"). Improvement to our ratios in Q1 2024 was due to a successful \$29 million capital raise by way of an overnight marketed offering. Our Dividend Reinvestment Program ("DRIP") provides us with a reliable source of capital each quarter. All of our capital and leverage ratios are within our internal risk appetite and regulatory guidelines.
- Mortgage arrears have varied on a quarterly basis given the nature of the 1-30 day arrears. The majority of residential mortgage arrears activity occurs in the 1-30 day category, in which the bulk of arrears are resolved and do not migrate to arrears categories over 30 days. Our greater than 30 days arrears increased in Q2 2025 in our uninsured residential mortgages; however, we believe overall that we have a quality uninsured residential mortgage loan portfolio with an average loan to value ("LTV") of 65.4% at September 30, 2025 based on an industry index of current real estate values. For our residential construction loan arrears, we expect them to be brought current or we have initiated asset recovery

programs. We have a strong track record with our default management processes and asset recovery programs as the need arises. Our realized loan losses on our construction portfolio have been negligible.

BUSINESS OVERVIEW AND OUTLOOK

We focus over the long term on sustainably growing our business and shareholder returns. We believe that our long-term strategy will continue to serve us well, although we always consider the current market conditions in the execution of that strategy. In the short term, we are focused on managing our shareholder returns in light of current geopolitical and economic uncertainty. Over the mid-term, our focus is to grow our business and our shareholder returns within our risk appetite, working with our strategic partners, and investing in infrastructure and process improvements to drive efficiencies and operating leverage in all our operations. We believe that our greater than three decade history demonstrates that we are a prudent and disciplined lender to the Canadian residential real estate markets with a strong credit profile with conservative LTV ratios. We have key relationships with our brokers and strategic partners that are foundational to our strategy. This strategy and long-term outlook are based on assumptions learned from our over three decades of experience, our market knowledge, and sources we consider reliable.

Economic Outlook

Canadian economic growth is showing signs of stabilizing. While weakness remains in sectors directly impacted by tariffs, the economy overall is showing signs of resilience with some gross domestic product (“GDP”) growth, helped by increased government economic support, and continued household spending. Unemployment remains high but likely has peaked as improved business confidence suggests hiring demand is stabilizing. The magnitude and duration of any further changes in tariffs on international trade present a risk for the Canadian economy with the potential for weaker GDP and higher unemployment. Most economists believe that to support economic growth, interest rates will likely move lower than current levels given the uncertainty. Slower immigration growth will also create a drag on GDP growth. We expect geopolitical uncertainty and its impact on the economy to be the dominant concern for the rest of the year.

Housing Market Outlook

Housing affordability continues to be a concern across Canada. Pressure on housing prices in some cities and regions will be tempered by modest interest rate cuts providing some relief to homebuyers in the short-term. In the long term, we believe that further interest rate cuts and the continued supply-demand imbalance for housing will provide upward pressure on sale and home price growth, particularly in and around our core markets of (i) the Greater Toronto area; (ii) the Capital region; and (iii) the Greater Vancouver area. Housing affordability and reduced immigration will likely limit some of this growth. Housing affordability (including housing supply) continues to be a critical issue for all levels of government and in all provinces where we do business. The lack of supply of affordable housing is not easily resolved in the short term, as there are multiple factors to building new supply (i.e. local/municipal government processes, skilled labour shortages, increased construction costs including higher construction financing rates, lack of new construction technologies, etc.) that limit how many homes can be built in the short term.

Business Outlook

We believe that our business is well structured with its focus on multiple facets of the Canadian residential real estate market and diversified funding. This gives us some flexibility in terms of income generation and allows us to balance the volatility that we may experience at certain points and in certain areas of our business. We believe that there is an opportunity to expand our core businesses without taking on significantly more risk. We will also continue to place an emphasis on investing in our infrastructure and process improvements to drive operating leverage. We will remain nimble, however, in dealing with any market changes or opportunities that may arise in any of our businesses in the short term. With a strong liquidity and capital position, high level of credit quality, and our strategy of continued diversification of our lending portfolio and funding base, we believe we are well positioned for an uncertain economic and geopolitical environment.

MCAN Capital Division

Our MCAN Capital division manages our construction, commercial and uninsured - completed inventory lending portfolios. We expect continued high demand for more affordable housing, which is our main strategy. We have seen growth in the MCAN Capital portfolio, which is over \$1.3 billion, and we are building our pipeline to manage runoff from completed projects and maintain controlled growth. Specifically with respect to construction zoning site delays as well as the aforementioned housing market headwinds on our construction lending portfolio, the vast majority of our loans are progressing towards completion and the few that have stalled are being actively managed to either be brought current or asset recovery programs have been initiated. We continue to monitor the entire portfolio and the market very closely, and we will continue to use our credit management practices in the context of the prevailing market. Some projects may experience construction delays for a variety of factors including extended permitting, presale or contracting activities given the current state of the housing market. Tariffs on international trade may further increase construction costs. All these factors have, and may continue to have, an impact on the timing of repayments as loans remain outstanding longer; however, they have not changed the overall expected success of these construction projects or the performance of the loans within this portfolio. Our philosophy within our MCAN Capital division is to apply a prudent approach to our underwriting criteria in line with our risk appetite, with a focus on well-located and more affordable residential products, near transit corridors, with experienced borrowers and developers where we have existing relationships. We will continue to remain vigilant in our underwriting and loan management practices and look to onboard new borrowers and developers that fit within our lending philosophy.

MCAN Home Division

Our MCAN Home division manages our residential lending business. Given the geopolitical and economic environment, our risk management, credit monitoring and assessment activities continue to have a heightened focus in operating our business. We continue to focus on proactively protecting our net interest margins on our residential mortgages with our credit underwriting to ensure that we are adequately compensated for the level of risk we may take. We expect a moderate increase in home purchase activity, and more competition in our market in order to attract what demand is coming in for both originations and renewals, when more meaningful interest rate cuts occur; however, the economic impact of the current geopolitical environment remains uncertain. Despite the noted uncertainty, we have continued to grow our business while taking a prudent approach to mortgage originations. We are also looking to further grow our uninsured residential mortgage originations as we scale our new uninsured residential mortgage securitization program with a Canadian Schedule I Chartered bank. In Q3 2025, we securitized \$163 million under this program for the first time. This is an integral part of our funding diversification and capital optimization strategy. We remain dedicated to continuously improving our service for our borrowers and the broker community, and as such, we will continue to invest in our current and new systems and business infrastructure to further enhance our service experience. We will also look to expand to other urban markets within Canada. We will continue to keep abreast of the many changes in the market, the regulatory environment and in our portfolios that could impact our business or that could create opportunities in line with our risk appetite.

MCAN Wealth Division

Our MCAN Wealth division manages our term deposit business. We issue both retail and wholesale term deposits that are eligible for CDIC deposit insurance that are sourced through a network of independent brokers and financial agents, as well as through our digital direct-to-consumer platform. We expect originations of term deposits to maintain the level of non-securitized mortgage growth we have achieved. We expect there will continue to be volatility in the Government of Canada bond yield curve and, therefore, volatility in pricing in the term deposit market due to changing demand from interest rate changes and financial institution appetite for term deposits. We continue to look for opportunities to adjust the maturity terms of our term deposits relative to our non-securitized mortgage portfolio in line with interest rate forecasts. We will continue to utilize our hedging strategies to minimize interest rate risk in this rate environment, particularly if our floating rate construction lending portfolio floats down to floor rates. We will continue to expand our broker networks, grow our direct-to-consumer platform and look for other channels to source term deposits. We have invested in, and expect to continue to invest in, our current and new systems and business infrastructure and processes to drive efficiencies.

We are expanding and maturing our capital markets, investor relations and funding diversification strategies over the long term to continue our growth. That growth will be dependent on business growth opportunities as well as equity market conditions and shareholder appetite. We will continue to leverage our ATM and DRIP programs and other share offerings when it makes sense. MCAN's management and Board are committed to proactively and effectively managing and evolving all our strategies, business activities and team to achieve 10% average annual growth in assets over the long term, 13% to 15% average return on average shareholders' equity, and sustained and prudent dividend growth.

This Outlook contains forward-looking statements. For further information, refer to the "A Caution About Forward-Looking Information and Statements" section of this MD&A.

HIGHLIGHTS

Q3 2025

- Net income totalled \$20.5 million in Q3 2025, a decrease of \$6.4 million (24%) from \$26.9 million in Q3 2024. Our Q3 2025 results were mainly impacted by \$6.0 million lower fair value gains on our marketable and non-marketable securities due to the current uncertain market conditions compared to Q3 2024.
- Pre-provision pre-tax income ("PPPT")¹ totalled \$22.7 million in Q3 2025, a decrease of \$5.5 million (19%) from \$28.2 million in Q3 2024. PPPT was mainly impacted by the same factor as net income described above.
- Earnings per share totalled \$0.52 in Q3 2025, a decrease of \$0.18 (26%) from \$0.70 in Q3 2024.
- Return on average shareholders' equity¹ was 13.09% in Q3 2025, a decrease from 18.16% in Q3 2024.
- Net interest income of \$23.8 million was little changed from Q3 2024.
 - Net interest income - non-securitized assets decreased by \$0.8 million in Q3 2025 from Q3 2024 as the impact of a higher average non-securitized mortgage portfolio balance from mortgage portfolio growth was more than offset by a reduction in the spread of non-securitized mortgages over term deposit interest and expenses. The decrease in the spread of non-securitized mortgages over term deposit interest and expenses is mainly due to a larger decrease in our mortgage rates compared to our term deposits, mainly in our floating rate residential construction portfolio, as prime rates have declined since 2024. This was partially offset by residential mortgage pricing initiatives and continuing to manage our interest rate risk through the duration of our term deposit funding and related hedging strategies.
 - Net interest income - securitized assets increased by \$0.6 million in Q3 2025 from Q3 2024 due to a higher average securitized mortgage portfolio balance from higher securitization volumes of residential mortgages exceeding maturities. There was also a shift in net interest income from non-securitized to securitized of \$0.8 million as beginning in Q3 2025, we securitized uninsured residential mortgages as part of a securitization program sponsored by a Canadian Schedule I Chartered bank.
- Provision for credit losses on our mortgage portfolio were \$2.1 million in Q3 2025 mainly due to worsening economic forecasts due to the current economic and geopolitical environment and interest provisioning on our impaired residential construction loans. We believe that we have a quality uninsured residential mortgage loan portfolio with an average LTV of 65.4% at September 30, 2025. In Q3 2024, we had a provision for credit losses of \$1.3 million mainly due to less favourable underlying economic forecasts relating to unemployment rates and interest provisioning on impaired residential construction loans.
- Equity income from MCAP Commercial LP ("MCAP") totalled \$10.4 million in Q3 2025, an increase of \$3.7 million (55%) from \$6.7 million in Q3 2024, which was primarily due to (i) higher securitization income from higher average portfolio balances; and (ii) lower non-securitized interest expenses as interest rates have declined. These were partially offset by (i) lower non-securitized mortgage revenue due to lower

mortgage rates and lower average portfolio balances; and (ii) lower mortgage origination fees from lower fee rates.

Year to Date (“YTD”) 2025

- Net income totalled \$57.3 million for YTD 2025, a decrease of \$12.6 million (18%) from \$69.9 million for YTD 2024. Our YTD 2025 results so far were mainly impacted by higher provisions for credit losses, higher non-interest expenses and lower fair value gains on our marketable and non-marketable securities partially offset by higher income from MCAP.
- PPPT¹ totalled \$65.1 million for YTD 2025, a decrease of \$7.2 million (10%) from \$72.2 million in YTD 2024. PPPT was impacted by the same factors as net income described above excluding provisions for credit losses.
- Earnings per share totalled \$1.46 for YTD 2025, a decrease of \$0.41 (22%) from \$1.87 in YTD 2024.
- Return on average shareholders’ equity¹ was 12.44% for YTD 2025 compared to 16.29% in YTD 2024.
- Net interest income decreased by \$0.6 million compared to YTD 2024 from lower net interest income from non-securitized assets partially offset by net interest income from securitized assets.
 - Net interest income - non-securitized assets decreased by \$2.2 million from YTD 2024 due to a reduction in the spread of non-securitized mortgages over term deposit interest and expenses partially offset by a higher average non-securitized mortgage portfolio balance from continued originations and renewals. For YTD 2025, the decrease in the spread of non-securitized mortgages over term deposit interest and expenses is mainly due to the same factors as for Q3 2025 mentioned above.
 - Net interest income - securitized assets increased by \$1.6 million from YTD 2024 due to a higher average securitized mortgage portfolio balance from higher securitization volumes of residential mortgages exceeding maturities. There was also a shift in net interest income from non-securitized to securitized of \$0.8 million as beginning in Q3 2025, we securitized uninsured residential mortgages as part of a securitization program sponsored by a Canadian Schedule I Chartered bank.
- Provision for credit losses on our mortgage portfolio were \$7.4 million for YTD 2025 mainly due to the same factors as Q3 2025. For YTD 2024, there was a provision for credit losses of \$2.1 million mainly due to the same factors as described for Q3 2024 mentioned above.
- Equity income from MCAP totalled \$25.7 million for YTD 2025, an increase of \$4.1 million (19%) from \$21.6 million for YTD 2024. For YTD 2025, the increase is mainly due to (i) higher securitization income from higher average portfolio balances; and (ii) lower non-securitized interest expenses as interest rates have declined. These were partially offset by (i) lower non-securitized mortgage revenue due to lower mortgage rates and lower average portfolio balances; and (ii) lower mortgage origination fees from lower fee rates and lower commitment and whole loan sales volumes.

Business Activity and Balance Sheet

- Total non-securitized and securitized mortgages totalled \$5.3 billion at September 30, 2025, a net increase of \$147 million (3%) from June 30, 2025 and a net increase of \$433 million (9%) from December 31, 2024.
- Securitized mortgages totalled \$2.8 billion at September 30, 2025, a net increase of \$352 million (15%) from June 30, 2025 and a net increase of \$361 million (15%) from December 31, 2024 mainly due to the launch of our uninsured residential mortgage securitization program in Q3 2025. Securitization is an integral part of our diversification and capital optimization strategy.

- Securitized insured residential mortgages totalled \$2.6 billion at September 30, 2025, a net increase of \$192 million (8%) from June 30, 2025 and a net increase of \$201 million (8%) from December 31, 2024. As we have seen favourable securitization spreads, we opted to securitize our insured residential mortgages as opposed to selling them at the commitment stage. Overall, total insured residential mortgage origination volumes are higher supported by outstanding service to our brokers, originators and customers. Further interest rate decreases would help first time home buyers, who would be a significant portion of the borrowers of our insured residential mortgages. We use various channels in funding the insured residential mortgage portfolio, in the context of market conditions and net contributions over the life of the mortgages, in order to support our overall business.
- Securitized uninsured residential mortgages totalled \$160 million at September 30, 2025. Beginning in Q3 2025, we securitized uninsured residential mortgages as part of a securitization program sponsored by a Canadian Schedule I Chartered bank. We plan to grow this portfolio in order to support our overall business and optimize our balance sheet.
- Non-securitized mortgages totalled \$2.5 billion at September 30, 2025, a net decrease of \$206 million (8%) from June 30, 2025 and a net increase of \$72 million (3%) from December 31, 2024 mainly due to the launch of our uninsured residential mortgage securitization program in Q3 2025 noted above.
 - Construction loan portfolios totalled \$1.2 billion at September 30, 2025, a net increase including repayments of \$17 million (1%) from June 30, 2025 and a net increase including repayments of \$112 million (10%) from December 31, 2024. The movement in the portfolio is attributed to new loan advances and repayments on completing projects. Originations have been steady this year and some extensions of projects due to normal construction delays or normal delays relating to the permitting and zoning process meant that we have not experienced as much run-off in the portfolio as expected. To date, projects continue to progress toward completion.
 - Uninsured residential mortgage portfolio totalled \$1.1 billion at September 30, 2025, a net decrease of \$96 million (8%) from June 30, 2025 and a net decrease of \$43 million (4%) from December 31, 2024 from the launch of our uninsured residential mortgage securitization program noted above. We continue to see higher uninsured originations and steady uninsured residential mortgage renewals supported by our outstanding service to our brokers, originators and customers. We actively manage origination and renewal volumes in order to optimize our net interest margins and net income.

Dividend

- The Board declared a fourth quarter regular cash dividend of \$0.41 per share to be paid January 2, 2026 to shareholders of record as of December 15, 2025. As a MIC, we are entitled to deduct the dividends that we pay to shareholders from our taxable income.

Credit Quality

- Arrears total mortgage ratio¹ was 2.87% at September 30, 2025 compared to 2.49% at June 30, 2025 and 2.06% at December 31, 2024. The majority of our residential mortgage arrears activity occurs in the 1-30 day category, in which the bulk of arrears are resolved and do not migrate to arrears categories over 30 days. Our greater than 30 days arrears has declined in our uninsured residential mortgages compared to last quarter and 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 based on an industry index of current real estate values. With respect to our construction loan portfolio, we have a strong track record with our default management processes and asset recovery programs as the need arises.
- Impaired non-securitized mortgage ratio¹ 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 monitor the delinquency and

impairment status of our loans and take appropriate steps with our borrowers to ensure an optimal resolution.

- Impaired total mortgage ratio¹ was 1.25% at September 30, 2025 compared to 1.25% at June 30, 2025 and 1.25% at December 31, 2024.

Capital

- We manage our capital and asset balances based on the regulations and limits of both the *Income Tax Act* (Canada) (the “Tax Act”) and OSFI.
- We have a Base Shelf prospectus allowing us to make certain public offerings of debt or equity securities during the period that it is effective, through Prospectus Supplements. We have an ATM Program, established pursuant to a Prospectus Supplement to our Base Shelf prospectus, allowing us to issue up to \$75 million common shares to the public from time to time at the market prices prevailing at the time of sale. We issued \$9.6 million in new common shares through the ATM Program in Q3 2025 compared to \$5.9 million in Q2 2025 and \$3.2 million in Q3 2024. YTD 2025, we issued \$16.6 million compared to \$3.2 million for YTD 2024. The volume and timing of distributions under the ATM Program are determined at MCAN’s sole discretion.
- We issued \$2.3 million in new common shares through the Dividend Reinvestment Plan (“DRIP”) in Q3 2025 compared to \$2.5 million in Q2 2025 and \$2.2 million in Q3 2024. YTD 2025, we issued \$9.4 million compared to \$14.8 million for YTD 2024. The DRIP participation rate was 15% for the Q3 2025 dividend (Q2 2025 dividend - 15%; Q3 2024 dividend - 15%).
- Income tax assets to capital ratio³ was 5.45 at September 30, 2025 compared to 5.42 at June 30, 2025 and 5.24 at December 31, 2024.
- Common Equity Tier 1 (“CET 1”) and Tier 1 Capital to risk-weighted assets ratios² were 19.01% at September 30, 2025 compared to 18.90% at June 30, 2025 and 19.02% at December 31, 2024. Total Capital to risk-weighted assets ratio² was 19.32% at September 30, 2025 compared to 19.22% at June 30, 2025 and 19.28% at December 31, 2024. Leverage ratio² was 9.27% at September 30, 2025 compared to 9.32% at June 30, 2025 and 9.72% at December 31, 2024. All of our capital and leverage ratios are within our regulatory and internal risk appetite guidelines.

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 MD&A. 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 Leverage Requirements and Capital Adequacy Requirements guidelines.

³ For further information refer to the “Income Tax Capital” section of this MD&A. Tax balances are calculated in accordance with the Tax Act.

RESULTS OF OPERATIONS

Table 3: Net Income

(in thousands except for per share amounts and %)								
For the Periods Ended	Q3 2025	Q2 2025	Change (%)	Q3 2024	Change (%)	YTD 2025	YTD 2024	Change (%)
Net Interest Income - Non-Securitized Assets								
Mortgage interest	\$ 47,133	\$ 46,882	1 %	\$ 48,067	(2)%	\$ 139,163	\$ 144,497	(4)%
Interest on cash and other	1,223	1,249	(2)%	920	33 %	3,264	3,085	6 %
	48,356	48,131	— %	48,987	(1)%	142,427	147,582	(3)%
Term deposit interest and expenses	26,606	25,502	4 %	28,021	(5)%	76,990	81,617	(6)%
Interest on loans payable	1,755	2,093	(16)%	153	1047 %	4,242	2,578	65 %
	28,361	27,595	3 %	28,174	1 %	81,232	84,195	(4)%
	19,995	20,536	(3)%	20,813	(4)%	61,195	63,387	(3)%
Net Interest Income - Securitized Assets								
Mortgage interest	22,046	18,960	16 %	16,593	33 %	59,748	44,628	34 %
Interest on cash and other	442	442	— %	593	(25)%	1,267	1,471	(14)%
	22,488	19,402	16 %	17,186	31 %	61,015	46,099	32 %
Interest on financial liabilities from securitization	18,723	16,276	15 %	14,064	33 %	51,035	37,744	35 %
	18,723	16,276	15 %	14,064	33 %	51,035	37,744	35 %
	3,765	3,126	20 %	3,122	21 %	9,980	8,355	19 %
Total Net Interest Income	23,760	23,662	— %	23,935	(1)%	71,175	71,742	(1)%
Non-interest Income								
Equity income from MCAP Commercial LP	10,361	9,732	6 %	6,667	55 %	25,664	21,576	19 %
Distribution income from securities	2,362	2,251	5 %	2,731	(14)%	7,354	8,078	(9)%
Fees	922	761	21 %	1,024	(10)%	2,763	2,653	4 %
Net gain (loss) on securities	(320)	406	(179)%	5,671	(106)%	1,185	4,983	(76)%
Other	763	745	2 %	—	n/a	1,520	—	n/a
Gain on dilution of investment in MCAP Commercial LP	—	—	n/a	—	n/a	—	680	(100)%
	14,088	13,895	1 %	16,093	(12)%	38,486	37,970	1 %
Total Income	37,848	37,557	1 %	40,028	(5)%	109,661	109,712	— %
Provision for credit losses	2,056	2,227	(8)%	1,302	58 %	7,372	2,098	251 %
Non-interest Expenses								
Salaries and benefits	6,933	6,873	1 %	6,627	5 %	20,925	18,971	10 %
General and administrative	8,172	7,707	6 %	5,207	57 %	23,641	18,493	28 %
	15,105	14,580	4 %	11,834	28 %	44,566	37,464	19 %
Net Income Before Income Taxes	20,687	20,750	— %	26,892	(23)%	57,723	70,150	(18)%
Provision for (recovery of) income taxes								
Current	125	2	6150 %	363	(66)%	127	431	(71)%
Deferred	57	561	(90)%	(363)	(116)%	314	(142)	(321)%
	182	563	(68)%	—	n/a	441	289	53 %
Net Income	\$ 20,505	\$ 20,187	2 %	\$ 26,892	(24)%	\$ 57,282	\$ 69,861	(18)%
Basic and diluted earnings per share	\$ 0.52	\$ 0.51	2 %	\$ 0.70	(26)%	\$ 1.46	\$ 1.87	(22)%
Cash dividends per share	\$ 0.41	\$ 0.41	— %	\$ 0.39	5 %	\$ 1.23	\$ 1.17	5 %

Net Interest Income - Non-Securitized Assets

Mortgage Interest Income

Table 4: Net Mortgage Interest Income and Average Rate by Mortgage Portfolio - Quarterly

For the Quarters Ended	September 30, 2025			June 30, 2025			September 30, 2024		
(in thousands except %)	Average Balance ¹	Interest Income	Average Rate ¹	Average Balance ¹	Interest Income	Average Rate ¹	Average Balance ¹	Interest Income	Average Rate ¹
Residential mortgages									
Insured	\$ 256,971	\$ 2,465	3.77 %	\$ 208,239	\$ 1,830	3.52 %	\$ 298,136	\$ 3,148	4.21 %
Uninsured	1,124,226	18,280	6.49 %	1,161,119	19,067	6.57 %	1,078,502	18,692	6.92 %
Uninsured - completed inventory	107,492	2,156	7.96 %	118,973	2,378	8.01 %	89,001	2,085	9.31 %
Construction loans									
Residential	1,154,951	23,771	8.17 %	1,111,021	22,970	8.29 %	983,427	23,057	9.32 %
Non residential	26,358	461	6.94 %	22,979	402	7.01 %	5,202	116	8.87 %
Commercial loans									
Multi-family residential	—	—	— %	7,477	235	12.58 %	55,472	969	8.40 %
Other	—	—	— %	—	—	— %	—	—	— %
Mortgages - non-securitized portfolio	\$2,669,998	\$ 47,133	7.02 %	\$2,629,808	\$ 46,882	7.14 %	\$2,509,740	\$ 48,067	7.66 %
Term deposit interest and expenses	2,352,365	26,606	4.39 %	2,273,383	25,502	4.40 %	2,252,227	28,021	4.88 %
Net non-securitized mortgage spread income ¹		\$ 20,527			\$ 21,380			\$ 20,046	
Spread of non-securitized mortgages over term deposit interest and expenses ¹			2.63 %			2.74 %			2.78 %
Average term to maturity (months)									
Mortgages - non-securitized	9.5			11.3			12.9		
Term deposits	16.8			17.7			19.1		

Table 5: Net Mortgage Interest Income and Average Rate by Mortgage Portfolio - YTD

For the Nine Months Ended September 30	2025			2024		
(in thousands except %)	Average Balance ¹	Interest Income	Average Rate ¹	Average Balance ¹	Interest Income	Average Rate ¹
Residential mortgages						
Insured	\$ 198,656	\$ 5,455	3.64 %	\$ 299,470	\$ 9,615	4.28 %
Uninsured	1,136,182	56,027	6.58 %	1,030,146	52,837	6.84 %
Uninsured - completed inventory	112,813	6,835	8.10 %	64,071	4,601	9.59 %
Construction loans						
Residential	1,115,284	69,349	8.31 %	1,018,923	73,525	9.63 %
Non residential	18,575	976	7.03 %	3,281	226	9.18 %
Commercial loans						
Multi-family residential	6,498	521	10.73 %	55,632	3,642	9.23 %
Other commercial	—	—	— %	742	51	9.25 %
Mortgages - non-securitized portfolio	\$ 2,588,008	\$ 139,163	7.18 %	\$ 2,472,265	\$ 144,497	7.81 %
Term deposit interest and expenses	2,275,150	76,990	4.43 %	2,201,495	81,617	4.86 %
Net non-securitized mortgage spread income ¹		\$ 62,173			\$ 62,880	
Spread of non-securitized mortgages over term deposit interest and expenses ¹			2.75 %			2.95 %

¹ Considered to be a Non-GAAP and other financial measure. The net non-securitized mortgage spread income and the spread of non-securitized mortgages over term deposit interest and expenses are indicators of the profitability of income earning assets less the cost of funding. Net non-securitized mortgage spread income is calculated as the difference between non-securitized mortgage interest and term deposit interest and expenses, both of which are IFRS measures. Average rate is equal to income/expense divided by the average balance over the period on an annualized basis. Income/expense incorporates items such as penalty income, commitment fee income, origination expense, commission expense and term deposit hedging gains or losses. The average rate as presented may not necessarily be equal to "Income/Expense" divided by "Average Balance", as non-recurring items such as prior period adjustments are excluded from the calculation of the average rate as applicable. For further details, refer to the "Non-GAAP and Other Financial Measures" section of this MD&A. 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.

Table 6: Mortgage Originations

(in thousands except %)								
For the Periods Ended	Q3 2025	Q2 2025	Change (%)	Q3 2024	Change (%)	YTD 2025	YTD 2024	Change (%)
Residential Mortgages								
Insured - fixed ²	\$ 223,267	\$ 270,226	(17%)	\$ 169,507	32%	\$ 542,610	\$ 478,667	13%
Insured - adjustable rate ²	18,045	41,156	(56%)	1,830	886%	98,889	49,127	101%
Uninsured ²	173,893	133,846	30%	115,842	50%	404,562	311,249	30%
Uninsured - completed inventory ¹	1,734	12,172	(86%)	23,065	(92%)	35,314	85,752	(59%)
Construction loans								
Residential ¹	127,613	159,593	(20%)	135,077	(6%)	430,601	413,909	4%
Non residential ¹	49	20,110	(100%)	1,437	(97%)	20,268	6,035	236%
Commercial loans ¹	—	—	n/a	50	(100%)	—	50	(100%)
	\$ 544,601	\$ 637,103	(15%)	\$ 446,808	22%	\$1,532,244	\$1,344,789	14%

¹ Construction, commercial and completed inventory originations represent all advances on loans.

² Includes residential mortgage commitments sold that the Company originated.

Overview

For Q3 2025 and YTD 2025, the decrease in the spread of non-securitized mortgages over term deposit interest and expenses compared to Q2 2025, Q3 2024 and YTD 2024 is mainly due to the decrease in our mortgage rates, mainly in our floating rate residential construction portfolio as prime rates have declined 250 bps since mid-2024, generally exceeding the pace of decrease in our average term deposit rates and related hedges due to the timing of new hedging positions. We actively manage our interest rate risk by continually reviewing, and if necessary, changing the laddering of the duration of our term deposits relative to our non-securitized mortgage portfolio as well as utilizing our hedging strategies to lock-in spreads. For information on our term deposit fair value hedging, see “Derivatives and Hedging” sub-section below.

Residential Mortgage Lending

Residential mortgages provide comparatively lower yields given their risk profile, with uninsured residential mortgages providing higher yields than insured residential mortgages. We opportunistically invest in our residential uninsured - completed inventory portfolio which often migrate from our own construction book.

Excluding residential mortgages uninsured - completed inventory, which is invested in opportunistically as deals arise, total origination volumes in 2025 on our residential mortgages were higher compared to Q3 2024 and YTD 2024 as rates have begun to decline in the current environment, as well as our outstanding service to our brokers, originators and customers. We also saw steady uninsured residential mortgage renewals with \$116 million in Q3 2025 compared to \$91 million in Q3 2024, as borrowers continue to find it more convenient to stay with their existing lender in the current market environment.

Our insured adjustable rate residential mortgage product also saw an increase in the current year, as many borrowers believe that interest rates have peaked and that there could be further interest rate cuts this year. Of note, unlike traditional insured variable rate mortgages, payments on our insured adjustable rate residential mortgages adjust as interest rates change with no changes to loan amortization. We also underwrite our insured adjustable rate mortgages for credit quality accordingly and our borrowers expect their payments under this product to change as interest rates change.

We continue to enhance our internal sales and marketing capabilities, and strengthen relationships and customer service with the broker community. We will continue to invest in new technology and add new products that fit within our risk appetite to further enhance our service experience and broaden our offering to our customers.

We have agreements whereby we can sell our (i) insured and uninsured residential mortgage commitments; and (ii) uninsured residential mortgage whole loans. We originated and sold \$19 million in commitments in Q3 2025 (Q2 2025 - \$12 million; Q3 2024 - \$2 million) and \$72 million for YTD 2025 (YTD 2024 - \$2 million) under these agreements. In Q1 2025, we also sold \$45 million of uninsured residential mortgage whole loans.

We securitize our insured residential mortgages opportunistically through the CMHC National Housing Act (“NHA”) Mortgage-Backed Securities (“MBS”) program. Our Q3 2025 insured residential mortgage securitization volumes were \$392 million (Q2 2025 - \$211 million; Q3 2024 - \$220 million) and \$656 million for YTD 2025 (YTD 2024 - \$591 million). As we have seen favourable securitization spreads, we opted to securitize our insured residential mortgages as opposed to selling them at the commitment stage. Overall, total insured residential mortgage origination volumes are higher supported by outstanding service to our brokers, originators and customers. Further interest rate decreases would help first time home buyers, who would be a significant portion of the borrowers of our insured residential mortgages. Renewals of securitized mortgages fluctuate each period depending on the maturities in the securitization portfolio.

Beginning in Q3 2025, we securitized uninsured residential mortgages as part of a securitization program sponsored by a Canadian Schedule I Chartered bank. Uninsured residential mortgage securitization volumes were \$163 million in Q3 2025. We plan to grow this portfolio in order to support our overall business and optimize our balance sheet.

Mortgage Renewal Rights

Through our origination platform, we retain the renewal rights to internally originated residential mortgages that are held as non-securitized or securitized mortgages or have been sold to third parties and derecognized from the interim consolidated balance sheet. At maturity, we have the right to renew these mortgages, which we believe will contribute to future income including renewal income. At September 30, 2025, we had the renewal rights to \$4.0 billion of residential mortgages (June 30, 2025 - \$3.8 billion; December 31, 2024 - \$3.6 billion).

Construction and Commercial

We continue to focus on growing our balances in our residential construction portfolio in selected markets, with our preferred borrowers and risk profile as they tend to provide comparatively higher yields given their risk profile. For Q3 2025 and YTD 2025 compared to Q2 2025, Q3 2024 and YTD 2024, the decrease in average rates is mainly due to Bank of Canada interest rate cuts reducing our mostly floating rate construction loans and competitive pricing for quality deals. Higher average balances offset by lower average residential construction rates from the declining interest rate environment contributed to a slightly lower non-securitized mortgage interest compared to prior periods. Since this portfolio is entirely at prime-based floating rates, we are utilizing our hedging strategies on term deposits to manage spreads on our construction and commercial loans in a decreasing interest rate environment. For information on our term deposit fair value hedging, see “Derivatives and Hedging” sub-section below.

Some projects may experience construction delays for a variety of factors including extended permitting, presale or contracting activities given the current state of the housing market. To date, projects continue to progress toward completion within our expected margins. Current impaired construction mortgages include mortgages where asset recovery programs have already been initiated. We have a strong track record with our default management processes and asset recovery programs as the need arises. Our realized loan losses on our construction portfolio have been negligible. Our prudent underwriting approach requires satisfactory borrower liquidity, guarantor net worth and presale requirements as applicable to the respective markets.

Term Deposit Interest and Expenses

The reduction in term deposit interest and expenses for Q3 2025, Q2 2025, and YTD 2025 compared to prior year periods was mostly due to lower average term deposit rates and related hedges from a declining interest rate environment. For Q3 2025 compared to Q2 2025, the increase is mainly due to a larger outstanding balance partially offset by lower term deposit rates and related hedges. We have been actively managing our interest rate risk during this period of changing interest rates by changing the laddering of the duration of our term deposits relative to our non-securitized mortgage portfolio and utilizing hedging strategies. Term deposit expenses include costs related to insurance, operating infrastructure and administration. For information on our term deposit fair value hedging, see “Derivatives and Hedging” sub-section below.

Derivatives and Hedging

Cash Flow Hedging

We may enter into Government of Canada bond forward contracts to hedge interest rate risk arising from the impact of (i) movements in interest rates between the time insured residential mortgages are funded and the time that these mortgages are securitized; and (ii) movements in interest rates between the time term deposit funding is forecasted to be required and the time that the actual funding occurs. Hedges are structured such that the fair value movements of the hedge instruments offset, within a reasonable range, the changes in fair value of either the pool of fixed-rate mortgages or term deposits due to interest rate fluctuations. The term of our cash flow hedges is generally less than 60 days. The derivative instruments are settled at either the time of securitization or funding of the term deposits, as applicable. We apply cash flow hedge accounting to these derivative transactions with the intention to recognize the effective matching of the gain or loss on the derivative transactions with the recognition of the related interest expense for either the securitization or term deposit funding.

At September 30, 2025, we had \$nil of derivatives outstanding relating to cash flow hedges (June 30, 2025 - \$nil; December 31, 2024 - \$nil) on our interim consolidated balance sheets. In Q3 2025, we had net realized fair value losses of \$0.2 million (Q2 2025 - \$0.6 million fair value gains; Q3 2024 - \$0.7 million realized fair value losses), and for YTD 2025, we had net realized fair value gains of \$0.4 million (YTD 2024 - \$1.9 million realized fair value losses) on our derivative transactions recognized in accumulated other comprehensive income.

Fair Value Hedging

We may enter into interest rate swaps to hedge interest rate risk arising from fair value changes in our fixed-rate term deposits due to movements in interest rates. Hedges are structured such that the fair value movements of the hedge instruments offset, within a reasonable range, the changes in fair value of the pool of term deposits due to interest rate fluctuations. The terms of our fair value hedges are generally less than 2 years but may go up to 5 years. The derivative instruments are settled at the time of maturity of the pool of term deposits. We apply fair value hedge accounting to these derivative transactions with the intention to recognize the effective matching of the fair value gain or loss on the derivative transactions with the fair value gain or loss on the pool of term deposits, within a reasonable range. Any unmatched fair value is recorded in term deposit interest and expenses as hedge ineffectiveness.

At September 30, 2025, the Company had \$4.4 million of derivative financial assets outstanding relating to fair value hedges (June 30, 2025 - \$2.8 million assets; December 31, 2024 - \$2.5 million assets).

Achieving hedge accounting for both our cash flow and fair values hedges allows us to reduce our net income volatility related to changes in interest rates. All of our derivative transactions are with highly rated Canadian financial institutions.

For further information, refer to Note 11 to the interim consolidated financial statements.

Net Interest Income - Securitization Assets

Net investment income from securitization assets relates to (i) our participation in the market MBS program and the Canada Housing Trust ("CHT") Canada Mortgage Bonds ("CMB") program; and (ii) an agreement with a Canadian Schedule I Chartered bank to participate in an uninsured residential mortgage securitization program sponsored by the bank. Under this agreement, we can sell qualifying uninsured residential mortgages that meet certain requirements into the program and they remain in the program until maturity. We securitize our residential mortgages opportunistically through these programs.

As securitization spreads continue to be favourable, we expect to continue to be aggressive in originating insured and uninsured residential mortgages for securitization.

For further information on our securitization programs, refer to the "Financial Position" section of this MD&A.

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 MD&A. 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.

Table 7: Net Mortgage Interest Income and Average Rate for Securitized Mortgage Portfolio - Quarterly

For the Quarters Ended	September 30, 2025			June 30, 2025			September 30, 2024		
(in thousands except %)	Average Balance ¹	Interest Income	Average Rate ¹	Average Balance ¹	Interest Income	Average Rate ¹	Average Balance ¹	Interest Income	Average Rate ¹
Mortgages - securitized insured	\$2,494,008	\$ 20,827	3.34 %	\$2,345,772	\$ 18,960	3.24 %	\$2,185,630	\$ 16,593	3.04 %
Financial liabilities from securitization	2,538,426	18,260	2.87 %	2,375,435	16,276	2.74 %	2,207,995	14,064	2.55 %
Net securitized insured mortgage spread income ¹		\$ 2,567			\$ 2,684			\$ 2,529	
Spread of securitized insured mortgages over liabilities ¹			0.47 %			0.50 %			0.49 %
Mortgages - securitized uninsured	\$ 76,008	\$ 1,219	6.39 %	\$ —	\$ —	— %	\$ —	\$ —	— %
Financial liabilities from securitization	64,470	463	3.72 %	—	—	— %	—	—	— %
Net securitized uninsured mortgage spread income ¹		\$ 756			\$ —			\$ —	
Spread of securitized uninsured mortgages over liabilities ¹			2.67 %			— %			— %

Table 8: Net Mortgage Interest Income and Average Rate for Securitized Mortgage Portfolio - YTD

For the Nine Months Ended September 30	2025			2024		
(in thousands except %)	Average Balance ¹	Interest Income	Average Rate ¹	Average Balance ¹	Interest Income	Average Rate ¹
Mortgages - securitized insured	\$ 2,403,104	\$ 58,529	3.26 %	\$ 2,068,156	\$ 44,628	2.89 %
Financial liabilities from securitization	2,436,666	50,572	2.77 %	2,084,719	37,744	2.42 %
Net securitized insured mortgage spread income ¹		\$ 7,957			\$ 6,884	
Spread of securitized insured mortgages over liabilities ¹			0.49 %			0.47 %
Mortgages - securitized uninsured	\$ 25,615	\$ 1,219	6.39 %	\$ —	\$ —	— %
Financial liabilities from securitization	21,726	463	3.72 %	—	—	— %
Net securitized uninsured mortgage spread income ¹		\$ 756			\$ —	
Spread of securitized uninsured mortgages over liabilities ¹			2.67 %			— %

¹ Considered to be a non-GAAP and other financial measure. The net securitized mortgage spread income and spread of securitized mortgages over liabilities are indicators of the profitability of securitized assets less securitized liabilities. Net securitized mortgage spread income is calculated as the difference between securitized mortgage interest and interest on financial liabilities from securitization, both of which are IFRS measures. Average rate is equal to income/expense divided by the average balance over the period on an annualized basis. Income/expense incorporates items such as penalty income, indemnity expense and cash flow hedging gain/loss. The average rate as presented may not necessarily be equal to "Income/Expense" divided by "Average Balance", as non-recurring items such as prior period adjustments are excluded from the calculation of the average interest rate, as applicable. For further details, refer to the "Non-GAAP and Other Financial Measures" section of this MD&A. 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.

In 2025, we have seen average spreads improve on our insured securitizations compared to prior year periods as a result of an increase in the spread of Government of Canada bond yields versus our mortgage rates. Government of Canada bond yields had been declining on the expectation of a further declining interest rate environment. Our spreads on our uninsured securitizations remain favourable. Over the long-term, we expect these uninsured securitization spreads to normalize in-line with our non-securitized uninsured residential mortgages.

Non-interest Income

Equity Income from MCAP

In Q3 2025, MCAP's origination volumes were \$7.2 billion, an increase from \$6.3 billion in Q3 2024. At August 31, 2025 (we account for MCAP on a one-month lag basis), MCAP had \$157.1 billion of assets under management compared to \$155.4 billion at May 31, 2025 and \$154.1 billion at August 31, 2024. Equity income from MCAP totalled \$10.4 million in Q3 2025, an increase of \$3.7 million from \$6.7 million in Q3 2024. For Q3 2025, the increase in equity income from MCAP was primarily due to (i) higher securitization income from higher average portfolio balances; and (ii) lower non-securitized interest expenses as interest rates have declined. These were partially offset by (i) lower non-securitized mortgage revenue due to lower mortgage rates and lower average portfolio balances; and (ii) lower mortgage origination fees from lower fee rates. For YTD 2025, equity income from MCAP totalled \$25.7 million, an increase of \$4.1 million from \$21.6 million YTD 2024. For the YTD, the increase in equity income from MCAP was mainly due to (i) higher securitization income from higher average portfolio balances; and (ii) lower non-securitized interest expenses as interest rates have declined. These were partially offset by (i) lower non-securitized mortgage revenue due to lower mortgage rates and lower average portfolio balances; and (ii) lower mortgage origination fees from lower fee rates and lower commitment and whole loan sales volumes.

We recognize equity income from MCAP on a one-month lag such that our 2025 equity income from MCAP is based on MCAP's net income for the period ended August 31, 2025. For further information on our equity investment in MCAP, refer to the "Equity Investment in MCAP" sub-section of the "Financial Position" section of this MD&A.

Distribution Income from Securities*Non-Marketable*

We received distribution income from KingSett High Yield Fund (“KSHYF”) of \$1.3 million in Q3 2025 (Q3 2024 - \$1.6 million) and \$3.8 million for YTD 2025 (YTD 2024 - \$4.7 million). We received distribution income from KingSett Senior Mortgage Fund LP (“KSSMF”) of \$0.4 million in Q3 2025 (Q3 2024 - \$0.4 million) and \$1.1 million for YTD 2025 (YTD 2024 - \$1.1 million).

Marketable

Marketable securities income consists mainly of distributions from our REIT portfolio. In Q3 2025, we received distributions of \$0.8 million from our REITs compared to \$0.8 million in Q3 2024. For YTD 2025, we received distributions of \$2.5 million from our REITs compared to \$2.3 million for YTD 2024.

We continue to realize the benefits of regular cash flows and distributions from these investments. For further information, refer to the “Other Non-securitized Assets” section of this MD&A.

Fees

Fee income can vary between quarters given the fact that certain fees such as loan amendment and extension fees do not occur on a routine basis.

Net Gain (Loss) on Securities

In Q3 2025, we recorded a \$0.3 million net realized and unrealized loss on securities compared to a \$5.7 million net unrealized gain on securities in Q3 2024. Our net realized and unrealized gain on securities was \$1.2 million for YTD 2025 compared to a net unrealized gain on securities of \$5.0 million for YTD 2024.

Our marketable securities, mainly REITs, had a modest recovery in the current economic environment. Our non-marketable securities had net unrealized losses from certain underlying property investments as a result of (i) updated appraisals/property valuations, net of related property debt and debt service costs; and (ii) actual executions on construction and leasing stabilization and value-add activities. Our non-marketable securities are either held for long-term capital appreciation or distribution income. Our real estate development fund investments tend to have less predictable cash flows that are predicated on the completion of the development projects within these funds.

For further information, refer to Note 15 to the interim consolidated financial statements.

Gain on Dilution of Investment in MCAP

In Q3 2025 and YTD 2025, MCAP issued no additional class B units to team members of MCAP. In Q2 2024, MCAP issued additional class B units to team members of MCAP which decreased our equity interest. As a result of the issuance of new units at prices in excess of the per-unit carrying value of the investment, we recorded a dilution gain of \$0.7 million in the prior year.

Provision for (Recovery of) Credit Losses

Table 9: Provision for (Recovery of) Credit Losses and Write-offs

(in thousands except basis points and %)								
For the Periods Ended	Q3 2025	Q2 2025	Change (%)	Q3 2024	Change (%)	YTD 2025	YTD 2024	Change (%)
Provision for (recovery of) impaired non-securitized mortgages								
Residential mortgages								
Uninsured	\$ 344	1,253	(73%)	337	2%	\$ 2,133	\$ 939	127%
Construction loans	1,676	651	157%	861	95%	3,134	2,168	45%
	2,020	1,904	6%	1,198	69%	5,267	3,107	70%
Provision for (recovery of) performing non-securitized mortgages								
Residential mortgages								
Uninsured	245	169	45%	371	(34%)	1,790	401	346%
Uninsured - completed inventory	(309)	(92)	(236%)	365	(185%)	(270)	404	(167%)
Construction loans	(185)	285	(165%)	(696)	73%	336	(1,752)	119%
Commercial loans								
Multi-family residential	—	(38)	100%	44	(100%)	(35)	(84)	58%
Other commercial	—	—	n/a	—	n/a	—	(2)	100%
	(249)	324	(177%)	84	(396%)	1,821	(1,033)	276%
Other provisions (recoveries)	220	(1)	22,100%	20	1,000%	219	24	813%
Total non-securitized provision for (recovery of) credit losses	1,991	2,227	(11%)	1,302	53%	7,307	2,098	248%
Provision for (recovery of) performing securitized uninsured mortgages	65	—	n/a	—	n/a	65	—	n/a
Total provision for (recovery of) credit losses	\$ 2,056	\$ 2,227	(8%)	\$ 1,302	58%	\$ 7,372	\$ 2,098	251%
Non-securitized mortgage portfolio data:								
Provision for (recovery of) credit losses, net	\$ 1,771	\$ 2,228	(21%)	\$ 1,282	38%	\$ 7,088	\$ 2,074	242%
Net write offs	\$ 155	\$ 353	(56%)	\$ —	n/a	\$ 690	\$ 19	3,532%
Net write offs (basis points)	2.3	5.4	(57%)	—	n/a	2.7	0.1	2,600%

Provisions are based on a statistical modelling methodology incorporating both internal portfolio characteristics and forward-looking macroeconomic information. Loans are segmented into homogenous risk bands based on internal risk characteristics including (but not limited to) credit scores, delinquency history, loan type and location. Historical regression methodology is used to relate expected credit loss (“ECL”) to key macroeconomic indicators including house price indices, unemployment rates, interest rates and gross domestic product. Economic forecasts of these variables are then used to produce forward-looking estimates of ECL under multiple scenarios. Scenarios are probability weighted by management to obtain an aggregated forward looking view. Additionally, we may incorporate management judgment, where appropriate, in the calculation of provisions. Accordingly, provisions are expected to vary between periods.

We had a provision for credit losses on our mortgage portfolio of \$2.1 million in Q3 2025, which was mainly due to worsening economic forecasts due to the current economic and geopolitical environment and interest provisioning on our impaired residential construction loans. In Q3 2024, we had a provision for credit losses of \$1.3 million mainly due to less favourable underlying economic forecasts relating to unemployment rates and interest provisioning on impaired residential construction loans. We had a provision for credit losses on our mortgage portfolio of \$7.4 million for YTD 2025 and \$2.1 million for YTD 2024 mainly due to the same factors as described for Q3 2025 and Q3 2024, respectively. The current geopolitical environment has increased the level of uncertainty with respect to management’s judgments and estimates including the probability weights assigned to each scenario, the impacts of monetary policy on macroeconomic indicators and the mortgage portfolio. These judgments and uncertainties have been made or assessed with reference to the facts, projections and other circumstances at September 30, 2025. IFRS 9, Financial Instruments (“IFRS 9”) does not permit the use of hindsight in measuring provisions for credit losses. Since September 30, 2025, forecasts around these uncertainties have continued to evolve. Any new forward-looking information subsequent to September 30, 2025, will be reflected in the measurement of provisions for credit losses in future periods, as appropriate. This may add significant variability to provisions for credit losses in future periods.

We continue to monitor our portfolio in arrears on a regular basis to detect specific significant stress or deterioration.

Non-interest Expenses

Table 10: Non-interest Expenses

(in thousands except %)								
For the Periods Ended	Q3 2025	Q2 2025	Change (%)	Q3 2024	Change (%)	YTD 2025	YTD 2024	Change (%)
Salaries and benefits	\$ 6,933	\$ 6,873	1%	\$ 6,627	5%	\$ 20,925	\$ 18,971	10%
General and administrative	8,172	7,707	6%	5,207	57%	23,641	18,493	28%
	\$ 15,105	\$ 14,580	4%	\$ 11,834	28%	\$ 44,566	\$ 37,464	19%

The increase in salaries and benefits in 2025 is mainly due to additional resources, regular pay increases, and higher share-based payment accruals.

The increase in general and administrative expenses in 2025 is primarily due to higher (i) marketing and business development costs to grow our business; (ii) professional fees and technology costs relating to new system enhancements for our business operations and customer experience; and (iii) higher mortgage servicing expenses from growth in our loan portfolios.

Taxable Income

The table below provides a reconciliation between consolidated net income (loss) for accounting purposes and non-consolidated taxable income (loss). Taxable income is calculated in accordance with the Tax Act. In order to take advantage of the tax benefits of our MIC status, we pay out all of MCAN's non-consolidated taxable income to shareholders through dividends. As a MIC, we are entitled to deduct dividends paid up to 90 days after year end from taxable income. Dividends that are deducted in the calculation of taxable income are not included in the table below.

Table 11: Taxable Income Reconciliation

(in thousands)				
For the Periods Ended	Q3 2025	Q3 2024	YTD 2025	YTD 2024
Consolidated net income for accounting purposes	\$ 20,505	\$ 26,892	\$ 57,282	\$ 69,861
Adjustments to calculate taxable income (loss):				
Reverse: Equity income from MCAP - accounting purposes	(10,361)	(6,667)	(25,664)	(21,576)
Add: MCAP taxable income (loss)	(5,237)	(6,775)	(16,139)	553
Add: Tax re-organization of investment in MCAP	—	—	12,500	—
Reverse: Provision for (recovery of) credit losses ²	221	224	2,561	(716)
Add: Amortization of upfront securitization program costs ³	3,494	3,628	9,531	10,726
Deduct: Securitization program mortgage origination costs ³	(11,174)	(5,475)	(21,531)	(8,440)
Add: Securitization program premium (discount)	(1,555)	1,187	(1,673)	2,790
Reverse: Net realized and unrealized gain (loss) on securities ⁴	(595)	(5,671)	(3,737)	(4,983)
Add: Capital gains (losses)	233	—	1,590	—
Reverse: Loss (income) earned in subsidiaries ⁵	1,903	2,649	5,756	2,361
Deduct: Gain on dilution of MCAP ⁶	—	—	—	(680)
Other items	(121)	(564)	3,207	411
Taxable Income (Loss)¹	\$ (2,687)	\$ 9,428	\$ 23,683	\$ 50,307

¹ Taxable income is presented above on a non-consolidated basis for the MIC entity. The current year amounts presented above represent estimates as they are not finalized until the completion of our corporate tax filings.

² Provisions on performing mortgages are excluded from the calculation of taxable income; provisions on impaired mortgages are 90% deductible for tax purposes.

³ Securitization program mortgage origination costs are deductible in full for tax purposes as mortgages are securitized but are capitalized and amortized for accounting purposes. Therefore, amortization is added back in the calculation of taxable income.

⁴ Excluded from the calculation of taxable income; only includes net realized gains and losses recognized in the MIC entity.

⁵ Represents the component of consolidated income that is earned outside of the MIC entity, therefore excluded in the calculation of taxable income.

⁶ Not recognizable in the calculation of taxable income.

Taxable income for YTD 2025 compared to YTD 2024 was lower due to lower taxable income from our investment in MCAP partially offset by the taxable capital gain recognized on an internal reorganization of our equity investment in MCAP. As a MIC, we pay out all of our taxable income to shareholders through dividends.

FINANCIAL POSITION

Assets

Table 12: Assets

(in thousands except %)	September 30 2025	June 30 2025	Change (%)	December 31 2024	Change (%)
Non-securitized Assets					
Cash and cash equivalents	\$ 141,889	\$ 134,517	5%	\$ 61,703	130%
Marketable securities	54,452	58,092	(6%)	66,345	(18%)
Mortgages	2,535,698	2,741,371	(8%)	2,464,091	3%
Non-marketable securities	125,443	121,569	3%	117,428	7%
Equity investment in MCAP Commercial LP	132,949	128,915	3%	122,265	9%
Deferred tax asset	1,115	1,172	(5%)	1,430	(22%)
Derivative financial instruments	4,401	2,837	55%	2,508	75%
Other assets	36,976	33,724	10%	24,547	51%
	3,032,923	3,222,197	(6%)	2,860,317	6%
Securitization Assets					
Cash held in trust	62,924	62,156	1%	47,249	33%
Mortgages	2,781,009	2,428,828	15%	2,419,871	15%
Other assets	32,395	25,758	26%	20,128	61%
	2,876,328	2,516,742	14%	2,487,248	16%
	\$ 5,909,251	\$ 5,738,939	3%	\$ 5,347,565	11%

Our total non-securitized and securitized assets increased compared to June 30, 2025 and December 31, 2024 primarily due to origination volumes, including renewal activity in our residential mortgage portfolio, outpacing maturities.

In selecting residential construction projects to finance, we focus more on the affordable segments of the housing market, such as first time and move up homebuyers. These segments are characterized by affordable price points, lower price volatility and steady sales volumes based on continued family formation and migration primarily in major urban markets and their surrounding areas in proximity to transit. We focus on a diverse portfolio of predominantly first mortgage positions with 65-75% LTVs in our normal segment of lending. At September 30, 2025, the average outstanding construction loan balance was \$11 million (June 30, 2025 - \$11 million; December 31, 2024 - \$11 million) with a maximum individual loan commitment of \$40 million (June 30, 2025 - \$38 million; December 31, 2024 - \$38 million).

Securitized Mortgages

Securitization assets consist of (i) insured residential mortgages that have been securitized through our internal market MBS program and the CHT CMB program. We are an NHA MBS issuer, which involves the securitization of insured mortgages to create MBS; and (ii) uninsured residential mortgages securitized through a securitization program sponsored by a Canadian Schedule I Chartered bank. We can sell qualifying uninsured residential mortgages that meet certain requirements into the program and they remain in the program until maturity. Securitization is an integral part of our diversification and capital optimization strategy.

For further information, refer to Note 9 to the interim consolidated financial statements.

We securitized \$392 million in Q3 2025 (Q2 2025 - \$211 million; Q3 2024 - \$220 million) and \$656 million for YTD 2025 (YTD 2024 - \$591 million) of insured residential mortgages through the market MBS program and CMB program. Overall, total insured residential mortgage origination volumes are higher supported by outstanding service to our brokers, originators and customers. Further interest rate decreases would help first time home buyers, who would be a significant portion of the borrowers of our insured residential mortgages.

We may issue market MBS through the NHA MBS program and retain the underlying MBS security for liquidity purposes rather than selling the MBS to a third party. At September 30, 2025, we held \$39 million of retained MBS on our balance sheet (June 30, 2025 - \$43 million; December 31, 2024 - \$46 million), which is included in the insured residential mortgage portfolio in non-securitized mortgages.

We securitized \$217 million in Q3 2025 (Q2 2025 - \$230 million; Q3 2024 - \$nil) and \$476 million for YTD 2025 (YTD 2024 - \$nil) of insured multi-family mortgages through the CMB program. At the time of the insured multi-family securitization, the Company derecognized the mortgages from its balance sheet and recorded a gain on the sale of the mortgages of \$0.8 million in Q3 2025 (Q3 2024 - \$nil) and \$1.5 million for YTD 2025 (YTD 2024 - \$nil).

Beginning in Q3 2025, we securitized \$163 million of uninsured residential mortgages through a securitization program sponsored by a Canadian Schedule I Chartered bank. Under this program, we can sell qualifying uninsured residential mortgages that meet certain requirements into the program and they remain in the program until maturity.

Any mortgages securitized through the market MBS program, CMB program or bank-sponsored uninsured securitization program for which derecognition is not achieved remain on the consolidated balance sheet as securitized assets and are also included in total exposures in the calculation of our leverage ratio. However, for income tax purposes, all mortgages securitized by MCAN are excluded from income tax assets. For further details on total exposures, regulatory capital and income tax assets and capital, refer to the "Capital Management" section of this MD&A.

Table 13: Mortgage Summary

(in thousands except %)	September 30 2025	June 30 2025	Change (%)	December 31 2024	Change (%)
Non-securitized portfolio					
Residential mortgages					
Insured	\$ 164,588	\$ 274,507	(40%)	\$ 126,528	30%
Uninsured	1,070,497	1,166,146	(8%)	1,113,372	(4%)
Uninsured - completed inventory	101,403	118,833	(15%)	119,428	(15%)
Construction loans	1,199,210	1,181,885	1%	1,087,561	10%
Commercial loans					
Multi-family residential	—	—	n/a	17,202	(100%)
	2,535,698	2,741,371	(8%)	2,464,091	3%
Securitized portfolio					
Residential mortgages					
Insured	2,621,267	2,428,828	8%	2,419,871	8%
Uninsured	159,742	—	n/a	—	n/a
Securitized portfolio	2,781,009	2,428,828	15%	2,419,871	15%
	\$ 5,316,707	\$ 5,170,199	3%	\$ 4,883,962	9%

Table 14: Non-securitized Mortgage Portfolio Continuity for Q3 2025

(in thousands)	Residential Mortgages			Construction loans	Commercial loans	Total
	Insured	Uninsured	Uninsured - completed inventory			
Balance, beginning of the period	\$ 274,507	\$ 1,166,146	\$ 118,833	\$ 1,181,885	\$ —	\$ 2,741,371
Originations ¹	448,346	291,074	2,757	127,662	216,905	1,086,744
Payments and prepayments	(3,252)	(4,148)	(20,526)	(110,252)	—	(138,178)
Maturities	(146,552)	(215,252)	—	—	—	(361,804)
Securitizations	(391,163)	(163,003)	—	—	(216,905)	(771,071)
Sale of commitments	(15,666)	(3,714)	—	—	—	(19,380)
Capitalization and amortization of fees	(1,632)	(606)	339	(85)	—	(1,984)
Balance, end of the period	\$ 164,588	\$ 1,070,497	\$ 101,403	\$ 1,199,210	\$ —	\$ 2,535,698

¹ includes originations, including (i) insured and uninsured residential mortgage commitments originated and sold; (ii) acquisitions; (iii) renewals; and (iv) transfers in from our securitization portfolio.

Table 15: Non-securitized Mortgage Portfolio Continuity for Q3 2024

(in thousands)	Residential Mortgages			Construction loans	Commercial loans	Total
	Insured	Uninsured	Uninsured - completed inventory			
Balance, beginning of the period	\$ 280,452	\$ 1,053,032	\$ 83,481	\$ 1,027,226	\$ 55,696	\$ 2,499,887
Originations ¹	248,735	181,719	23,065	136,514	—	590,033
Payments and prepayments	(3,143)	(3,481)	(15,144)	(193,753)	—	(215,521)
Maturities	(54,320)	(123,801)	—	—	—	(178,121)
Securitizations	(220,150)	—	—	—	—	(220,150)
Sale of commitments	(367)	(1,218)	—	—	—	(1,585)
Capitalization and amortization of fees	(547)	(163)	(199)	(1,554)	(61)	(2,524)
Balance, end of the period	\$ 250,660	\$ 1,106,088	\$ 91,203	\$ 968,433	\$ 55,635	\$ 2,472,019

¹ includes originations, including (i) insured and uninsured residential mortgage commitments originated and sold; (ii) acquisitions; (iii) renewals; and (iv) transfers in from our securitization portfolio.

Table 16: Non-securitized Mortgage Portfolio Continuity for Year to Date 2025

(in thousands)	Residential Mortgages			Construction loans	Commercial loans	Total
	Insured	Uninsured	Uninsured - completed inventory			
Balance, beginning of the period	\$ 126,528	\$ 1,113,372	\$ 119,428	\$ 1,087,561	\$ 17,202	\$ 2,464,091
Originations ¹	1,058,200	778,766	38,260	468,738	476,132	2,820,096
Payments and prepayments	(6,352)	(14,149)	(56,735)	(357,923)	(17,150)	(452,309)
Maturities	(297,339)	(631,642)	—	—	—	(928,981)
Securitizations	(655,075)	(163,003)	—	—	(476,132)	(1,294,210)
Sale of commitments and whole loans	(61,662)	(9,917)	—	—	—	(71,579)
Capitalization and amortization of fees	288	(2,930)	450	834	(52)	(1,410)
Balance, end of the period	\$ 164,588	\$ 1,070,497	\$ 101,403	\$ 1,199,210	\$ —	\$ 2,535,698

¹ includes originations, including (i) insured and uninsured residential mortgage commitments originated and sold; (ii) acquisitions; (iii) renewals; and (iv) transfers in from our securitization portfolio.

Table 17: Non-securitized Mortgage Portfolio Continuity for Year to Date 2024

(in thousands)	Residential Mortgages					
	Insured	Uninsured	Uninsured - completed inventory	Construction loans	Commercial loans	Total
Balance, beginning of the period	\$ 276,685	\$ 966,726	\$ 54,367	\$ 1,045,768	\$ 71,309	\$ 2,414,855
Originations ¹	677,196	573,346	85,752	432,632	—	1,768,926
Payments and prepayments	(9,755)	(10,128)	(48,626)	(512,588)	(15,673)	(596,770)
Maturities	(103,480)	(422,887)	—	—	—	(526,367)
Securitizations	(589,009)	—	—	—	—	(589,009)
Sale of commitments	(367)	(1,218)	—	—	—	(1,585)
Capitalization and amortization of fees	(610)	249	(290)	2,621	(1)	1,969
Balance, end of the period	\$ 250,660	\$ 1,106,088	\$ 91,203	\$ 968,433	\$ 55,635	\$ 2,472,019

¹ includes originations, including insured residential mortgage commitments originated and sold, renewals and transfers in from our securitization portfolio.

We continue to be selective and will reposition our loan portfolio in terms of product composition, geographic mix and exposure as required to meet changing market conditions and align to our risk appetite. We have strong strategic partnerships and relationships and we maintain a high quality of underwriting. We have also enhanced our internal sales and marketing capabilities, strengthened relationships and customer service with the broker community and increased underwriting capacity. We continue to focus on our construction and commercial portfolio growing it in selected markets, with our preferred borrowers and risk profile given they tend to provide higher yields compared to our residential mortgages.

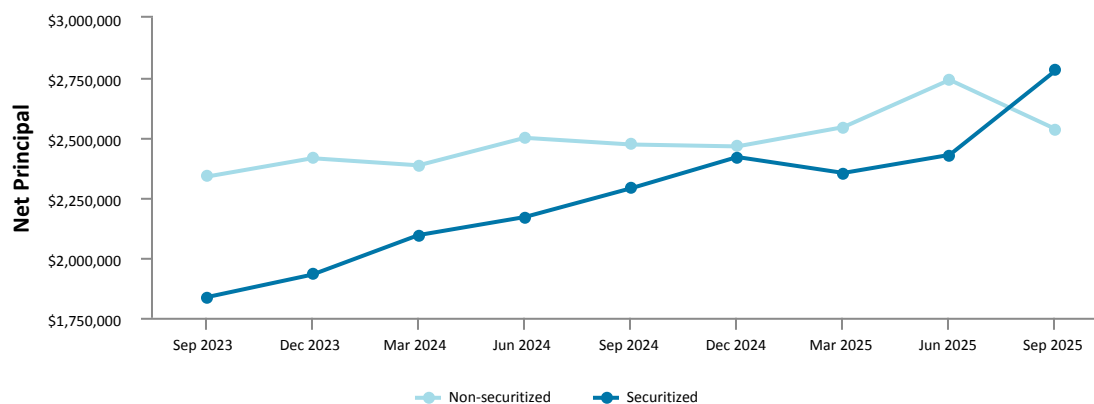
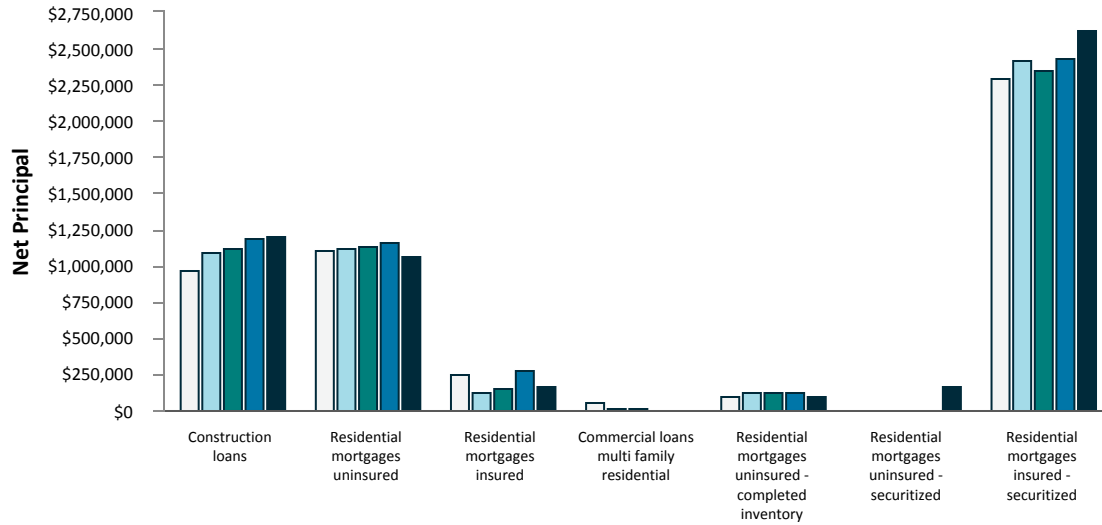
Figure 1: Total Mortgage Portfolios (in thousands)

Figure 2: Mortgage Portfolio Composition by Product Type (in thousands)

		Non-securitized					Securitized	
		Construction loans	Residential mortgages uninsured	Residential mortgages insured	Commercial loans multi-family residential	Residential mortgages uninsured - completed inventory	Residential mortgages uninsured - securitized	Residential mortgages insured - securitized
	Sep 30, 2024	\$968,433 (21%)	\$1,106,088 (23%)	\$250,660 (5%)	\$55,635 (1%)	\$91,203 (2%)	\$0 (0%)	\$2,289,587 (48%)
	Dec 31, 2024	\$1,087,561 (22%)	\$1,113,372 (23%)	\$126,528 (3%)	\$17,202 (0%)	\$119,428 (2%)	\$0 (0%)	\$2,419,871 (50%)
	Mar 31, 2025	\$1,113,738 (23%)	\$1,138,768 (23%)	\$152,208 (3%)	\$17,200 (0%)	\$122,586 (3%)	\$0 (0%)	\$2,353,531 (48%)
	Jun 30, 2025	\$1,181,885 (23%)	\$1,166,146 (23%)	\$274,507 (5%)	\$0 (0%)	\$118,833 (2%)	\$0 (0%)	\$2,428,828 (47%)
	Sep 30, 2025	\$1,199,210 (23%)	\$1,070,497 (20%)	\$164,588 (3%)	\$0 (0%)	\$101,403 (2%)	\$159,742 (3%)	\$2,621,267 (49%)

Note: Amounts in parentheses represent the percentage of the mortgage portfolio represented by the individual product type.

Table 18: Mortgage Portfolio Geographic Distribution

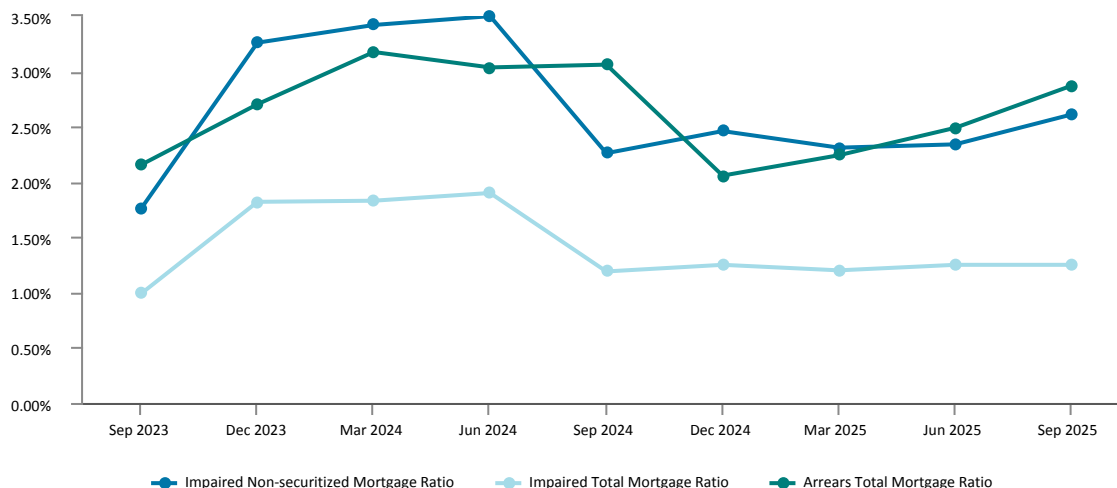
	September 30, 2025		June 30, 2025		December 31, 2024	
	Non-securitized	Securitized	Non-securitized	Securitized	Non-securitized	Securitized
Ontario	61.7 %	82.5 %	64.0 %	81.8 %	62.5 %	82.5 %
British Columbia	30.1 %	2.7 %	28.2 %	2.7 %	28.2 %	3.0 %
Alberta	7.1 %	10.8 %	6.6 %	11.4 %	8.1 %	10.8 %
Atlantic Provinces	0.4 %	2.1 %	0.4 %	2.3 %	0.4 %	2.1 %
Quebec	0.2 %	0.1 %	0.2 %	0.2 %	0.2 %	0.2 %
Other	0.5 %	1.8 %	0.6 %	1.6 %	0.6 %	1.4 %
	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %

Credit Quality

Table 19: Arrears and Impaired Mortgages

(in thousands except %)	September 30 2025	June 30 2025	Change (%)	December 31 2024	Change (%)
Mortgage arrears					
Non-securitized					
Residential mortgages - insured	\$ 1,902	\$ 2,465	(23%)	\$ 2,161	(12%)
Residential mortgages - uninsured	51,852	52,712	(2%)	48,888	6%
Construction loans	92,064	66,470	39%	45,319	103%
Total non-securitized mortgage arrears	145,818	121,647	20%	96,368	51%
Total securitized mortgage arrears - insured	6,804	7,070	(4%)	4,103	66%
Total mortgage arrears	\$ 152,622	\$ 128,717	19%	\$ 100,471	52%
Staging analysis					
Stage 2					
Non-securitized					
Residential mortgages - insured	\$ 9,018	\$ 8,646	4%	\$ 7,511	20%
Residential mortgages - uninsured	215,584	215,143	—%	207,105	4%
Construction loans	39,400	37,544	5%	—	n/a
Commercial loans - multi-family residential	—	—	n/a	12,194	(100%)
Total non-securitized mortgage arrears	264,002	261,333	1%	226,810	16%
Securitized					
Residential mortgages - insured	159,159	150,418	6%	142,862	11%
Residential mortgages - uninsured	24,853	—	n/a	—	n/a
Total securitized mortgage arrears	184,012	150,418	22%	142,862	29%
Total Stage 2	\$ 448,014	\$ 411,751	9%	\$ 369,672	21%
Stage 3 - impaired mortgages					
Residential mortgages - insured	\$ 245	\$ 490	(50%)	\$ 806	(70%)
Residential mortgages - uninsured	13,380	16,102	(17%)	14,420	(7%)
Construction loans	52,664	47,550	11%	45,319	16%
Total non-securitized impaired mortgages	66,289	64,142	3%	60,545	9%
Total securitized impaired mortgages - insured	291	492	(41%)	264	10%
Total Stage 3	66,580	64,634	3%	60,809	9%
Total Stage 2 and 3 mortgages	\$ 514,594	\$ 476,385	8%	\$ 430,481	20%
Impaired non-securitized mortgage ratio ¹	2.61 %	2.34 %	0.27%	2.46 %	0.15%
Impaired total mortgage ratio ¹	1.25 %	1.25 %	—%	1.25 %	—%
Allowance for credit losses					
Non-securitized					
Allowance on performing mortgages	\$ 9,071	\$ 9,320	(3%)	\$ 7,250	25%
Allowance on impaired mortgages	10,511	8,646	22%	5,952	77%
Total non-securitized allowance for credit losses	19,582	17,966	9%	13,202	48%
Total securitized allowance for credit losses - uninsured	284	—	n/a	—	n/a
Total allowance for credit losses	\$ 19,866	\$ 17,966	11%	\$ 13,202	50%

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 MD&A. 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.

Figure 3: Arrears and Impaired Mortgage Ratios¹

The majority of our residential mortgage arrears activity occurs in the 1-30 day category, in which the bulk of arrears are resolved and do not migrate to arrears categories over 30 days. While greater than 30 days arrears has increased in our uninsured residential mortgages, we believe overall that we have a quality uninsured residential mortgage loan portfolio with an average LTV of 65.4% at September 30, 2025 based on an industry index of current real estate values. With respect to our construction loan portfolio, we have a strong track record with our default management processes and asset recovery programs as the need arises. The impaired ratios, as presented above, reflect impaired (stage 3) mortgages under IFRS 9 as a percentage of the non-securitized or total mortgage portfolios, as applicable. At September 30, 2025, impaired mortgages are mainly construction mortgages as well as uninsured residential mortgages where asset recovery programs have been initiated or we expect the loans to be brought current. We monitor the delinquency and impairment status of our loans and takes appropriate steps with our borrowers to ensure an optimal resolution. Our realized loan losses on our construction portfolio have been negligible.

In the event of a protracted economic downturn due to the current geopolitical conflicts, or for any other reason, we would expect to observe an increase in overall mortgage default and arrears rates as realization periods on collateral become longer and borrowers adjust to the new economic conditions and potentially changing real estate values in such an event. An economic downturn could also result in an increase in our allowance for credit losses. MCAN utilizes a number of risk assessment and mitigation strategies to lessen the potential impact for loss on residential mortgages; however, traditional actions may not be available or effective.

For further information regarding non-securitized mortgages by risk rating, refer to Note 6 to the interim consolidated financial statements.

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 MD&A. 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.

Additional Information on Residential Mortgages and Home Equity Lines of Credit ("HELOCs")

In accordance with OSFI Guideline B-20 - *Residential Mortgage Underwriting Practices and Procedures*, additional information is provided on the composition of MCAN's residential mortgage portfolio by insurance status and province, as well as amortization periods and LTV by province. LTV is calculated as the ratio of the outstanding loan balance on an amortized cost basis to the value of the underlying collateral at the time of origination.

Insured mortgages include individual mortgages that are insured by CMHC or other approved mortgage insurers at origination and mortgages that are portfolio-insured after origination. Uninsured mortgages include both residential uninsured and residential uninsured - completed inventory loans.

The HELOC balances displayed below relate to insured residential mortgages that were acquired by MCAN previously. We do not originate HELOCs at this time.

Table 20: Residential Mortgages by Province at September 30, 2025

(in thousands except %)	Non-securitized							
	Insured	%	Uninsured	%	HELOCs	%	Total	%
Ontario	\$ 123,887	75.2 %	\$ 987,183	84.3 %	\$ 75	88.2 %	\$ 1,111,145	82.6 %
Alberta	27,973	17.0 %	64,789	5.5 %	10	11.8 %	92,772	9.6 %
Columbia	3,574	2.2 %	102,246	8.7 %	—	— %	105,820	4.4 %
Quebec	3,539	2.2 %	837	0.1 %	—	— %	4,376	0.2 %
Provinces	3,604	2.2 %	6,953	0.6 %	—	— %	10,557	1.7 %
Other	1,926	1.2 %	9,892	0.8 %	—	— %	11,818	1.5 %
Total	\$ 164,503	100.0 %	\$ 1,171,900	100.0 %	\$ 85	100.0 %	1,336,488	100.0 %

(in thousands except %)	Securitized							
	Insured	%	Uninsured	%	HELOCs	%	Total	%
Ontario	\$ 2,132,850	81.4 %	\$ 159,742	100.0 %	—	— %	\$ 2,292,592	82.8 %
Alberta	301,192	11.5 %	—	— %	—	— %	301,192	9.4 %
British Columbia	76,425	2.9 %	—	— %	—	— %	76,425	4.5 %
Quebec	3,590	0.1 %	—	— %	—	— %	3,590	0.2 %
Atlantic Provinces	57,947	2.2 %	—	— %	—	— %	57,947	1.7 %
Other	49,263	1.9 %	—	— %	—	— %	49,263	1.4 %
Total	\$ 2,621,267	100.0 %	\$ 159,742	100.0 %	—	— %	\$ 2,781,009	100.0 %

Table 21: Residential Mortgages by Province at December 31, 2024

(in thousands except %)	Non-securitized						Securitized		Total	% Total
	Insured	%	Uninsured	%	HELOCs	%	Insured	%		
Ontario	\$ 84,903	67.0 %	\$1,049,153	85.1 %	\$ 78	86.7 %	\$1,995,326	82.5 %	\$ 3,129,460	82.7 %
Alberta	27,631	21.9 %	65,353	5.3 %	12	13.3 %	260,743	10.8 %	353,739	9.4 %
British Columbia	4,135	3.3 %	103,255	8.4 %	—	— %	73,408	3.0 %	180,798	4.8 %
Quebec	2,736	2.2 %	1,170	0.1 %	—	— %	5,631	0.2 %	9,537	0.3 %
Atlantic Provinces	5,027	4.0 %	4,873	0.4 %	—	— %	51,295	2.1 %	61,195	1.6 %
Other	2,006	1.6 %	8,996	0.7 %	—	— %	33,468	1.4 %	44,470	1.2 %
Total	\$ 126,438	100.0 %	\$1,232,800	100.0 %	\$ 90	100.0 %	\$2,419,871	100.0 %	\$ 3,779,199	100.0 %

Table 22: Residential Mortgages by Amortization Period at September 30, 2025

(in thousands except %)	Up to 20 Years		>20 to 25 Years		>25 to 30 Years		>30 to 35 Years		Total
Non-securitized	\$	236,747	\$	157,114	\$	477,851	\$	464,776	\$ 1,336,488
		17.7 %		11.7 %		35.8 %		34.8 %	100.0 %
Securitized	\$	915,657	\$	1,553,249	\$	244,096	\$	68,007	\$ 2,781,009
		32.9 %		55.9 %		8.8 %		2.4 %	100.0 %
Total	\$	1,152,404	\$	1,710,363	\$	721,947	\$	532,783	\$ 4,117,497
		28.0 %		41.6 %		17.5 %		12.9 %	100.0 %

Table 23: Residential Mortgages by Amortization Period at December 31, 2024

(in thousands except %)	Up to 20 Years		>20 to 25 Years		>25 to 30 Years		>30 to 35 Years		Total
Non-securitized	\$	224,627	\$	158,920	\$	491,353	\$	484,428	\$ 1,359,328
		16.6 %		11.7 %		36.1 %		35.6 %	100.0 %
Securitized	\$	807,727	\$	1,605,346	\$	6,798	\$	—	\$ 2,419,871
		33.4 %		66.3 %		0.3 %		— %	100.0 %
Total	\$	1,032,354	\$	1,764,266	\$	498,151	\$	484,428	\$ 3,779,199
		27.3 %		46.7 %		13.2 %		12.8 %	100.0 %

Table 24: Average LTV Ratio for Uninsured Residential Mortgage Originations

(in thousands except %)	Q3 2025		Q3 2024		YTD 2025		YTD 2024	
For the Periods Ended	Average LTV		Average LTV		Average LTV		Average LTV	
Ontario	\$145,516	70.6%	\$124,663	68.2%	\$350,056	69.7%	\$299,644	68.9%
Alberta	8,330	76.3%	3,030	75.4%	23,727	75.1%	27,332	67.2%
British Columbia	15,521	71.2%	7,710	67.5%	49,045	60.0%	64,057	65.7%
Other	2,545	76.6%	2,286	77.1%	7,130	74.8%	5,968	73.8%
	\$171,912	71.1%	\$137,689	68.4%	\$429,958	69.0%	\$397,001	68.3%

Table 25: Average LTV Ratios at Origination by Mortgage Portfolio

	September 30 2025	December 31 2024
Non-securitized mortgage portfolio		
Residential mortgages		
Insured	61.5 %	67.8 %
Uninsured ¹	68.9 %	67.7 %
Uninsured - completed inventory ¹	61.4 %	65.1 %
Construction loans		
Residential	60.6 %	61.9 %
Non-residential	58.9 %	60.2 %
Commercial loans		
Multi-family residential	— %	82.4 %
	64.2 %	65.1 %
Securitized mortgage portfolio		
Residential mortgages		
Insured	78.5 %	79.9 %
Uninsured	63.7 %	— %
Securitized mortgage portfolio	77.6 %	79.9 %
	71.2 %	72.4 %

¹ MCAN's non-securitized uninsured residential mortgage portfolio (including completed inventory loans) is secured with a weighted average LTV at origination of 68.3% at September 30, 2025 (December 31, 2024 - 68.7%). Based on an industry index that incorporates current real estate values, the ratios would be 65.4% at September 30, 2025 (December 31, 2024 - 63.7%).

Other Non-securitized Assets

Cash and Cash Equivalents

At September 30, 2025, our cash balance was \$142 million (June 30, 2025 - \$135 million; December 31, 2024 - \$62 million). As part of liquidity management, we align our liquidity position to our liquidity and funding requirements. Cash and cash equivalents, which include cash balances with banks and overnight term deposits, provide liquidity to meet maturing term deposits and new mortgage funding commitments. We actively manage our cash and cash equivalents in the context of our prudent liquidity and cash management practices. See "Liquidity and Funding Risk" sub-section of this MD&A.

Marketable Securities

Marketable securities, consisting of REITs and Government of Canada bonds, provide additional liquidity at yields in excess of cash and cash equivalents. We actively manage our portfolio, as appropriate. At September 30, 2025, the portfolio balance was \$54 million (June 30, 2025 - \$58 million; December 31, 2024 - \$66 million). In Q3 2025, we sold \$4.4 million of REITs for a realized gain of \$0.2 million and YTD 2025 we sold \$16 million of REITs for a realized gain of \$2.6 million. We continue to realize the benefits of regular cash flows and distributions from these investments.

Non-Marketable Securities

At September 30, 2025, our non-marketable securities balance was \$125 million (June 30, 2025 - \$122 million; December 31, 2024 - \$117 million). The movement to our security balance from the beginning of the year mainly relates to funding of capital advances and a \$3 million net unrealized loss consisting of gains and losses from certain underlying property investments as a result of (i) updated appraisals/property valuations, net of related property debt and debt service costs; and (ii) actual executions on construction and leasing stabilization and value-add activities. Our non-marketable securities are either held for long-term capital appreciation or distribution income. Our real estate development funds tend to have less predictable cash flows that are predicated on the completion of the development projects within these funds. We have \$50 million in remaining capital advances for non-marketable securities expected to fund mainly over the next five years. Some of the real estate funds that we are invested in, have been slower to deploy committed capital than initially expected as finding the right opportunities in the current market environment takes more time.

For further information, refer to Note 7 to the interim consolidated financial statements.

Equity Investment in MCAP

We have a strategic investment in MCAP, which is Canada's largest independent mortgage finance company serving many institutional investors and over 400,000 homeowners. We hold a 13.89% equity interest in MCAP (June 30, 2025 - 13.89%; December 31, 2024 - 13.88%), which represents 4.0 million units held by MCAN at September 30, 2025 (June 30, 2025 - 4.0 million; December 31, 2024 - 4.0 million) of the 28.8 million total outstanding MCAP partnership units (June 30, 2025 - 28.8 million; December 31, 2024 - 28.8 million). The investment had a net book value of \$133 million at September 30, 2025 (June 30, 2025 - \$129 million; December 31, 2024 - \$122 million). The net book value is not indicative of the fair market value of our equity interest in MCAP.

During Q3 2025, we received \$6.3 million of unitholder distributions from MCAP (Q2 2025 - \$3.6 million; Q3 2024 - \$5.4 million). For YTD 2025, we have received \$15.0 million of unitholder distributions from MCAP (YTD 2024 - \$13.9 million). As we account for this investment using the equity method, the receipt of distributions reduces the carrying value of the investment in MCAP.

Pursuant to the MCAP partnership agreement, the majority partner in MCAP has the right to acquire MCAN's entire partnership interest in MCAP at "fair market value", which would be determined by an independent valuator agreed upon by both parties. Any sale by MCAN of its units in MCAP pursuant to this majority partner right, could result in a taxable gain, which could be material.

Other Securitization Assets

Other securitization assets include cash held in trust, which represents securitized mortgage principal and interest collections from borrowers that are payable to MBS holders.

Liabilities and Shareholders' Equity

Table 26: Liabilities and Shareholders' Equity

(in thousands except %)	September 30 2025	June 30 2025	Change (%)	December 31 2024	Change (%)
Non-securitized Liabilities					
Term deposits	\$ 2,473,256	\$ 2,388,861	4%	\$ 2,288,226	8%
Loans payable	172	258,365	(100%)	107	61%
Current taxes payable	155	—	n/a	—	n/a
Other liabilities	20,040	20,450	(2%)	36,807	(46%)
	2,493,623	2,667,676	(7%)	2,325,140	7%
Securitization Liabilities					
Financial liabilities from securitization	2,779,219	2,450,376	13%	2,423,236	15%
	2,779,219	2,450,376	13%	2,423,236	15%
	5,272,842	5,118,052	3%	4,748,376	11%
Shareholders' Equity					
Share capital	484,355	472,927	2%	456,683	6%
Contributed surplus	510	510	—%	510	—%
Retained earnings	152,495	148,296	3%	143,620	6%
Accumulated other comprehensive income (loss)	(951)	(846)	12%	(1,624)	(41%)
	636,409	620,887	2%	599,189	6%
	\$ 5,909,251	\$ 5,738,939	3%	\$ 5,347,565	11%

Term Deposits

Our primary source of funding for our non-securitized operations is the issuance of term deposits that are eligible for CDIC deposit insurance. We source term deposits through a broker distribution network across Canada consisting of third party deposit agents and financial advisors, as well as a direct-to-consumer channel through our MCAN Wealth GIC platform. Deposits cannot be cashed prior to maturity or paid on demand except in the event of the death of a depositor or financial hardship. We believe that our term deposits provide a reliable low-cost funding source that can be strategically matched against the non-securitized mortgage portfolio. The role of term deposits in managing liquidity and funding risk is discussed in the "Liquidity and Funding Risk" sub-section of the "Risk Factors" section of this MD&A.

Loans Payable

We have a secured demand revolver facility from a Canadian Schedule I Chartered bank with a facility limit of \$220 million. The facility is due and payable upon demand. Under the facility, there is a sublimit for issued letters of credit which are used for the purpose of supporting developer obligations to municipalities in conjunction with residential construction loans.

We have a senior secured mortgage warehouse facility from a Canadian Schedule I Chartered bank with a facility limit of \$100 million. The facility is used to fund insured residential mortgages prior to securitization activities.

Financial Liabilities from Securitization

Financial liabilities from securitization relate to our participation in (i) the market MBS and CMB programs, where we have sold MBS to third parties; and (ii) an uninsured residential mortgage securitization program sponsored by a Canadian Schedule I Chartered bank. We have not derecognized these related mortgages from our balance sheet. For further information on our securitization programs, refer to the "Financial Position" section of this MD&A.

Share Capital

Share capital activity may reflect new common shares issued through the DRIP, Executive Share Purchase Plan, special stock dividend and other share offerings and their related costs, as applicable. For further information, refer to the “Description of Capital Structure” section of this MD&A and Note 13 to the interim consolidated financial statements.

Retained Earnings

Retained earnings activity for Q3 2025 consists of net income of \$20.5 million (Q2 2025 - \$20.2 million; Q3 2024 - \$26.9 million) less dividends of \$16.3 million (Q2 2025 - \$16.2 million; Q3 2024 - \$14.9 million). Retained earnings activity for YTD 2025 consists of a net income of \$57.3 million (YTD 2024 - \$69.9 million) less dividends of \$48.4 million (YTD 2024 - \$43.6 million).

Accumulated Other Comprehensive Income

We may enter into Government of Canada bond forward contracts to hedge interest rate risk arising from the impact of (i) movements in interest rates between the time insured residential mortgages are funded and the time that these mortgages are securitized; and (ii) movements in interest rates between the time term deposit funding is forecasted to be required and the time that the actual funding occurs. Achieving hedge accounting allows us to reduce our net income volatility related to changes in interest rates. For further information, refer to the “Derivatives and Hedging” sub-section of this MD&A and Note 11 to the interim consolidated financial statements.

CAPITAL MANAGEMENT

Our primary capital management objectives are to maintain sufficient capital for regulatory purposes and to earn acceptable and sustainable risk-weighted returns for our shareholders. Through our risk management and corporate governance framework, we assess current and projected asset growth, economic conditions, housing market activity, the interest rate environment and changes to credit quality to determine appropriate levels of capital. We expect to pay out all of MCAN’s non-consolidated taxable income over time through dividends subject to final review and declaration by the Board. Capital growth is achieved through retained earnings, the DRIP, Executive Share Purchase Plan, rights offerings, public share offerings and, if appropriate, stock dividends. Our capital management is primarily driven by the guidelines set out by the Tax Act and OSFI.

Income Tax Capital

As a MIC under the Tax Act, we are limited to an income tax liabilities to capital ratio of 5:1 (or an income tax assets to capital ratio of 6:1), based on our non-consolidated balance sheet in the MIC entity measured at its tax value. Securitization assets and liabilities (less accrued interest) are both excluded from the calculation of the income tax assets to capital ratio. We calculate our income tax capital in accordance with the Tax Act.

Table 27: Income Tax Capital

(in thousands except ratios)

	September 30 2025	December 31 2024
Income tax assets		
Consolidated assets	\$ 5,909,251	\$ 5,347,565
Adjustment for assets in subsidiaries	58,232	35,924
Non-consolidated assets in MIC entity	5,967,483	5,383,489
Add: mortgage allowances	10,121	7,844
Less: securitization assets ¹	(2,822,499)	(2,454,257)
Adjustments to equity investments in MCAP and subsidiaries	(94,843)	(69,378)
Other adjustments	(4,235)	313
	\$ 3,056,027	\$ 2,868,011
Income tax liabilities		
Consolidated liabilities	\$ 5,272,842	\$ 4,748,376
Adjustment for liabilities in subsidiaries	(4,253)	(10,040)
Non-consolidated liabilities in MIC entity	5,268,589	4,738,336
Less: securitization liabilities ¹	(2,772,984)	(2,418,059)
	\$ 2,495,605	\$ 2,320,277
Income tax capital	\$ 560,422	\$ 547,734
Income tax capital ratios		
Income tax assets to capital ratio	5.45	5.24
Income tax liabilities to capital ratio	4.45	4.24

¹ The majority of securitization assets and liabilities on the balance sheet are excluded from income tax assets, liabilities and capital as they are derecognized for income tax purposes in accordance with the Tax Act.

Regulatory Capital

As a Loan Company under the Trust Act, OSFI oversees the adequacy of our capital. For this purpose, OSFI has imposed minimum capital-to-regulatory (or risk-weighted) assets ratios and a minimum leverage ratio which is calculated on a different basis from the income tax assets to capital ratio discussed in the “Income Tax Capital” sub-section above.

Both OSFI and the Basel Committee on Banking Supervision promote a resilient banking sector and strong global capital standards. Key components of Basel III impact MCAN through the Capital Adequacy Requirements and Leverage Requirements Guidelines.

Our CET 1 capital consists of share capital, contributed surplus and retained earnings. We do not hold any additional Tier 1 capital instruments; therefore, our CET 1 capital is equal to our Tier 1 capital. Our Tier 2 capital consists of Stage 1 and Stage 2 mortgage allowances calculated under IFRS. Total Capital equals CET 1 or Tier 1 capital plus Tier 2 capital. OSFI expects all federally regulated financial institutions to meet the minimum capital to risk-weighted asset ratios of 7% CET 1 Capital, 8.5% Tier 1 Capital and 10.5% Total Capital.

At September 30, 2025, we were in compliance with our internal target minimum CET 1, Tier 1 and Total Capital to risk weighted asset and leverage ratios. We maintain prudent capital planning practices to ensure that we are adequately capitalized and continue to satisfy minimum standards and internal targets.

Table 28: Regulatory Capital ³

(in thousands except %)

	September 30 2025	December 31 2024
OSFI Regulatory Ratios		
Share capital	\$ 484,355	\$ 456,683
Contributed surplus	510	510
Retained earnings	152,495	143,620
Accumulated other comprehensive income	(951)	(1,624)
Deduction from equity investment in MCAP ¹	(69,308)	(62,346)
Common Equity Tier 1 and Tier 1 Capital (A)	567,101	536,843
Tier 2 Capital	9,355	7,250
Total Capital (D)	\$ 576,456	\$ 544,093
Total Exposure/Regulatory Assets		
Consolidated assets	\$ 5,909,251	\$ 5,347,565
Less: deduction for equity investment in MCAP ¹	(69,308)	(62,346)
Other adjustments ²	15,500	8,472
Total On-Balance Sheet Exposures	5,855,443	5,293,691
Mortgages and non-marketable securities funding commitments	238,983	208,440
Letters of credit	21,644	22,147
Total Off-Balance Sheet Items	260,627	230,587
Total Exposure/Regulatory Assets (B)	\$ 6,116,070	\$ 5,524,278
Leverage ratio (A / B)	9.27 %	9.72 %
Risk-weighted assets (C)	\$ 2,983,188	\$ 2,822,418
Regulatory Capital Ratios		
Common Equity Tier 1 capital to risk-weighted assets ratio (A / C)	19.01 %	19.02 %
Tier 1 capital to risk-weighted assets ratio (A / C)	19.01 %	19.02 %
Total capital to risk-weighted assets ratio (D / C)	19.32 %	19.28 %

¹ The deduction for the equity investment in MCAP is equal to the equity investment balance less 10% of shareholders' equity and eligible stage 1 and stage 2 mortgage allowances.² Certain items, such as negative cash balances and derivatives, are adjusted from total exposures but included in consolidated assets.³ These measures have been calculated in accordance with OSFI's Capital Adequacy Requirements and Leverage Requirements guidelines.

Table 29: Regulatory Risk-Weighted Assets ¹

(in thousands except %)	September 30, 2025			December 31, 2024		
	Amounts	Average Rate	Risk-Weighted Assets	Amounts	Average Rate	Risk-Weighted Assets
On-Balance Sheet Assets						
Cash and cash equivalents	\$ 141,889	21 %	\$ 29,120	\$ 61,703	21 %	\$ 12,654
Cash held in trust	62,924	20 %	12,585	47,249	20 %	9,450
Marketable securities	54,452	72 %	39,226	66,345	100 %	66,345
Mortgages - non-securitized	2,535,698	73 %	1,838,927	2,464,091	69 %	1,700,214
Mortgages - securitized	2,781,009	5 %	150,833	2,419,871	6 %	136,693
Non-marketable securities	125,443	164 %	205,406	117,428	162 %	190,120
Equity investment in MCAP Commercial LP	132,949	120 %	159,102	122,265	123 %	149,797
Deferred tax asset	1,115	100 %	1,115	1,430	100 %	1,430
Other assets	69,371	100 %	69,371	44,675	100 %	44,675
Derivative Financial Instruments	4,401	— %	—	2,508	— %	—
	<u>5,909,251</u>		<u>2,505,685</u>	<u>5,347,565</u>		<u>2,311,378</u>
Off-Balance Sheet Items						
Letters of credit	43,289	50 %	21,645	44,295	50 %	22,148
Commitments	597,458	30 %	181,870	521,100	45 %	234,666
Derivative Financial Instruments	648,864	4 %	25,313	793,439	3 %	24,288
			<u>228,828</u>			<u>281,102</u>
Charge for operational risk ²			<u>248,675</u>			<u>229,938</u>
Risk-Weighted Assets			\$ 2,983,188			\$ 2,822,418

¹ This measure has been calculated in accordance with OSFI's Capital Adequacy Requirements guidelines.

² We use the basic indicator approach for operational risk, which is equal to 15% of the previous three-year average of net investment income from non-securitized and securitized assets excluding provisions for credit losses multiplied by a factor of 12.5.

Other Capital Management Activity

In conjunction with the annual strategic planning and budgeting process, we complete an Internal Capital Adequacy Assessment Process ("ICAAP") in order to ensure that we have sufficient capital to support our business plan and risk appetite. The ICAAP assesses the capital necessary to support the various inherent risks that we face, including liquidity and funding, credit, interest rate, market, operational, regulatory compliance, strategic and reputational risks. Our business plan is also stress-tested under various adverse scenarios to determine the impact on our results from operations and financial condition. The ICAAP is reviewed by both management and the Board and is submitted to OSFI annually. In addition, the Company performs stress testing on our internal forecasts for capital adequacy on a quarterly basis, and the results of such testing are reported to the Board.

RISK FACTORS

For a detailed description of all risk factors associated with the Company, refer to the “Risk Governance and Management” section of our 2025 Annual Information Form, which is available on the Company’s profile on SEDAR+ at www.sedarplus.ca. Incidents related to any of the Company’s risks could adversely affect our ability to achieve our business objectives or execute our business strategies, and may result in a loss of earnings, capital and/or damage to our reputation. Our Enterprise Risk Management Framework addresses these risks by establishing effective policies, limits, and internal controls to monitor and mitigate these risks.

The shaded areas of this MD&A below represent a discussion of risk factors and risk management policies and procedures relating to liquidity, credit, interest rate and market risks as required under IFRS 7, *Financial Instruments: Disclosures*. The relevant MD&A sections are identified by shading within boxes and the content forms an integral part of the interim consolidated financial statements.

Liquidity and Funding Risk

Liquidity risk is the risk that cash and liquid assets are insufficient to honour all cash outflow commitments (both on- and off-balance sheet) as they come due. Funding risk is the risk that available sources of liquidity and long term funding are insufficient to sustain business growth or mitigate funding gaps.

On a daily basis, we monitor our liquidity position to ensure that the level of liquid assets held, together with our ability to raise new deposits and other funding sources, are sufficient to meet our commitments, deposit maturity obligations, and other financial obligations.

On a monthly basis, we plan out our funding using a 12-month rolling forecast of expected business growth and balance sheet obligations. This provides us with a forward-looking perspective on the adequacy of our funding and liquidity channels.

Stress testing is performed using multiple scenarios incorporating simultaneous impacts to the Company’s funding sources and uses. MCAN’s stress testing is designed to assess the viability of liquidity and funding channels, as well as contingency funding to remain within Board-approved liquidity risk limits. At September 30, 2025, the Company held sufficient funding and liquidity to meet all requirements under the stress test scenarios.

The Board is accountable for the approval of the Liquidity Risk Management Framework (“LRMF”). The LRMF establishes a framework to maintain sufficient funding and liquidity, including holding a portfolio of high-quality liquid assets to meet commitments as they come due. The LRMF provides guidance for the daily, monthly and quarterly analyses that are performed by management, and includes a framework for daily funding requirements, gap analysis between assets and liabilities, deposit concentration levels, liquidity risk limits, and stress testing requirements, in alignment with both the standards set under the Trust Act and regulations and guidelines issued by OSFI. Further to the LRMF, the Company maintains a Contingency Funding Plan that details the strategies and action plans to respond to stress events that could materially impair its access to funding and liquidity.

Asset-Liability Committee (“ALCO”), which is comprised of management, is accountable for liquidity management oversight. On a monthly basis, or more frequently as required, ALCO reviews the Company’s funding and liquidity risk profile, including funding strategies, performance against established liquidity risk limits, stress testing and contingency funding plan status. Results of the monitoring of liquidity risk are reported to the Board and any exceptions or breach of key limits are immediately reported by ALCO to the Enterprise Risk Management and Compliance Committee (“ERM&CC”). At September 30, 2025, the Company was in full compliance with the LRMF, key liquidity risk limits and regulatory requirements.

We have access to liquidity through our ability to issue term deposits eligible for CDIC deposit insurance. These term deposits also provide us with the ability to fund asset growth as needed.

The Company maintained a secured demand revolver facility to meet its short-term obligations as required. Under the facility, there is a sublimit for issued letters of credit, which may be used to support the obligations of borrowers to municipalities in conjunction with construction loans. The facility limit is \$220 million.

We also have an agreement with a Canadian Schedule I Chartered bank that enables the Company to execute repurchase agreements for liquidity purposes. This facility provides liquidity and allows the Company to encumber certain eligible securities for financing purposes. As part of the agreement, the Company may sell assets to the counterparty at a specified price with an agreement to repurchase at a specified future date. The interest rate on the borrowings is driven by market spot rates at the time of borrowing. The Company will execute these repurchase agreements to provide alternative sources of liquidity when it is efficient and effective to do so.

We have a credit agreement with a Canadian Schedule I Chartered bank for a \$100 million senior secured mortgage warehouse facility. The facility is used to fund insured residential mortgages prior to securitization activities. This facility provides improved funding in response to our continued growth.

We have an agreement with MSLP, a wholly owned subsidiary of MCAP, whereby the Company can sell to MSLP insured residential mortgage commitments. This agreement provides liquidity and the opportunity to fund other core business activities in line with our strategy.

Our sources and uses of liquidity are outlined in the table below. For information on our off-balance sheet commitments refer to the “Off-Balance Sheet Arrangements” section of this MD&A.

Table 30: Liquidity Analysis

At September 30, 2025						
(in thousands)	Within 3 months	> 3 Months to 1 Year	> 1 to 3 Years	> 3 to 5 Years	> 5 Years	Total
Sources of liquidity						
Cash and cash equivalents	\$ 141,889	\$ —	\$ —	\$ —	\$ —	141,889
Marketable securities	54,452	—	—	—	—	54,452
Mortgages - non-securitized	702,172	1,105,153	651,743	61,010	15,620	2,535,698
Non-marketable securities	—	—	—	—	125,443	125,443
Other loans	10,169	—	—	—	—	10,169
	908,682	1,105,153	651,743	61,010	141,063	2,867,651
Uses of liquidity						
Term deposits	431,259	946,407	802,150	293,440	—	2,473,256
Loans payable	172	—	—	—	—	172
Other liabilities	11,858	53	916	1,082	6,131	20,040
	443,289	946,460	803,066	294,522	6,131	2,493,468
Net liquidity surplus (deficit)	\$ 465,393	\$ 158,693	\$ (151,323)	\$ (233,512)	\$ 134,932	\$ 374,183

Note: The above table excludes securitized assets and liabilities and pledged assets as their use is restricted to securitization program operations.

Credit Risk

Credit risk is the risk of financial loss resulting from the failure of a counterparty, for any reason, to fully honour its financial or contractual obligations to the Company, primarily arising from our investments and lending activities. Fluctuations in interest rates may impact real estate values and may also reduce the net realizable value of the collateral property to the Company. These risks may result in defaults and credit losses, which may result in a loss of earnings.

Credit risk is managed through risk management policies and procedures that emphasize the quality and diversification of our investments and lending activities. Credit policies include credit risk limits in alignment with the Risk Appetite Framework (“RAF”). These credit risk limits include, but are not limited to, concentration by asset class, geographic region, dollar amount and borrower. These policies are amended on an ongoing basis and approved by the Board to reflect changes in market conditions and risk appetite.

Capital Commitments Committee, which is comprised of management, is accountable for decision-making on credit risk issues and provides oversight of proposed investments for the construction, commercial and marketable and non-marketable securities portfolios.

Credit and commitment exposure are closely monitored by the First and Second Lines of Defence. The Risk and Compliance Committee, which is comprised of management, monitors and challenges credit risk exposures, monitors portfolio and underwriting quality and performance against credit risk limits on a quarterly basis. The ERM&CC reviews all material risks affecting the Company on a quarterly basis, which includes the identification, assessment, and monitoring of material credit risks.

We identify potential risks in our mortgage portfolio by way of regular review of market and portfolio metrics, which are a key component of quarterly market reports provided to the Board by management. Existing risks in our mortgage portfolio are identified by arrears reporting, portfolio diversification analysis, post funding monitoring and risk rating trends of the entire mortgage portfolio. The aforementioned reporting and analysis provide adequate monitoring of and control over our exposure to credit risk.

We assign a credit score and risk rating for all mortgages at the time of underwriting based on the assessed credit quality of the borrower and the value of the underlying real estate. Risk ratings are reviewed annually at a minimum, and more frequently whenever there is an amendment, or a material change such as a default or impairment.

As part of our credit risk management process, we monitor our loan portfolio for early indicators of potential concern. The “monitored/arrears” category includes construction and commercial loans that may experience events such as slow sales, cost overruns or are located in geographic markets in which concerns have arisen. Loans in this category are included in stage 2. Considering factors such as borrower equity, portfolio LTV ratios and project liquidity, at September 30, 2025, there have been no indications at the portfolio level of potential loss of principal in excess of the allowances for credit losses recorded for mortgages in stage 1 and 2. These collective allowances are based on forward-looking economic assumptions and other factors discussed in Note 5 to the interim consolidated financial statements.

The maximum credit exposure on our individual financial assets is equal to the carrying value of the respective assets, except for our non-securitized mortgage portfolio, where maximum credit exposure also includes outstanding commitments for future mortgage fundings and our investments in non-marketable securities, where maximum credit exposure includes our total remaining commitments.

Interest Rate Risk

Interest rate risk is the potential impact of changes in interest rates on our earnings and capital. Interest rate risk arises when our assets and liabilities, both on- and off-balance sheet, have mismatched repricing and maturity dates. Changes in interest rates where we have mismatched repricing and maturity dates may have an adverse effect on our financial condition and results of operations.

The Interest Rate Risk Management Framework, which is reviewed and approved by the Board, provides guidance on MCAN’s interest rate risk measurement tools, including stress testing, roles and accountabilities, and monitoring and reporting requirements. Additionally, it establishes interest rate risk limits and articulates appetite for interest rate exposures.

An immediate and sustained parallel 1% increase to market interest rates on interest-bearing financial instruments at September 30, 2025 would have an estimated adverse effect of \$0.6 million (June 30, 2025 - adverse effect of \$2.4 million; December 31, 2024 - positive effect of \$1.2 million) to net income over the following twelve month period. An immediate and sustained parallel 1% decrease to market interest rates at September 30, 2025 would have an estimated positive effect of \$2.3 million (June 30, 2025 - positive effect of \$4.0 million; December 31, 2024 - adverse effect of \$0.3 million) to net income over the following twelve month period.

The following tables present the assets and liabilities of the Company by interest rate sensitivity at September 30, 2025 and December 31, 2024 and do not incorporate mortgage and loan prepayments. This analysis is subject to significant change in subsequent periods based on changes in customer preferences and in the application of asset/liability management policies. Floating rate assets and liabilities are immediately sensitive to changing interest rates while other assets are sensitive to changing interest rates periodically, either as they mature or as contractual repricing events occur. Non-interest sensitive items include marketable securities, equity investment in MCAP and other assets and liabilities. Yield spread represents the difference between the weighted average interest rate of the assets and liabilities in a certain category.

Table 31: Interest Rate Sensitivity at September 30, 2025

At September 30, 2025								
(in thousands except %)	Floating Rate	Within 3 Months	> 3 Months to 1 Year	> 1 to 3 Years	> 3 to 5 Years	> 5 Years	Non Interest Sensitive	Total
Assets								
Non-securitized	\$1,463,418	\$187,694	\$576,246	\$413,783	\$ 48,681	\$ 10,393	\$ 332,708	\$ 3,032,923
Securitization	242,802	186,606	578,742	848,793	924,066	—	95,319	2,876,328
	1,706,220	374,300	1,154,988	1,262,576	972,747	10,393	428,027	5,909,251
Liabilities								
Non-securitized	172	431,259	946,407	802,150	293,442	—	20,193	2,493,623
Securitization	376,967	133,375	481,533	821,841	965,503	—	—	2,779,219
	377,139	564,634	1,427,940	1,623,991	1,258,945	—	20,193	5,272,842
Shareholders' Equity	—	—	—	—	—	—	636,409	636,409
GAP	\$1,329,081	\$(190,334)	\$(272,952)	\$(361,415)	\$(286,198)	\$ 10,393	\$ (228,575)	\$ —
YIELD SPREAD	3.21 %	1.08 %	1.30 %	1.31 %	1.05 %	4.07 %		

Table 32: Interest Rate Sensitivity at December 31, 2024

At December 31, 2024								
(in thousands except %)	Floating Rate	Within 3 Months	> 3 Months to 1 Year	> 1 to 3 Years	> 3 to 5 Years	> 5 Years	Non Interest Sensitive	Total
Assets								
Non-securitized	\$1,285,164	\$158,375	\$584,118	\$486,236	\$ 28,055	\$ 4,368	\$ 314,001	\$ 2,860,317
Securitization	196,777	61,325	404,678	1,076,875	680,216	—	67,377	2,487,248
	1,481,941	219,700	988,796	1,563,111	708,271	4,368	381,378	5,347,565
Liabilities								
Non-securitized	107	301,555	813,428	755,448	417,793	—	36,809	2,325,140
Securitization	196,084	33,028	378,459	1,250,067	565,598	—	—	2,423,236
	196,191	334,583	1,191,887	2,005,515	983,391	—	36,809	4,748,376
Shareholders' Equity	—	—	—	—	—	—	599,189	599,189
GAP	\$1,285,750	\$(114,883)	\$(203,091)	\$(442,404)	\$(275,120)	\$ 4,368	\$ (254,620)	\$ —
YIELD SPREAD	4.76 %	1.43 %	1.21 %	0.72 %	0.44 %	4.35 %		

Market Risk

Market risk is the exposure to adverse changes in the value of financial assets. Market risk includes price risk on marketable securities, execution risk and real estate values, among others.

DESCRIPTION OF CAPITAL STRUCTURE

Our authorized share capital consists of an unlimited number of common shares with no par value. These common shares are the only voting securities of MCAN. At September 30, 2025, there were 40,162,809 common shares outstanding (June 30, 2025 - 39,604,190; December 31, 2024 - 38,717,004). At November 5, 2025, there were 40,218,508 common shares outstanding.

We issued \$2.3 million in new common shares in Q3 2025 (Q3 2024 - \$2.2 million) and \$9.4 million YTD 2025 (YTD 2024 - \$14.8 million) under the DRIP, which has historically provided MCAN with a reliable source of new capital and existing shareholders an opportunity to acquire additional shares at a discount to market value. 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. The DRIP participation rate for the 2025 third quarter dividend was 15% (2025 second quarter - 15%; 2024 third quarter - 15%).

We have a Base Shelf prospectus allowing us to make certain public offerings of debt or equity securities during the period that it is effective, through Prospectus Supplements.

- We have an ATM Program, established pursuant to a Prospectus Supplement to our Base Shelf prospectus, allowing us to issue up to \$75 million common shares to the public from time to time at the market prices prevailing at the time of sale. In Q3 2025, we sold 445,400 common shares at a weighted average price of \$21.49 for gross proceeds of \$9.6 million and net proceeds of \$9.1 million including \$0.2 million of agent commission paid and \$0.3 million of other share issuance costs under the ATM Program. So far in 2025, we sold 812,300 common shares at a weighted average price of \$20.45 for gross proceeds of \$16.6 million and net proceeds of \$15.8 million including \$0.3 million of agent commission paid and \$0.5 million of other share issuance costs under the ATM Program. At September 30, 2025, we have \$66.0 million remaining available to be issued through our ATM Program. The volume and timing of distributions under the ATM Program are determined at MCAN's sole discretion.

For additional information related to share capital, refer to Note 13 to the interim consolidated financial statements.

OFF-BALANCE SHEET ARRANGEMENTS

We have contractual obligations relating to outstanding commitments for future fundings of non-securitized mortgages and our investments in non-marketable securities. Only a portion of the mortgage commitments that we issue are expected to fund. Accordingly, these amounts do not necessarily represent the future cash requirements of the Company.

Table 33: Contractual Commitments

At September 30, 2025						
(in thousands)	Within 3 months	> 3 Months to 1 Year	> 1 to 3 Years	> 3 to 5 Years	> 5 Years	Total
Mortgage funding commitments	\$ 390,717	\$ 104,593	\$ 23,272	\$ —	\$ —	\$ 518,582
Commitment - TAS Co	—	1,599	—	—	—	1,599
Commitment - TAS 4	—	—	4,372	3,926	—	8,298
Commitment - Harbour	1,500	1,500	—	—	—	3,000
Commitment - KSSMF	—	5,500	—	—	—	5,500
Commitment - Pearl	—	583	—	—	—	583
Commitment - Crown	—	7,276	—	—	—	7,276
Commitment - Fiera	—	—	1,974	1,974	1,500	5,448
Commitment - Broccolini	1,050	3,978	10,300	2,000	1,000	18,328
Commitment - KSHYF	—	—	—	—	28,844	28,844
	\$ 393,267	\$ 125,029	\$ 39,918	\$ 7,900	\$ 31,344	\$ 597,458

We retain mortgage servicing obligations relating to securitized insured multi-family mortgages where balance sheet derecognition has been achieved. At September 30, 2025, these derecognized securitized insured multi-family mortgages totalled \$779 million. For further information on our securitization activities, refer to Note 9 to the interim consolidated financial statements.

We provide letters of credit, which are not reflected on the interim consolidated balance sheet, for the purpose of supporting developer obligations to municipalities in conjunction with residential construction loans. If the developer defaults in its obligation to the municipalities, the municipalities may draw on the letters of credit, in which case we are obligated to fund the letters of credit. For further information, refer to Note 17 to the interim consolidated financial statements.

DIVIDENDS

On November 5, 2025, the Board declared a regular quarterly cash dividend of \$0.41 per share to be paid on January 2, 2026 to shareholders of record as at December 15, 2025.

In order to take advantage of the tax benefits provided by the MIC status, we pay out all of MCAN's non-consolidated taxable income to shareholders through dividends. As a MIC, we are entitled to deduct the dividends that we pay to shareholders from our taxable income. Regular dividends are taxed as interest income to shareholders. We are able to pay capital gains dividends,

which would be taxed as capital gains to shareholders. Dividends paid to foreign investors may be subject to withholding taxes. The Company has historically paid out regular dividends in cash but has the option to pay out its dividends in the form of cash or shares. In the event of a significant increase in taxable income relative to accounting income, the Company may look to pay out a combination of regular dividends in the form of cash and special dividends in the form of shares. This is consistent with our dividend policy and our obligations as a MIC, while at the same time providing a cost effective source of capital for the Company to support future growth and business operations.

TRANSACTIONS WITH RELATED PARTIES

Related party transactions for the quarters ended September 30, 2025 and September 30, 2024 and related party balances at September 30, 2025 and December 31, 2024 are discussed in Notes 8 and 16 to the interim consolidated financial statements.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The majority of our interim consolidated balance sheet consists of financial instruments, and the majority of net income (loss) is derived from the related income, expenses, gains and losses. Financial instruments include cash and cash equivalents, cash held in trust, marketable securities, mortgages, non-marketable securities, other loans, financial liabilities from securitization, term deposits and loans payable, which are discussed throughout this MD&A.

The use of financial instruments exposes us to liquidity and funding, credit, interest rate and market risk. A discussion of these risks and how they are managed is found in the “Risk Factors” section of this MD&A.

Information on the financial statement classification and amounts of income, expenses, gains and losses associated with financial instruments are located in the “Results of Operations” and “Financial Position” sections of this MD&A. Information on the determination of the fair value of financial instruments is located in the “Critical Accounting Estimates and Judgments” section of this MD&A.

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the Company’s interim consolidated financial statements requires management to make judgments, estimations and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. Estimates are considered carefully and reviewed at an appropriate level within MCAN. We believe that our estimates of the value of our assets and liabilities are appropriate. However, changes in these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the affected assets or liabilities in future periods.

For a detailed discussion of critical accounting estimates and judgments, refer to the “Critical Accounting Estimates and Judgments” section of the 2024 Annual MD&A.

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

At September 30, 2025, the Chief Executive Officer and Chief Financial Officer of MCAN, with the assistance of the Company’s Disclosure Committee comprised of members of management, have designed disclosure controls and procedures to provide reasonable assurance that (i) material information relating to MCAN is made known to the Chief Executive Officer and Chief Financial Officer and (ii) information required to be disclosed by us in reports we file or submit is recorded, processed, summarized and reported within the time periods specified in securities legislation, and have designed Internal Controls over Financial Reporting (“ICFR”) to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS.

There were no changes in our ICFR during the interim period ended September 30, 2025 that have materially affected, or are reasonably likely to materially affect, our control framework.

All internal control systems, no matter how well designed, have inherent limitations. As a result, even systems determined to be effective may not prevent or detect misstatements on a timely basis as systems can provide only reasonable assurance that the objectives of the control system are met. In addition, projections of any evaluation of the effectiveness of ICFR to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may change.

NON-GAAP AND OTHER FINANCIAL MEASURES

We prepare our interim consolidated financial statements in accordance with IFRS, which is current GAAP. We use a number of financial measures and ratios to assess our performance. Some of these measures are not calculated in accordance with IFRS, are not defined by IFRS and do not have standardized meanings that would ensure consistency and comparability between other issuers using these measures. The non-GAAP and other financial measures used in this MD&A are defined as follows:

Non-GAAP Financial Measures

Net Non-securitized Mortgage Spread Income: Non-GAAP financial measure that is an indicator of net interest profitability of income-earning non-securitized mortgage assets less cost of funding for our non-securitized mortgage portfolio. It is calculated as the difference between non-securitized mortgage interest and term deposit interest and expenses as reported on the interim consolidated statements of income.

Net Securitized Mortgage Spread Income: Non-GAAP financial measure that is an indicator of net interest profitability of income-earning securitized assets less cost of securitized liabilities for our securitized mortgage portfolio. It is calculated as the difference between securitized mortgage interest and interest on financial liabilities from securitization as reported on the interim consolidated statements of income.

Pre-Provision Pre-Tax Income and Pre-Provision Pre-Tax Basic and Diluted Earnings per Share: This is net income or basic and diluted earnings per share excluding (i) provisions for (recoveries of) credit losses; and (ii) provisions for (recoveries of) income taxes.

Average Rates: Supplementary financial measures that are an indicator of interest profitability of income-earning assets or the cost of liabilities. It is calculated as income or expense as a percentage of average interest-earning assets or liabilities balance. This financial measure includes average interest rates for (i) mortgages - non-securitized portfolios; (ii) term deposit interest and expenses; (iii) mortgages - securitized portfolio; and (iv) financial liabilities from securitization. The average income-earning asset or liability balance that is incorporated into the average interest rate calculations is calculated on either a daily or monthly basis depending on the nature of the asset or liability.

Spread of Non-securitized Mortgages over Term Deposit Interest and Expenses: Supplementary financial measure that is an indicator of net interest profitability of income-earning non-securitized assets less cost of funding. The spread of non-securitized mortgages over term deposit interest and expenses is calculated by taking the total non-securitized mortgage interest as a percentage of the average non-securitized mortgage average portfolio balance less the average term deposit interest and expenses rate.

Spread of Securitized Mortgages over Liabilities: Supplementary financial measure that is an indicator of net interest profitability of income-earning securitized assets less cost of securitized liabilities. The spread of securitized mortgages over liabilities is calculated by taking the securitized mortgage portfolio average interest rate less the financial liabilities average interest rate.

Return on Average Shareholders' Equity: Supplementary financial measure that measures profitability by presenting the annualized net income available (loss attributable) to shareholders as a percentage of the average capital deployed to earn the income (loss). It is calculated as net income (loss) divided by average shareholders' equity. Average shareholders' equity is calculated as a monthly average using all components of shareholders' equity.

Arrears and Impaired Mortgage Ratios: Supplementary financial measures that represent the ratio of arrears and impaired mortgages to mortgage principal for both the non-securitized and total (non-securitized and securitized) portfolios.

Distribution Yield: Supplementary financial measure that is an indicator of profitability on marketable and non-marketable securities. It is calculated by dividing the distribution income as a percentage of the average balance.

Book Value per Common Share: Supplementary financial measure that is calculated as total shareholders' equity divided by the number of common shares outstanding as of that date.

Total Shareholder Return: Supplementary financial measure that is defined as the total return of one share to a shareholder including stock appreciation and dividends.

Assets under Management: Supplementary financial measure that is defined as total on-balance sheet assets and assets derecognized but still managed by MCAN, including multi-family securitizations and residential mortgage commitments sold.

Compound Annual Growth Rate: Supplementary financial measure that is defined as the average annual growth rate over a set period, taking into account the effects of compounding.

GLOSSARY

CET 1, Tier 1, Tier 2 and Total Capital, Total Exposures, Regulatory Assets, Leverage Ratio and Risk-Weighted Asset Ratios: These measures are calculated in accordance with OSFI's Capital Adequacy Requirements and Leverage Requirements guidelines.

Income Tax Capital Measures: Income tax assets, income tax liabilities and income tax capital represent assets, liabilities and capital as calculated on a non-consolidated basis using the provisions of the Tax Act applicable to a MIC. The calculation of the income tax assets to capital ratio and income tax liabilities to capital ratio are based on these amounts.

Market Capitalization: Market capitalization is calculated as the number of common shares outstanding multiplied by the closing common share price as of that date.

CONSOLIDATED BALANCE SHEETS
(Unaudited) (in thousands of Canadian dollars)

	Note	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	6	2,535,698	2,464,091
Non-marketable securities	7	125,443	117,428
Equity investment in MCAP Commercial LP	8	132,949	122,265
Derivative financial instruments	11	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	10	62,924	47,249
Mortgages	10	2,781,009	2,419,871
Other assets	10	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	17	172	107
Current taxes payable		155	—
Other liabilities		20,040	36,807
		2,493,623	2,325,140
Securitization Liabilities			
Financial liabilities from securitization	12	2,779,219	2,423,236
		2,779,219	2,423,236
		5,272,842	4,748,376
Shareholders' Equity			
Share capital	13	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

The accompanying notes and shaded areas of the "Risk Factors" section of Management's Discussion and Analysis of Operations are an integral part of these interim consolidated financial statements.

CONSOLIDATED STATEMENTS OF INCOME

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

For the Periods Ended September 30	Note	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	11	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	11	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	8	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	15	(320)	5,671	1,185	4,983
Other		763	—	1,520	—
Gain on dilution of investment in MCAP Commercial LP	8	—	—	—	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

The accompanying notes and shaded areas of the "Risk Factors" section of Management's Discussion and Analysis of Operations are an integral part of these interim consolidated financial statements.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Unaudited) (in thousands of Canadian dollars)

For the Periods Ended September 30	Note	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	11				
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) (in thousands of Canadian dollars)

For the Periods Ended September 30	Note	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	13	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	13	(16,306)	(14,906)	(48,407)	(43,597)
Balance, end of period		152,495	150,972	152,495	150,972
Accumulated Other Comprehensive Income	11				
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

The accompanying notes and shaded areas of the "Risk Factors" section of Management's Discussion and Analysis of Operations are an integral part of these interim consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited) (in thousands of Canadian dollars)

For the Periods Ended September 30	Note	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	8	(10,361)	(6,667)	(25,664)	(21,576)
Gain on dilution of investment in MCAP Commercial LP	8	—	—	—	(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	8	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

The accompanying notes and shaded areas of the “Risk Factors” section of Management’s Discussion and Analysis of Operations are an integral part of these interim consolidated financial statements.

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1. Corporate Information

MCAN Mortgage Corporation doing business as (“d/b/a”) MCAN Financial Group (the “Company” or “MCAN”) is a Loan Company under the *Trust and Loan Companies Act* (Canada) (the “Trust Act”) and a Mortgage Investment Corporation (“MIC”) under the *Income Tax Act* (Canada) (the “Tax Act”). As a Loan Company under the Trust Act, the Company is subject to the guidelines and regulations set by the Office of the Superintendent of Financial Institutions Canada (“OSFI”). MCAN is incorporated in Canada with its head office located at 200 King Street West, Suite 700, Toronto, Ontario, Canada. MCAN is a public company listed on the Toronto Stock Exchange under the symbol MKP.

MCAN’s 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, including our investment in MCAP Commercial LP (“MCAP”). MCAN issues term deposits that are eligible for Canada Deposit Insurance Corporation deposit insurance and are sourced through a network of independent financial agents. The Company manages its capital and asset balances based on the regulations and limits of both the Tax Act and OSFI.

MCAN’s wholly owned subsidiary, MCAN Home Mortgage Corporation, is an originator of residential mortgage products across Canada.

The interim consolidated financial statements were approved in accordance with a resolution of the Board of Directors (the “Board”) on November 5, 2025.

2. Basis of Preparation

The interim consolidated financial statements of the Company have been prepared on a condensed basis in accordance with International Accounting Standard (“IAS”) 34, *Interim Financial Reporting*, using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). These interim consolidated financial statements should be read in conjunction with the 2024 Annual Report.

The interim consolidated financial statements have been prepared on a historical cost basis, except for certain items carried at fair value as discussed in Note 4 to the Company’s annual consolidated financial statements for the year ended December 31, 2024. The interim consolidated financial statements are presented in Canadian dollars.

The disclosures that accompany the interim consolidated financial statements include the material accounting policy information applied (Note 4) and the significant accounting judgments and estimates (Note 5) applicable to the preparation of the interim consolidated financial statements. Certain disclosures are included in the shaded sections of the “Risk Factors” section of Management’s Discussion and Analysis of Operations (the “MD&A”), as permitted by IFRS, and form an integral part of the interim consolidated financial statements.

The Company separates its assets into its non-securitized and securitization portfolios for reporting purposes. Non-securitized assets are funded by term deposits and share capital. Securitization assets consist primarily of mortgages that have been securitized through the *National Housing Act* (“NHA”) Mortgage-Backed Securities (“MBS”) program and subsequently sold to third parties in transactions that do not achieve derecognition of the mortgages. These assets are funded by the cash received from the sale of the associated securities, from which the Company records a financial liability from securitization.

3. Basis of Consolidation

The interim consolidated financial statements include the balances of MCAN and its wholly owned subsidiaries, after the elimination of intercompany transactions and balances. The Company consolidates those entities that it controls. The Company has control when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies.

4. Material Accounting Policy Information

The material accounting policies applied by the Company in the preparation of its interim consolidated financial statements are the same as those disclosed in Note 4 to the Company's annual consolidated financial statements for the year ended December 31, 2024 except as noted below:

Derecognition of Financial Assets

Sale of uninsured residential mortgages do not qualify for derecognition and are classified as securitized mortgages on the interim consolidated balance sheets. These loans are measured at amortized cost, plus accrued interest, and are reported net of unamortized origination fees, commitment income, premiums or discounts. Net fees and any premium or discount relating to loan origination are amortized to income on an effective yield basis over the term of the loans to which they relate, and are included in net interest income – securitized assets – mortgage interest in the interim consolidated statements of income.

In addition, these transactions are considered secured financing and result in the recognition of securitization liabilities. Securitization liabilities are measured at amortized cost, plus accrued interest, and are reported net of any unamortized premiums or discounts and transaction costs incurred in obtaining the secured financing. Interest expense is recognized over the expected term of borrowing by applying the effective interest rate to the carrying amount of the liability and included in net interest income – securitized assets - interest on financial liabilities from securitization in the interim consolidated statements of income.

5. Summary of Significant Accounting Judgments and Estimates

The preparation of the Company's interim consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the affected assets or liabilities in future periods.

Significant influence

Significant influence represents the power to participate in the financial and operating policy decisions of an investee but does not represent control or joint control over the entity. In determining whether it has significant influence over an entity, the Company makes certain judgments to form the basis for the Company's policies in accounting for its equity investments. Although MCAN's voting interest in MCAP was less than 20% at September 30, 2025, MCAN uses the equity basis of accounting for the investment as it has significant influence in MCAP per IAS 28, *Investments in Associates and Joint Ventures*, as a result of its entitlement to a position on MCAP's Board of Directors.

Fair value of financial instruments

Where the fair values of financial assets and financial liabilities recorded in the interim consolidated financial statements cannot be derived from active markets, they are determined using a variety of valuation techniques that may include the use of mathematical models, independent appraisals and recent transactions. Valuation inputs are derived from observable market data where possible, but where observable market data is not available, estimates are required to establish fair values. These estimates include considerations of liquidity and model inputs such as discount rates, capitalization rates, prepayment rates and default rate assumptions for certain investments.

Impairment of financial assets

The measurement of impairment losses under IFRS 9 across all categories of financial assets requires judgment, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company groups its financial assets into stage 1, stage 2 and stage 3, depending on whether the assets are performing, in arrears or impaired. The Company's allowance for expected credit loss ("ECL") calculations are model outputs with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgments and estimates include:

- The Company's criteria for assessing if there has been a significant increase in credit risk which results in allowances being measured on a lifetime versus 12-month ECL basis;
- The segmentation of financial assets for the purposes of assessing ECL on a collective basis;
- Development of ECL models, including the various formulas and the choice of inputs;

- Determination of associations between macroeconomic scenarios and economic inputs, such as unemployment levels and collateral values, and the effect on Probability of Default, Loss Given Default, and Exposure at Default; and
- Forward-looking information used as economic inputs.

The Company may also make qualitative adjustments or overlays using expert credit judgment in the calculations of ECLs, which represent accounting judgments and estimates which have been heightened due to the current economic and geopolitical environment. Key judgments and estimates, including around probability weights to assign to each scenario and the impacts of government policy and stimulus measures, will be heavily influenced by the extent and severity of these events. These judgments and estimates have been made with reference to the facts, projections and other circumstances at the interim consolidated balance sheet dates. IFRS 9 does not permit the use of hindsight in measuring provisions for credit losses. Any new forward-looking information subsequent to the interim consolidated balance sheet dates are reflected in the measurement of provisions for credit losses in future periods, as appropriate.

Mortgage prepayment rates

In calculating the rate at which borrowers prepay their mortgages, the Company makes estimates based on its historical experience. These assumptions impact the timing of revenue recognition and the amortization of mortgage premiums using the effective interest rate method ("EIM").

6. Mortgages - Non-securitized

(a) Summary

At September 30, 2025	Gross Principal	Allowance				Net Principal
		Stage 1	Stage 2	Stage 3	Total	
Non-securitized Portfolio:						
Residential mortgages						
Insured	\$ 164,588	\$ —	\$ —	\$ —	\$ —	\$ 164,588
Uninsured	1,077,435	2,050	2,203	2,685	6,938	1,070,497
Uninsured - completed inventory	102,115	712	—	—	712	101,403
Construction loans	1,211,142	4,029	77	7,826	11,932	1,199,210
	\$ 2,555,280	\$ 6,791	\$ 2,280	\$ 10,511	\$ 19,582	\$ 2,535,698
At December 31, 2024	Gross Principal	Allowance				Net Principal
		Stage 1	Stage 2	Stage 3	Total	
Non-securitized Portfolio:						
Residential mortgages						
Insured	\$ 126,528	\$ —	\$ —	\$ —	\$ —	\$ 126,528
Uninsured	1,117,095	1,149	1,314	1,260	3,723	1,113,372
Uninsured - completed inventory	120,410	982	—	—	982	119,428
Construction loans	1,096,023	3,770	—	4,692	8,462	1,087,561
Commercial loans						
Multi-family residential	17,237	10	25	—	35	17,202
	\$ 2,477,293	\$ 5,911	\$ 1,339	\$ 5,952	\$ 13,202	\$ 2,464,091

Gross principal as presented in the tables above includes unamortized capitalized transaction costs and accrued interest.

Uninsured - completed inventory loans are extended to developers to provide interim mortgage financing on residential units (condominium or freehold) that are completed or close to completion. Qualification criteria for the completed inventory classification include no substantial remaining construction risk, commencement of occupancy permits, potential sale and closing with a purchaser within three to four months or units near completion.

(b) Mortgages by risk rating

The Company's internal risk rating system involves judgment and combines multiple factors to arrive at a borrower-specific score to assess the borrower's probability of default and ultimately classify the mortgage into one of the categories listed below. For residential mortgages, these factors include, but are not limited to, the loan to value ratio, the borrower's ability to service debt, property location and credit score. For construction, commercial and uninsured completed inventory loans, these factors include, but are not limited to, borrower net worth, project presales, experience with the borrower, project location, debt serviceability and loan to value ratio.

The internal risk ratings presented below are defined as follows:

- **Insured Performing**: Mortgages that are insured by a federally regulated mortgage insurer that are not in arrears or default.
- **Very Low/Low**: Mortgages that have below average probability of default with credit risk that is lower than the Company's risk appetite and risk tolerance levels.
- **Normal/Moderate**: Mortgages that have a standard probability of default with credit risk that is within the Company's risk appetite and risk tolerance levels.
- **High/Higher**: Mortgages that may have a higher probability of default but are within the Company's risk appetite or have subsequently experienced an increase in credit risk. The proportion of mortgages originated in this category is managed to the Company's overall risk appetite and tolerance levels.
- **Monitored/Arrears**: For residential mortgages, mortgages that are past due but less than 90 days in arrears or mortgages for which an escalated concern has arisen. For construction, commercial and uninsured completed inventory loans, mortgages where the performance trend is negative or where debt serviceability may be in jeopardy.
- **Impaired/Default**: Mortgages that are over 90 days past due or mortgages for which there is objective evidence of impairment.

The table below shows the credit quality of the Company's non-securitized mortgage portfolio based on the Company's internal risk rating system and stage classification. The Company's policy that outlines whether ECL allowances are calculated on an impaired or performing basis is discussed in Note 4 to the Company's annual consolidated financial statements for the year ended December 31, 2024.

At	September 30, 2025				December 31, 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Residential mortgages								
Insured								
Performing	\$ 152,770	\$ 7,111	\$ —	\$ 159,881	\$ 118,211	\$ 6,156	\$ —	\$ 124,367
High/Higher	2,555	250	—	2,805	—	—	—	—
Monitored/Arrears	—	1,657	—	1,657	—	1,355	—	1,355
Impaired/Default	—	—	245	245	—	—	806	806
	155,325	9,018	245	164,588	118,211	7,511	806	126,528
Uninsured								
Very low/Low	241,256	33,557	—	274,813	270,185	53,204	—	323,389
Normal/Moderate	487,561	111,475	—	599,036	516,730	108,522	—	625,252
High/Higher	97,250	47,546	—	144,796	94,739	21,104	—	115,843
Monitored/Arrears	15,466	23,006	—	38,472	10,193	24,275	—	34,468
Impaired/Default	—	—	13,380	13,380	—	—	14,420	14,420
	841,533	215,584	13,380	1,070,497	891,847	207,105	14,420	1,113,372
Uninsured - completed inventory								
Normal/Moderate	4,017	—	—	4,017	4,012	—	—	4,012
High/Higher	97,386	—	—	97,386	115,416	—	—	115,416
	101,403	—	—	101,403	119,428	—	—	119,428
Construction loans								
Normal/Moderate	—	—	—	—	12,889	—	—	12,889
High/Higher	1,107,146	—	—	1,107,146	1,029,353	—	—	1,029,353
Monitored/Arrears	—	39,400	—	39,400	—	—	—	—
Impaired/Default	—	—	52,664	52,664	—	—	45,319	45,319
	1,107,146	39,400	52,664	1,199,210	1,042,242	—	45,319	1,087,561
Commercial loans								
Multi-family residential								
High/Higher	—	—	—	—	5,008	12,194	—	17,202
	—	—	—	—	5,008	12,194	—	17,202
	\$2,205,407	\$ 264,002	\$ 66,289	\$2,535,698	\$2,176,736	\$ 226,810	\$ 60,545	\$2,464,091

(c) Mortgage allowances

Quarters Ended September 30	2025				2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Residential mortgages								
Insured								
Allowance, beginning of quarter	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Total provision	—	—	—	—	—	—	—	—
Allowance, end of quarter	—	—	—	—	—	—	—	—
Uninsured								
Allowance, beginning of quarter	1,910	2,098	2,496	6,504	990	1,192	999	3,181
Transfer from stage 1 ³	(761)	761	—	—	(425)	425	—	—
Transfer from stage 2 ³	231	(514)	283	—	232	(450)	218	—
Transfer from stage 3 ³	—	134	(134)	—	2	3	(5)	—
Net remeasurement of allowance ¹	(50)	(24)	717	643	93	225	374	692
Originations ⁴	945	—	—	945	327	—	—	327
Mortgages derecognized or repaid ²	(225)	(252)	(522)	(999)	(23)	(38)	(250)	(311)
Total provision	140	105	344	589	206	165	337	708
Write-off (recovery)	—	—	(155)	(155)	—	—	—	—
Allowance, end of quarter	2,050	2,203	2,685	6,938	1,196	1,357	1,336	3,889
Uninsured - completed inventory								
Allowance, beginning of quarter	1,021	—	—	1,021	372	14	—	386
Net remeasurement of allowance ¹	(288)	—	—	(288)	356	9	—	365
Mortgages derecognized or repaid ²	(21)	—	—	(21)	—	—	—	—
Total provision (recovery)	(309)	—	—	(309)	356	9	—	365
Allowance, end of quarter	712	—	—	712	728	23	—	751
Construction loans								
Allowance, beginning of quarter	3,908	383	6,150	10,441	4,114	40	2,901	7,055
Transfer from stage 1 ³	(121)	121	—	—	(121)	121	—	—
Transfer from stage 2 ³	232	(246)	14	—	128	(128)	—	—
Net remeasurement of allowance ¹	(53)	(181)	1,662	1,428	(403)	1	861	459
Originations ⁴	772	—	—	772	249	—	—	249
Mortgages derecognized or repaid ²	(709)	—	—	(709)	(543)	—	—	(543)
Total provision (recovery)	121	(306)	1,676	1,491	(690)	(6)	861	165
Allowance, end of quarter	\$ 4,029	\$ 77	\$ 7,826	\$ 11,932	\$ 3,424	\$ 34	\$ 3,762	\$ 7,220

Quarters Ended September 30	2025				2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Commercial loans								
Multi-family residential								
Allowance, beginning of quarter	\$ —	\$ —	\$ —	\$ —	\$ 51	\$ 63	\$ —	\$ 114
Net remeasurement of allowance ¹	—	—	—	—	(3)	47	—	44
Total provision (recovery)	—	—	—	—	(3)	47	—	44
Allowance, end of quarter	—	—	—	—	48	110	—	158
Total								
Allowance, beginning of quarter	6,839	2,481	8,646	17,966	5,527	1,309	3,900	10,736
Transfer from stage 1 ³	(882)	882	—	—	(546)	546	—	—
Transfer from stage 2 ³	463	(760)	297	—	360	(578)	218	—
Transfer from stage 3 ³	—	134	(134)	—	2	3	(5)	—
Net remeasurement of allowance ¹	(391)	(205)	2,379	1,783	43	282	1,235	1,560
Originations ⁴	1,717	—	—	1,717	576	—	—	576
Mortgages derecognized or repaid ²	(955)	(252)	(522)	(1,729)	(566)	(38)	(250)	(854)
Total provision (recovery)	(48)	(201)	2,020	1,771	(131)	215	1,198	1,282
Write-off (recovery)	—	—	(155)	(155)	—	—	—	—
Allowance, end of quarter	\$ 6,791	\$ 2,280	\$ 10,511	\$ 19,582	\$ 5,396	\$ 1,524	\$ 5,098	\$ 12,018

¹ Represents the change in the allowance related to changes in model parameters, inputs, and assumptions. This includes remeasurement between 12-month and lifetime ECLs following stage transfers, changes to forward-looking macroeconomic conditions, changes in the level of risk, and changes to other parameters used in the ECL model.

² Reflects the decrease in the allowance related to mortgages that were repaid or derecognized during the period.

³ Represents movements between ECL stages and excludes the impact to the allowance of remeasurement between 12-month and lifetime ECLs, and changes in risk.

⁴ Reflects the increase in allowance related to mortgages newly recognized during the period. This includes mortgages that were newly originated, purchased, or re-recognized following a modification of terms.

ECLs are calculated through three probability-weighted forward-looking scenarios: base, favourable and unfavourable. ECLs are sensitive to the macroeconomic variables used in the three forward-looking scenarios and the probability weights assigned to those forecasts. The macroeconomic variables used in these scenarios are projected over the specified forecast period and could have a material impact in determining ECLs.

All mortgages are secured by real estate property located in Canada. Insured residential mortgages also qualify for insurance that mitigates the risk of credit loss. For past due but not impaired, and impaired mortgages, there may be no ECL if there is sufficient collateral value and quality to cover the maximum credit exposure. Appraised values for collateral held against mortgages are obtained initially at the time of origination and updated when a mortgage is individually assessed as credit impaired.

At September 30, 2025, the maximum credit exposure was \$2,555,280 (December 31, 2024 - \$2,477,293) for all mortgages.

The following table represents the average values of the macroeconomic variables used in these forecasts:

At September 30, 2025	Base		Favourable		Unfavourable	
	Next 12	2 to 5	Next 12	2 to 5	Next 12	2 to 5
Macroeconomic Variables	Months ¹	Years ¹	Months ¹	Years ¹	Months ¹	Years ¹
Housing Price Index (annual change)						
Canada	2.25%	3.24%	10.63%	4.27%	0.23 %	2.98%
Greater Toronto Area	1.35%	3.22%	9.67%	4.25%	0.24 %	3.10%
Greater Vancouver Area	2.04%	3.23%	10.41%	4.26%	0.24 %	3.04%
Gross domestic product (annual change)	1.65%	1.62%	2.65%	1.75%	0.65 %	1.50 %
Unemployment rate	6.99%	6.50%	6.49%	6.44%	7.49%	6.56%
Interest rates						
Prime rate	4.50%	4.43%	5.00%	4.49%	4.25%	4.40%
At December 31, 2024	Base		Favourable		Unfavourable	
	Next 12	2 to 5	Next 12	2 to 5	Next 12	2 to 5
Macroeconomic Variables	Months ¹	Years ¹	Months ¹	Years ¹	Months ¹	Years ¹
Housing Price Index (annual change)						
Canada	5.29%	3.12%	13.85%	4.14%	3.23 %	2.86%
Greater Toronto Area	4.10%	3.15%	12.59%	4.18%	3.36 %	2.98%
Greater Vancouver Area	2.86%	3.07%	11.28%	4.10%	2.81 %	2.92%
Gross domestic product (annual change)	1.80%	1.62%	2.80%	1.74%	0.80 %	1.49%
Unemployment rate	6.73%	6.37%	6.23%	6.31%	7.23%	6.43%
Interest rates						
Prime rate	4.78%	4.78%	5.28%	4.85%	4.53%	4.75%
At September 30, 2024	Base		Favourable		Unfavourable	
	Next 12	2 to 5	Next 12	2 to 5	Next 12	2 to 5
Macroeconomic variables	months ¹	years ¹	months ¹	years ¹	months ¹	years ¹
Housing Price Index (annual change)						
Canada	1.73%	5.54%	10.08%	6.59%	(0.28)%	5.28%
Greater Toronto Area	2.12%	5.58%	10.49%	6.63%	(0.29)%	5.50%
Greater Vancouver Area	2.85%	5.43%	11.27%	6.48%	(0.28)%	5.39%
Gross domestic product (annual change)	1.74%	2.11%	2.74%	2.23%	0.74 %	1.98%
Unemployment rate	6.80%	6.41%	6.30%	6.35%	7.30%	6.47%
Interest rates						
Prime rate	5.29%	4.48%	5.79%	4.54%	5.04%	4.44%

¹ The numbers represent the average values over the quoted period.

Historical regression methodology is used to relate ECL to key macroeconomic indicators including housing price indices, gross domestic product, unemployment rate and interest rates. Economic forecasts are determined based on a combination of external information and internal management judgments and estimates at the reporting date. The current geopolitical environment has increased the level of uncertainty with respect to management's judgments and estimates including the probability weights assigned to each scenario, the impacts of monetary policy on macroeconomic indicators and the mortgage portfolio. Since September 30, 2025, forecasts around these uncertainties have continued to evolve. Any new forward-looking information subsequent to September 30, 2025, will be reflected in the measurement of provisions for credit losses in future periods, as appropriate. This may add significant variability to provisions for credit losses in future periods.

The base scenario represents management's best estimate using all available economic forecasts in light of the current geopolitical environment. It assumes the unemployment rate will increase before decreasing in the mid to long term. Gross domestic product and housing prices are expected to increase. The favourable scenario assumes a larger increase in housing prices, lower unemployment, and a larger increase to gross domestic product compared to the base scenario. The unfavourable scenario assumes a more pronounced increase to the unemployment rate, a slight increase in housing prices and modest increase in gross domestic product growth in the short term followed by a recovery in the mid to long term.

Assuming a 100% base case economic forecast with the incorporation of the impact of the migration of mortgages between stages, with all other assumptions held constant, the ECL for non-securitized mortgages at September 30, 2025 would be approximately \$19,780 (December 31, 2024 - \$13,219) compared to the reported ECL for non-securitized mortgages of \$19,582 (December 31, 2024 - \$13,202).

Assuming a 100% unfavourable economic forecast with the incorporation of the impact of the migration of mortgages between stages, with all other assumptions held constant, the ECL for non-securitized mortgages at September 30, 2025 would be approximately \$21,360 (December 31, 2024 - \$14,250) compared to the reported ECL for non-securitized mortgages of \$19,582 (December 31, 2024 - \$13,202).

(d) Mortgage arrears

Mortgages past due but not impaired are as follows:

At September 30, 2025	1 to 30 Days	31 to 60 Days	61 to 90 Days	Total
Residential mortgages				
Insured	\$ 934	\$ 456	\$ 267	\$ 1,657
Uninsured	27,413	8,526	2,533	38,472
Construction loans	39,400	—	—	39,400
	\$ 67,747	\$ 8,982	\$ 2,800	\$ 79,529
At December 31, 2024	1 to 30 Days	31 to 60 Days	61 to 90 Days	Total
Residential mortgages				
Insured	\$ 992	\$ 92	\$ 271	\$ 1,355
Uninsured	18,477	8,915	7,076	34,468
	\$ 19,469	\$ 9,007	\$ 7,347	\$ 35,823

Impaired mortgages (net of individual allowances) are as follows:

At September 30, 2025	Residential Mortgages		Construction Loans	Total
	Insured	Uninsured		
Ontario	\$ 245	\$ 13,175	\$ 11,805	\$ 25,225
British Columbia	—	—	40,859	40,859
Atlantic Provinces	—	205	—	205
	\$ 245	\$ 13,380	\$ 52,664	\$ 66,289
At December 31, 2024	Residential Mortgages		Construction Loans	Total
	Insured	Uninsured		
Ontario	\$ —	\$ 12,481	\$ 12,441	\$ 24,922
Alberta	452	—	—	452
British Columbia	—	1,604	32,878	34,482
Atlantic Provinces	59	—	—	59
Other	295	335	—	630
	\$ 806	\$ 14,420	\$ 45,319	\$ 60,545

At September 30, 2025, the carrying value was \$76,801 (December 31, 2024 – \$66,496) and the most recent appraised value of collateral was \$132,819 (December 31, 2024 – \$110,456) for all impaired mortgages. There were no significant changes in the quality of collateral since the beginning of the year.

(e) Geographic analysis

At September 30, 2025	Residential Mortgages	Construction Loans	Commercial Loans	Total	
Ontario	\$ 1,111,145	\$ 454,457	\$ —	\$ 1,565,602	61.7 %
Alberta	92,772	86,701	—	179,473	7.1 %
British Columbia	105,821	658,052	—	763,873	30.1 %
Quebec	4,376	—	—	4,376	0.2 %
Atlantic Provinces	10,556	—	—	10,556	0.4 %
Other	11,818	—	—	11,818	0.5 %
	\$ 1,336,488	\$ 1,199,210	\$ —	\$ 2,535,698	100.0 %

At December 31, 2024	Residential Mortgages	Construction Loans	Commercial Loans	Total	
Ontario	\$ 1,134,134	\$ 395,454	\$ 12,194	\$ 1,541,782	62.5 %
Alberta	92,996	105,426	—	198,422	8.1 %
British Columbia	107,390	586,681	—	694,071	28.2 %
Quebec	3,906	—	—	3,906	0.2 %
Atlantic Provinces	9,900	—	—	9,900	0.4 %
Other	11,002	—	5,008	16,010	0.6 %
	\$ 1,359,328	\$ 1,087,561	\$ 17,202	\$ 2,464,091	100.0 %

(f) Other information

Outstanding commitments for future fundings of mortgages are as follows:

At	September 30, 2025	December 31, 2024
Residential mortgages		
Insured	\$ 168,507	\$ 63,674
Uninsured	91,719	31,201
Uninsured - completed inventory	3,633	6,994
Construction loans	254,723	327,996
	\$ 518,582	\$ 429,865

Of the total outstanding commitments for future fundings, only a portion issued are expected to fund. Accordingly, these amounts do not necessarily represent future cash requirements of the Company.

The fair value of the non-securitized mortgage portfolio at September 30, 2025 is \$2,558,866 (December 31, 2024 - \$2,483,036). Fair values are calculated on a discounted cash flow basis using the prevailing market rates for similar mortgages.

At September 30, 2025, insured residential mortgages include \$39,470 (December 31, 2024 - \$46,299) of mortgages that had been securitized through the market MBS program; however, the underlying MBS security has been retained by the Company for liquidity purposes.

7. Non-Marketable Securities

At	September 30, 2025	December 31, 2024
KingSett High Yield Fund	\$ 58,335	\$ 56,970
KingSett Senior Mortgage Fund LP	19,681	17,326
Crown Realty V Limited Partnership	11,797	9,316
Fiera Real Estate Development Fund IV, LP	11,464	10,435
TAS Impact Development LP 4	9,373	5,672
Harbour Equity JV Development Fund VI	7,573	5,500
TAS LP 3 Co-Invest LP	2,698	3,289
Broccolini Limited Partnership No. 8	1,885	1,824
Pearl Group Growth Fund LP	2,637	2,823
TAS LP 3	—	4,273
	\$ 125,443	\$ 117,428

KingSett High Yield Fund (“KSHYF”): The Company holds an investment in the KSHYF representing a 6.0% equity interest (December 31, 2024 - 5.9%). The KSHYF invests in mortgages secured by real estate including mezzanine, subordinate and bridge mortgages. As mortgage advances are made by the KSHYF, the Company advances its proportionate share. The KSHYF pays a base distribution of 9% per annum, and distributes any additional income earned on a quarterly basis. At September 30, 2025, the Company’s total remaining commitment to the KSHYF is \$28,844 (December 31, 2024 - \$30,127), consisting of \$nil available for capital advances for the KSHYF (December 31, 2024 - \$1,283) and \$28,844 that supports credit facilities throughout the life of the KSHYF (December 31, 2024 - \$28,844).

KingSett Senior Mortgage Fund LP (“KSSMF”): The Company holds an investment in KSSMF representing a 2.4% partnership interest (December 31, 2024 - 2.2%). At September 30, 2025, the Company’s total remaining commitment is \$5,500. The Company advances its proportionate share as KSSMF invests in a diversified portfolio of mortgage loans secured by Canadian residential and commercial real estate.

Crown Realty V Limited Partnership (“Crown”): The Company holds an investment in Crown representing a 7.7% partnership interest (December 31, 2024 - 7.7%). At September 30, 2025, the Company’s total remaining commitment is \$7,276. The Company advances its proportionate share as Crown integrates environmental and social focused initiatives to acquire, lease, manage and reposition commercial real estate properties across Ontario.

Fiera Real Estate Development Fund IV, LP (“Fiera”): The Company holds an investment in Fiera representing an 6.5% partnership interest (December 31, 2024 - 6.5%). At September 30, 2025, the Company’s total remaining commitment is \$5,448. The Company advances its proportionate share as Fiera develops and re-develops multi-residential, industrial, office and retail properties, located in growing major Canadian urban markets.

TAS Impact Development LP 4 (“TAS 4”): The Company holds an investment in TAS 4 representing a 16.2% partnership interest (December 31, 2024 - 16.2%). At September 30, 2025, the Company’s total remaining commitment is \$8,298. The Company advances its proportionate share as TAS 4 acquires urban residential, mixed-use development and repositioning properties with a focus on developing and repositioning assets that drive environmental and social impacts.

Harbour Equity JV Development Fund VI (“Harbour”): The Company holds an investment in Harbour representing a 12.1% partnership interest (December 31, 2024 - 12.1%). At September 30, 2025, the Company’s total remaining commitment is \$3,000. The Company advances its proportionate share as Harbour provides equity capital to real estate developers in joint ventures or co-ownership structures for ground up development of residential and mixed-use properties across Canada.

TAS LP 3 Co-Invest LP (“TAS Co”): The Company holds an investment in TAS Co, in which it has a 34.8% partnership interest (December 31, 2024 - 34.8%). At September 30, 2025, the Company’s total remaining commitment is \$1,599. The Company advances its proportionate share as TAS Co invests and it invests in some of the same properties as TAS 3 noted above.

Broccolini Limited Partnership No. 8 (“Broccolini”): The Company holds an investment in Broccolini representing a 5.7% partnership interest (December 31, 2024 - 5.7%). At September 30, 2025, the Company’s total remaining commitment is \$18,328. The Company advances its proportionate share as Broccolini invests in ground up development of industrial, residential and mixed-use properties across Canada, with a focus on Ontario and Quebec.

Pearl Group Growth Fund LP (“Pearl”): The Company holds an investment in Pearl, in which it has a 6.9% partnership interest (December 31, 2024 - 6.9%). At September 30, 2025, the Company’s total remaining commitment is \$583. The Company advances its proportionate share as Pearl executes a value-add strategy by acquiring, redeveloping, entitling, leasing and project managing commercial and multi-unit residential properties in the Greater Toronto area.

TAS LP 3 (“TAS 3”): The Company holds an investment in TAS 3 representing a 9.7% partnership interest (December 31, 2024 - 9.7%). At September 30, 2025, the Company has a \$3,000 revolving promissory note commitment that matures on

June 30, 2026 with \$nil remaining available to be drawn. TAS 3 invests in, and develops, residential and mixed use properties with a focus on assets that drive environmental and social impacts.

For details of net gains and losses on non-marketable securities, refer to Note 15.

8. Equity Investment in MCAP Commercial LP

At September 30, 2025, the Company held a 13.89% equity interest in MCAP (December 31, 2024 - 13.88%), representing 4,000,000 units held by MCAN (December 31, 2024 - 4,000,000) of the 28,796,809 total outstanding MCAP partnership units (December 31, 2024 - 28,813,772).

The Company recognizes equity income from MCAP on a one-month lag such that equity income from MCAP is based on MCAP's net income for the periods ended August 31 adjusted for the impacts of significant transactions or events up to the date of our financial statements.

Amongst the interparty rights in the MCAP partnership agreement, the majority partner in MCAP has the right to acquire MCAN's entire partnership interest in MCAP at "fair market value", which would be determined by an independent valuator agreed upon by both parties.

For the Periods Ended September 30	Q3 2025	Q3 2024	YTD 2025	YTD 2024
Balance, beginning of period	\$ 128,915	\$ 118,477	\$ 122,265	\$ 111,367
Equity income	10,361	6,667	25,664	21,576
Dilution gain	—	—	—	680
Distributions received	(6,327)	(5,439)	(14,980)	(13,918)
Balance, end of period	\$ 132,949	\$ 119,705	\$ 132,949	\$ 119,705

Selected MCAP financial information is as follows:

At	August 31 2025	November 30 2024
MCAP's balance sheet:		
Assets	\$ 74,110,072	\$ 66,971,617
Liabilities	73,175,760	66,113,046
Equity	934,312	858,571

For the Periods Ended August 31	Q3 2025	Q3 2024	YTD 2025	YTD 2024
MCAP's revenue and net income:				
Revenue	\$ 307,529	\$ 319,325	\$ 850,648	\$ 881,083
Net income	\$ 74,590	\$ 48,020	\$ 184,780	\$ 156,714

9. Securitization Activities

The Company is an NHA MBS issuer, which involves the securitization of insured mortgages to create and sell MBS through Canada Mortgage and Housing Corporation ("CMHC") market MBS and Canada Mortgage Bonds ("CMB") programs.

The Company may sell MBS to third parties and may also sell the net economics and cash flows from the underlying mortgages ("interest-only strips") to third parties. The MBS portion of the mortgage represents the core securitized mortgage principal and the right to receive coupon interest at a specified rate. The interest-only strips represent the right to receive excess cash flows after satisfying the MBS coupon interest payment and any other expenses such as mortgage servicing.

Pursuant to the NHA MBS program, MBS investors receive monthly cash flows consisting of interest and scheduled and unscheduled principal payments. CMHC makes principal and interest payments in the event of any MBS default by the issuer, thus fulfilling the Timely Payment guarantee to investors. All MBS issuers (including the Company) are required to remit scheduled mortgage principal and interest payments to Computershare, the designated Central Payor and Transfer Agent ("CPTA") for the program, even if these mortgage payments have not been collected from mortgagors. Similarly, at

the maturity of the MBS pools that have been issued by the Company, any outstanding principal must be paid to the CPTA. If the Company fails to make a scheduled principal and interest payment to CPTA, CMHC may enforce the assignment of the mortgages included in all MBS pools in addition to other assets backing the MBS issued. In the case of mortgage defaults, MCAN is required to make scheduled principal and interest payments to the CPTA until legal enforcement proceedings are terminated at which time MCAN is required to transfer the full amount of any outstanding principal to the CPTA as part of the Timely Payment obligation and then place the mortgage/property through the insurance claims process to recover any losses. These defaults may result in cash flow timing mismatches that may marginally increase funding and liquidity risks.

During Q3 2025, MCAN securitized \$391,876 of insured residential mortgages through the market MBS and CMB programs (Q3 2024 - \$220,345).

During Q3 2025, MCAN securitized \$216,905 insured multi-family mortgages (Q3 2024 - \$nil). With respect to the insured multi-family securitization, at the time of securitization the Company derecognized the mortgages from its consolidated balance sheet and recorded an upfront gain of \$760 (Q3 2024 - \$nil).

We have an agreement with a Canadian Schedule I Chartered bank to participate in an uninsured residential mortgage securitization program sponsored by the bank. Under this agreement, we can sell qualifying uninsured residential mortgages that meet certain requirements into the program and they remain in the program until maturity.

During Q3 2025, MCAN securitized \$163,312 of uninsured residential mortgages through this bank-sponsored securitization program (Q3 2024 - \$nil).

Transferred financial assets that are not derecognized in their entirety

Since MCAN neither transfers nor retains substantially all of the risks and rewards of ownership on sale and retains significant continuing involvement through the provision of the Timely Payment obligation with respect to the majority of the market MBS program, CMB program and uninsured residential mortgage securitization transactions, MCAN continues to recognize the securitized mortgages (Note 10) and financial liabilities from securitization (Note 12) on its interim consolidated balance sheet.

Transferred financial assets that are derecognized in their entirety but where the Company has a continuing involvement

MCAN securitizes insured multi-family mortgages through the market MBS program and CMB program, and in some cases, sells MBS and the associated interest-only strips to third parties. In these instances, where MCAN transfers control of the asset or substantially all risks and rewards on sale, MCAN derecognizes the mortgages from its interim consolidated balance sheets. MCAN's continuing involvement is the ongoing obligation in its role as MBS issuer to service the mortgages and MBS until maturity.

In these circumstances, the derecognized MBS balance related to the market MBS program and CMB program are not reflected as an asset or liability on MCAN's interim consolidated balance sheets. The derecognized MBS mature as follows:

	2025	2026	2028	2029	2030	2034	Total
At September 30, 2025	\$ 13,238	\$ 7,677	\$ 79,860	\$ 106,118	\$ 506,013	\$ 66,429	\$ 779,335

10. Mortgages - Securitized

(a) Summary

At September 30, 2025	Gross	Allowance				Net
	Principal	Stage 1	Stage 2	Stage 3	Total	Principal
Securitized Portfolio:						
Residential mortgages						
Insured	\$ 2,621,267	\$ —	\$ —	\$ —	\$ —	\$ 2,621,267
Uninsured	160,026	115	169	—	284	159,742
	\$ 2,781,293	\$ 115	\$ 169	\$ —	284	\$ 2,781,009

At December 31, 2024	Gross Principal	Allowance			Total	Net Principal
		Stage 1	Stage 2	Stage 3		
Securitized Portfolio:						
Residential mortgages						
Insured	\$ 2,419,871	\$ —	\$ —	\$ —	\$ —	\$ 2,419,871
Uninsured	—	—	—	—	—	—
	\$ 2,419,871	\$ —	\$ —	\$ —	\$ —	\$ 2,419,871

(b) Mortgages by Risk Rating

The Company's internal risk rating system involves judgment and combines multiple factors to arrive at a borrower-specific score to assess the borrower's probability of default and ultimately classify the mortgage into one of the categories listed in the table below. For residential mortgages, these factors include, but are not limited to, the loan to value ratio, the borrower's ability to service debt, property location and credit score. For a definition of internal risk ratings, refer to Note 6.

The table below shows the credit quality of the Company's securitized mortgage portfolio based on the Company's internal risk rating system and stage classification. The Company's policy that outlines whether ECLs are calculated on an impaired or performing basis is discussed in Note 4 to the Company's annual consolidated financial statements for the year ended December 31, 2024.

At	September 30, 2025				December 31, 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Residential mortgages								
Insured								
Performing	\$2,420,443	\$ 140,801	\$ —	\$2,561,244	\$2,276,745	\$ 139,023	\$ —	\$2,415,768
High/Higher	41,374	11,845	—	53,219	—	—	—	—
Monitored/Arrears	—	6,513	—	6,513	—	3,839	—	3,839
Impaired/Default	—	—	291	291	—	—	264	264
	2,461,817	159,159	291	2,621,267	2,276,745	142,862	264	2,419,871
Uninsured								
Very low/Low	110,440	12,037	—	122,477	—	—	—	—
Normal/Moderate	18,522	9,229	—	27,751	—	—	—	—
High/Higher	5,927	3,587	—	9,514	—	—	—	—
Monitored/Arrears	—	—	—	—	—	—	—	—
Impaired/Default	—	—	—	—	—	—	—	—
	134,889	24,853	—	159,742	—	—	—	—
	\$2,596,706	\$ 184,012	\$ 291	\$2,781,009	\$2,276,745	\$ 142,862	\$ 264	\$2,419,871

(c) Mortgage allowances

Quarters Ended September 30	2025				2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Residential mortgages								
Insured								
Allowance, beginning of quarter	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Total provision (recovery)	—	—	—	—	—	—	—	—
Allowance, end of quarter	—	—	—	—	—	—	—	—
Uninsured								
Allowance, beginning of quarter	—	—	—	—	—	—	—	—
Transfer from stage 1 ³	(35)	35	—	—	—	—	—	—
Transfer from stage 2 ³	8	(8)	—	—	—	—	—	—
Net remeasurement of allowance ¹	(15)	(48)	—	(63)	—	—	—	—
Originations	158	202	—	360	—	—	—	—
Mortgages derecognized or repaid ²	(1)	(12)	—	(13)	—	—	—	—
Total provision (recovery)	115	169	—	284	—	—	—	—
Allowance, end of quarter	\$ 115	\$ 169	\$ —	\$ 284	\$ —	\$ —	\$ —	\$ —

¹ Represents the change in the allowance related to changes in model parameters, inputs, and assumptions. This includes remeasurement between 12-month and lifetime ECLs following stage transfers, changes to forward-looking macroeconomic conditions, changes in the level of risk, and changes to other parameters used in the ECL model.

² Reflects the decrease in the allowance related to mortgages that were repaid or derecognized during the period.

³ Represents movements between ECL stages and excludes the impact to the allowance of remeasurement between 12-month and lifetime ECLs, and changes in risk.

(d) Mortgage arrears

Securitized insured residential mortgages past due but not impaired are as follows:

	1 to 30 days	31 to 60 days	61 to 90 days	Total
At September 30, 2025	\$ 4,824	\$ 823	\$ 866	\$ 6,513
At December 31, 2024	\$ 2,819	\$ 1,020	\$ —	\$ 3,839

Impaired securitized insured residential mortgages are as follows:

At	September 30, 2025	December 31, 2024
Ontario	\$ 291	\$ 264
	\$ 291	\$ 264

There were no securitized uninsured residential mortgages past due or impaired at September 30, 2025 and December 31, 2024.

(e) Geographic analysis

At	September 30, 2025		December 31, 2024	
Ontario	\$ 2,292,592	82.5 %	\$ 1,995,326	82.5 %
Alberta	301,192	10.8 %	260,743	10.8 %
British Columbia	76,425	2.7 %	73,408	3.0 %
Quebec	3,590	0.1 %	5,631	0.2 %
Atlantic Provinces	57,947	2.1 %	51,295	2.1 %
Other	49,263	1.8 %	33,468	1.4 %
	\$ 2,781,009	100.0 %	\$ 2,419,871	100.0 %

(f) Other information

Capitalized transaction costs are included in securitized mortgages and are amortized using the EIM. At September 30, 2025, the unamortized capitalized transaction cost balance is \$18,395 (December 31, 2024 - \$16,529).

The fair value of the securitized mortgage portfolio at September 30, 2025 is \$2,853,368 (December 31, 2024 - \$2,447,952).

At September 30, 2025, securitized assets - cash held in trust of \$62,924 (December 31, 2024 - \$47,249) represents restricted cash held in trust in connection with the Company's insured residential mortgage securitization activities. These deposits include cash held at a Canadian Schedule I Chartered bank that hold principal and interest payments collected from securitized loans awaiting payment to their respective investors.

Other securitized assets of \$32,395 at September 30, 2025 (December 31, 2024 - \$20,128) includes interest-only strips of \$21,186 (December 31, 2024 - \$9,550) from the Company's CMB-insured multi-family securitizations.

11. Derivative Financial Instruments

Cash Flow Hedging Relationships

The Company may enter into Government of Canada bond forward contracts to hedge interest rate risk arising from the impact of (i) movements in interest rates between the time insured residential mortgages are funded and the time that these mortgages are securitized; and (ii) movements in interest rates between the time term deposit funding is forecasted to be required and the time that the actual funding occurs. Realized gains or losses on these derivatives are reclassified from other comprehensive income ("OCI") to interest on financial liabilities from securitization and term deposit interest and expenses on the consolidated statements of income over the expected life of the underlying hedged item.

At September 30, 2025, the Company had \$nil of derivative financial instruments outstanding relating to cash flow hedges (December 31, 2024 - \$nil).

The following table provides a reconciliation of OCI related to cash flow hedges entered into during the year:

	Q3	Q3	YTD	YTD
For the Periods Ended September 30	2025	2024	2025	2024
Liabilities - Interest Rate Risk				
Accumulated OCI at the beginning of the period	\$ (846)	\$ (1,126)	\$ (1,624)	\$ 98
OCI	(105)	(615)	673	(1,839)
Accumulated OCI at the End of the Period	\$ (951)	\$ (1,741)	\$ (951)	\$ (1,741)
OCI on designated hedges	\$ (105)	\$ (615)	\$ 673	\$ (1,839)

Fair Value Hedging Relationships

The Company may enter into interest rate swaps to hedge interest rate risk arising from fair value changes in our fixed-rate term deposits due to movements in interest rates. Hedges are structured such that the fair value movements of the hedge instruments offset, within a reasonable range, the changes in fair value of the pool of term deposits due to interest rate fluctuations. The terms of our fair value hedges are generally less than 2 years but may go up to 5 years. The derivative instruments are settled at the time of maturity of the pool of term deposits. The Company applies fair value hedge accounting to these derivative transactions with the intention to recognize the effective matching of the fair value gain or loss on the derivative transactions with the fair value gain or loss on the pool of term deposits, within a reasonable range. Any unmatched fair value is recorded in term deposit interest and expenses as hedge ineffectiveness.

At September 30, 2025, the Company had \$4,401 of unrealized gains on derivative financial instruments outstanding relating to fair value hedges (December 31, 2024 - \$2,508 unrealized gains). The Company had fair value hedge costs of \$141 in Q3 2025 and fair value hedge gains of \$1,432 year to date 2025 recorded in term deposit interest and expenses in the consolidated statements of income.

The following table presents the effects of fair value hedges on the consolidated balance sheets and the consolidated statements of income:

For the Periods Ended September 30	Q3 2025	Q3 2024	YTD 2025	YTD 2024
Liabilities - Interest Rate Risk				
Change in value of hedged item for ineffectiveness measurement	\$ 1,624	\$ 2,233	\$ 2,240	\$ 2,084
Change in value of hedging item for ineffectiveness measurement	1,564	2,608	1,893	2,301
Hedge Ineffectiveness	60	(375)	347	(217)
Carrying amounts for hedged items			\$ 629,914	\$ 698,847
Accumulated amounts of fair value hedge adjustments on hedged items			\$ 2,240	\$ 2,084

The following table presents outstanding derivative financial instruments designated in qualifying fair value hedging relationships:

At September 30, 2025	Notional Amount	Average Rate on Interest Rate Swaps ¹	Derivative Asset	Derivative Liability	Net Fair Market Value
Interest Rate Risk - Fair Value Hedges					
Within 1 year	\$ 46,200	2.89 %	\$ 198	\$ —	\$ 198
1 to 5 years	591,100	2.71 %	4,203	—	4,203
Total Derivatives in Qualifying Hedging Relationships	\$ 637,300	2.72 %	\$ 4,401	\$ —	\$ 4,401

¹Average rate on interest rate swaps represents the weighted average received fixed rate

The notional amount is not recorded as an asset or liability as it represents the face amount of the contract to which the rate or price is applied in order to calculate the amount of cash exchanged. Notional amounts do not represent the potential gain or loss associated with market risk and are not indicative of the credit risk associated with the derivatives.

At September 30, 2025, the Company had restricted cash on interest rate swaps of \$1,790 (December 31, 2024 - \$930) which represents deposits held as collateral by third parties for its interest rate swap transactions. The terms and conditions of these arrangements with counterparties are governed by the International Swaps and Derivatives Association, Inc. agreements.

Derivative-Related Risks

The potential for derivatives to increase or decrease in value as a result of changes in relevant factors, such as interest rate changes is referred to as market risk. Credit risk on derivatives, also known as counterparty credit risk, is the risk of a financial loss occurring as a result of the failure of a counterparty to meet its obligation to the Company. The risks are actively monitored and managed by the Company.

12. Financial Liabilities from Securitization

Total financial liabilities from securitization mature as follows:

At	September 30, 2025	December 31, 2024
2025	\$ 153,275	\$ 411,487
2026	728,690	709,301
2027	522,298	540,766
2028	358,136	262,822
2029	471,818	498,860
2030	545,002	—
	\$ 2,779,219	\$ 2,423,236

13. Share Capital

For the Periods Ended September 30	2025		2024	
	Number of Shares	Share Capital	Number of Shares	Share Capital
Balance, January 1	38,717,004	\$ 456,683	35,431,938	\$ 406,528
Issued				
Dividend reinvestment plan	384,251	7,007	811,284	12,544
ATM program	366,900	6,714	—	—
Overnight marketed offering	—	—	1,868,750	27,153
Executive share purchase plan	136,035	2,523	40,801	616
Balance, June 30	39,604,190	472,927	38,152,773	446,841
Issued				
Dividend reinvestment plan	113,219	2,346	127,429	2,235
ATM program	445,400	9,082	182,600	3,023
Balance, September 30	40,162,809	\$ 484,355	38,462,802	\$ 452,099

The authorized share capital of the Company consists of unlimited common shares with no par value.

The Company issues shares under the dividend reinvestment plan (“DRIP”) out of treasury at the weighted average trading price for the five days preceding such issue less a discount of 2%.

The Company has a (i) Base Shelf prospectus; and (ii) at-the-market equity program (“ATM Program”) established pursuant to a Prospectus Supplement to its Base Shelf prospectus allowing the Company to issue up to \$75,000 common shares to the public from time to time over a 2 year period at the market prices prevailing at the time of sale. The volume and timing of distributions under the ATM Program are determined at MCAN’s sole discretion. During Q3 2025, the Company sold 445,400 common shares at a weighted average price of \$21.49 for gross proceeds of \$9,570 and net proceeds of \$9,082 including \$191 of agent commission paid and \$297 of other share issuance costs under the ATM Program. Year to date 2025, the Company sold 812,300 common shares at a weighted average price of \$20.45 for gross proceeds of \$16,611 and net proceeds of \$15,796 including \$331 of agent commission paid and \$484 of other share issuance costs under the ATM Program.

The Company had no potentially dilutive instruments at September 30, 2025 or December 31, 2024.

14. Dividends

On November 5, 2025, the Board declared a quarterly regular cash dividend of \$0.41 per share to be paid on January 2, 2026 to shareholders of record as of December 15, 2025.

15. Net gain (loss) on securities

For the Periods Ended September 30	Q3 2025	Q3 2024	YTD 2025	YTD 2024
Net realized gain (loss) on marketable securities	\$ 180	\$ —	\$ 2,572	\$ —
Net change in unrealized gain (loss) on marketable securities	415	9,570	1,165	8,552
Net change in unrealized gain (loss) on non-marketable securities	(915)	(3,899)	(2,552)	(3,569)
	\$ (320)	\$ 5,671	\$ 1,185	\$ 4,983

16. Related Party Disclosures

Transactions with MCAP

In Q3 2025, the Company entered into related party transactions with MCAP as follows:

- Purchase of mortgage origination and administration services of \$2,349 (Q3 2024 - \$2,056)
- Purchase of uninsured residential mortgages of \$nil (Q3 2024 - \$4,258)

All related party transactions noted above were in the normal course of business.

Share Unit Plans

The tables below outline activity relating to the Restricted Share Units Plan ("RSU") and the Performance Share Units Plan ("PSU").

For the Periods Ended September 30	Q3 2025		Q3 2024		YTD 2025		YTD 2024	
	RSU	PSU	RSU	PSU	RSU	PSU	RSU	PSU
Share units outstanding, beginning of period	146,878	255,891	126,165	191,536	113,714	175,313	119,371	140,876
New share units granted	425	992	1,674	1,116	57,408	107,222	46,103	90,361
Share units issued as dividends	2,821	4,915	2,817	4,258	11,465	19,053	11,145	15,286
Share units vested	—	—	—	—	(31,970)	(39,297)	(31,971)	(32,458)
Share units forfeited	—	—	(1,126)	(1,126)	(493)	(493)	(15,118)	(18,281)
Share units outstanding, end of period	150,124	261,798	129,530	195,784	150,124	261,798	129,530	195,784
Compensation expense for the period	\$ 407	\$ 929	\$ 276	\$ 622	\$ 927	\$ 2,063	\$ 496	\$ 990
Outstanding liability, end of period					\$ 1,442	\$ 3,746	\$ 954	\$ 1,822

Of the total outstanding PSU share units, the Company has recorded a liability on all of these units.

Executive Share Purchase Plan

At September 30, 2025, \$4,170 of loans were outstanding under the Executive Share Purchase Plan (the "Share Purchase Plan") (December 31, 2024 - \$1,947). The shares are pledged as security for the loans and had a fair value of \$5,791 at September 30, 2025 (December 31, 2024 - \$2,448). In Q3 2025, MCAN recognized \$64 of interest income (Q3 2024 - \$30) on the Share Purchase Plan loans.

Employee Share Ownership Plan

The Company has an Employee Share Ownership Plan whereby team members can elect to purchase common shares of the Company up to 6% of their annual earnings. The Company matches 50% of each team member's contribution amount. During each pay period, all contributions are used by the plan's trustee to purchase the common shares in the open market.

17. Credit Facilities

The Company has a secured demand revolver facility from a Canadian Schedule I Chartered bank bearing interest at prime plus 0.25% (December 31, 2024 - prime plus 0.25%), with a facility limit of \$220,000 (December 31, 2024 - \$220,000). The facility is due and payable upon demand. At September 30, 2025, the outstanding loan principal payable was \$nil (December 31, 2024 - \$nil).

Under the facility, there is a sublimit for issued letters of credit. Letters of credit have a term of up to one year from the date of issuance, plus a renewal clause providing for an automatic one-year extension at the maturity date subject to the bank's option to cancel by written notice at least 30 days prior to the letters of credit expiry date. The letters of credit are for the purpose of supporting developer obligations to municipalities in conjunction with residential construction loans. If the developer defaults in its obligation to the municipalities, the municipalities may draw on the letters of credit, in which case the Company is obligated to fund the letters of credit. At September 30, 2025, there were letters of credit in the amount of \$43,289 issued (December 31, 2024 - \$44,295) and additional letters of credit in the amount of \$24,655 committed but not issued (December 31, 2024 - \$24,429).

The Company has an agreement with a Canadian Schedule I Chartered bank that enables the Company to execute repurchase agreements for liquidity purposes. This facility allows the Company to encumber certain eligible securities for financing purposes. As part of the agreement, the Company may sell assets to the counterparty at a specified price with an agreement to repurchase at a specified future date. The interest rate on the borrowings is driven by market spot rates at the time of borrowing. At September 30, 2025, the outstanding facility balance was \$nil (December 31, 2024 - \$nil).

The Company has a demand loan credit agreement with a Canadian Schedule I Chartered bank for a senior secured mortgage warehouse facility with a limit of \$100,000 (December 31, 2024 - \$100,000) at either prime plus 0.05% or

bankers' acceptance rate plus 1.05%. The facility is used to fund insured residential mortgages prior to securitization activities. At September 30, 2025, the outstanding loan principal payable was \$nil (December 31, 2024 - \$nil).

18. Capital Management

The Company's primary capital management objectives are to maintain sufficient capital for regulatory purposes and to earn acceptable and sustainable risk-weighted returns. Through the Company's risk management and corporate governance framework, assessments of current and projected asset growth, economic conditions, housing market activity, the interest rate environment and changes to credit quality are made to determine appropriate levels of capital. The Company expects to pay out all of MCAN's non-consolidated taxable income over time through dividends subject to final review and declaration by the Board. Capital growth is achieved through retained earnings, the DRIP, Executive Share Purchase Plan, rights offerings, public share offerings and stock dividends. Our capital management is primarily driven by the guidelines set out by the Tax Act and OSFI.

For further information, refer to the "Capital Management" section of the MD&A.

Regulatory capital

As a Loan Company under the Trust Act, OSFI oversees the adequacy of the Company's capital. For this purpose, OSFI has imposed minimum capital to risk-weighted asset ratios and a minimum leverage ratio. OSFI expects all federally regulated financial institutions to meet the minimum capital to risk-weighted asset ratios of 7% common equity tier 1 capital, 8.5% tier 1 capital and 10.5% total capital.

For further information on the Company's regulatory capital management, refer to the "Regulatory Capital" sub-section of the "Capital Management" section of the MD&A.

Income tax capital

As a MIC under the Tax Act, the Company is limited to an income tax liabilities to capital ratio of 5:1 (or an income tax assets to capital ratio of 6:1), based on the non-consolidated balance sheet in the MIC entity measured at its tax value. For further information on the Company's income tax capital management, refer to the "Income Tax Capital" sub-section of the "Capital Management" section of the MD&A.

Other Capital Management Activity

In conjunction with the annual strategic planning and budgeting process, the Company completes an Internal Capital Adequacy Assessment Process ("ICAAP") in order to ensure that it has sufficient capital to support its business plan and risk appetite. The ICAAP assesses the capital necessary to support the various inherent risks that the Company faces, including liquidity and funding, credit, interest rate, market, operational, regulatory compliance, strategic and reputational risks. The Company's business plan is also stress-tested under various adverse scenarios to determine the impact on results from operations and financial condition. The ICAAP is reviewed by both management and the Board and is submitted to OSFI annually. In addition, the Company performs stress testing on its internal forecasts for capital adequacy on a quarterly basis, and the results of such testing are reported to the Board.

19. Financial Instruments

The majority of the Company's consolidated balance sheet consists of financial instruments, and the majority of net income is derived from the related income, expenses, gains and losses. Financial instruments include cash and cash equivalents, cash held in trust, marketable securities, mortgages, non-marketable securities, other loans, financial liabilities from securitization, term deposits and demand loans payable.

To measure financial instruments that are carried at fair value on the consolidated balance sheets, or for which fair value is disclosed, the following fair value hierarchy is used based on the inputs to the valuation:

- Level 1: Quoted market prices observed in active markets for identical assets and liabilities.
- Level 2: Directly or indirectly observable inputs for the assets or liabilities not included in level 1.
- Level 3: Unobservable market inputs.

Financial instruments are classified at the lowest level of the hierarchy for which a significant input has been used. The fair value hierarchy requires the use of observable market inputs whenever obtainable.

The following tables summarize the fair values of financial assets measured at fair value through profit or loss ("FVPL") and financial assets and liabilities measured at amortized cost for which fair values are disclosed.

At September 30, 2025	Level 1	Level 2	Level 3	Total	Carrying Value
Assets measured at FVPL					
Marketable securities	\$ 54,452	\$ —	\$ —	\$ 54,452	\$ 54,452
Derivative financial instruments ¹⁰	—	4,401	—	4,401	4,401
Non-marketable securities - KSHYF ¹	—	—	58,335	58,335	58,335
Non-marketable securities - KSSMF ¹	—	—	19,681	19,681	19,681
Non-marketable securities - TAS Co ⁹	—	—	2,698	2,698	2,698
Non-marketable securities - Crown ⁹	—	—	11,797	11,797	11,797
Non-marketable securities - Pearl ⁹	—	—	2,637	2,637	2,637
Non-marketable securities - TAS 4 ⁸	—	—	9,373	9,373	9,373
Non-marketable securities - Broccolini ⁹	—	—	1,885	1,885	1,885
Non-marketable securities - Fiera ⁸	—	—	11,464	11,464	11,464
Non-marketable securities - Harbour ⁸	—	—	7,573	7,573	7,573
	\$ 54,452	\$ 4,401	\$ 125,443	\$ 184,296	\$ 184,296
Assets measured at amortized cost for which fair values are disclosed					
Cash and cash equivalents	\$ 141,889	\$ —	\$ —	\$ 141,889	\$ 141,889
Mortgages - non-securitized ³	—	—	2,558,866	2,558,866	2,535,698
Other assets - other loans ⁴	—	—	10,169	10,169	10,169
Securitization program cash held in trust	62,924	—	—	62,924	62,924
Mortgages - securitized ³	—	—	2,853,368	2,853,368	2,781,009
	\$ 204,813	\$ —	\$ 5,422,403	\$ 5,627,216	\$ 5,531,689
Liabilities measured at amortized cost for which fair values are disclosed					
Term deposits ⁶	\$ —	\$ —	\$ 2,497,012	\$ 2,497,012	\$ 2,473,256
Demand loans payable ⁵	—	—	172	172	172
Other liabilities - non-securitized ⁵	—	—	20,040	20,040	20,040
Financial liabilities from securitization ⁷	—	—	2,796,483	2,796,483	2,779,219
	\$ —	\$ —	\$ 5,313,707	\$ 5,313,707	\$ 5,272,687

At December 31, 2024	Level 1	Level 2	Level 3	Total	Carrying Value
Assets measured at FVPL					
Marketable securities	\$ 66,345	\$ —	\$ —	\$ 66,345	\$ 66,345
Derivative financial instruments ²	—	2,508	—	2,508	2,508
Non-marketable securities - KSHYF ¹	—	—	56,970	56,970	56,970
Non-marketable securities - TAS ³	—	—	4,273	4,273	4,273
Non-marketable securities - KSSMF ¹	—	—	17,326	17,326	17,326
Non-marketable securities - TAS Co ⁹	—	—	3,289	3,289	3,289
Non-marketable securities - Crown ⁹	—	—	9,316	9,316	9,316
Non-marketable securities - Pearl ⁹	—	—	2,823	2,823	2,823
Non-marketable securities - TAS ⁴	—	—	5,672	5,672	5,672
Non-marketable securities - Broccolini ⁹	—	—	1,824	1,824	1,824
Non-marketable securities - Fiera ⁸	—	—	10,435	10,435	10,435
Non-marketable securities - Harbour ⁸	—	—	5,500	5,500	5,500
	\$ 66,345	\$ 2,508	\$ 117,428	\$ 186,281	\$ 186,281
Assets measured at amortized cost for which fair values are disclosed					
Cash and cash equivalents	\$ 61,703	\$ —	\$ —	\$ 61,703	\$ 61,703
Mortgages - non-securitized ³	—	—	2,483,036	2,483,036	2,464,091
Other assets - other loans ⁴	—	—	5,742	5,742	5,742
Securitization program cash held in trust	47,249	—	—	47,249	47,249
Mortgages - securitized ³	—	—	2,447,952	2,447,952	2,419,871
	\$ 108,952	\$ —	\$ 4,936,730	\$ 5,045,682	\$ 4,998,656
Liabilities measured at amortized cost for which fair values are disclosed					
Term deposits ⁶	\$ —	\$ —	\$ 2,356,668	\$ 2,356,668	\$ 2,288,226
Demand loan payable ⁶	—	—	107	107	107
Other liabilities - non-securitized ⁵	—	—	36,807	36,807	36,807
Financial liabilities from securitization ⁷	—	—	2,411,721	2,411,721	2,423,236
	\$ —	\$ —	\$ 4,805,303	\$ 4,805,303	\$ 4,748,376

¹ Fair value is based on the redemption value.

² Fair value based on swap curves adjusted for credit risks.

³ Fair value of non-securitized and securitized fixed rate mortgages are calculated based on discounting the expected future cash flows of the mortgages, adjusting for credit risk and prepayment assumptions at current market rates for offered mortgages based on term, contractual maturities and product type. For insured adjustable rate residential mortgages, fair value is assumed to equal their carrying amount since there are no fixed spreads. The Company classifies its mortgages as Level 3 given the fact that although many of the inputs to the valuation models used are observable, non-observable inputs include the discount rate and the assumed level of prepayments.

⁴ Fair value is assumed to be the carrying value as underlying loans are variable rate.

⁵ The carrying value of the asset/liability approximates fair value.

⁶ As term deposits are non-transferable by the deposit holders, there is no observable market. As such, the fair value of the term deposits is determined by discounting expected future cash flows of the deposits at current offered rates for deposits with similar terms.

⁷ Fair value of financial liabilities from securitization is determined using current market rates for CMB and MBS.

⁸ Fair value based on recent transaction price.

⁹ Fair value based on the net asset value of the underlying partnerships.

The following table shows the continuity of Level 3 financial assets measured at FVPL:

For the Periods Ended September 30	Q3 2025	Q3 2024	YTD 2025	YTD 2024
Balance, beginning of period	\$ 121,569	\$ 116,485	\$ 117,428	\$ 109,943
Advances / Purchases	4,789	1,262	11,086	7,474
Repayments / Dispositions	—	—	(519)	—
Changes in unrealized fair value, recognized in net income	(915)	(3,899)	(2,552)	(3,569)
Balance, end of period	\$ 125,443	\$ 113,848	\$ 125,443	\$ 113,848

Risk management

The types of risks to which the Company is exposed include but are not limited to liquidity and funding risk, credit risk, interest rate risk and market risk. The Company's enterprise risk management framework includes policies, guidelines and procedures, with oversight by senior management and the Board. These policies are developed and implemented by management and reviewed and approved periodically by the Board. For the nature of these risks and how they are managed, please refer to the shaded sections of the "Risk Factors" section of the MD&A. The shaded sections of the MD&A relating to liquidity and funding, credit, interest rate and market risks inherent in financial instruments form an integral part of these interim consolidated financial statements.

20. Commitments and Contingencies

For the nature of the Company's commitments and contingencies, please refer to the shaded sections of the "Off-Balance Sheet Arrangements" section of the MD&A. The shaded section of the MD&A relating to off-balance sheet arrangements forms an integral part of these interim consolidated financial statements.

21. Comparative Amounts

Certain comparative amounts have been reclassified to conform to the presentation adopted in the current year. There was no impact to the financial position or net income as a result of these reclassifications.

DIRECTORS AND EXECUTIVE OFFICERS**DIRECTORS****Bonnie Agostinho**

Corporate Director, MCAN
 Chair of Information Technology Governance Committee
 Member of Conduct Review, Corporate Governance and Human Resources Committee
 Member of Enterprise Risk Management and Compliance Committee
 Director since May 2022

Brian Chu

Corporate Director, MCAN
 Chair of Conduct Review, Corporate Governance and Human Resources Committee
 Member of Enterprise Risk Management and Compliance Committee
 Director since May 2021

John Coke

Corporate Director, MCAN
 Chair of Audit Committee
 Member of Conduct Review, Corporate Governance and Human Resources Committee
 Director since May 2021

Glenn Doré

President, Teff Administration Inc.
 Member of Audit Committee
 Member of Conduct Review, Corporate Governance and Human Resources Committee
 Director since May 2020

Philip Gillin

Corporate Director, MCAN
 Chair of Enterprise Risk Management and Compliance Committee
 Member of Audit Committee
 Director since May 2020

Karen Martin

Corporate Director, MCAN
 Member of Audit Committee
 Member of Enterprise Risk Management and Compliance Committee
 Member of Information Technology Governance Committee
 Director since May 2024

Gaelen Morphet

Chair of the Board, MCAN
 President, Morphet Family Wealth Advisors Inc.
 Director since January 2018

Derek Sutherland

President and Chief Executive Officer, MCAN
 Member of Information Technology Governance Committee
 President, Canadazil Capital Inc.
 Director since May 2017

EXECUTIVE OFFICERS**Derek Sutherland**

President and Chief Executive Officer

Santokh Birk

Senior Vice President and Chief Financial Officer

Avish Buck

Senior Vice President and Chief Operating Officer

Carl Brown

Senior Vice President, Investments & Corporate Development

Aaron Corr

Vice President and Chief Risk Officer

Michelle Liotta

Vice President, Human Resources

Mike Jensen

Vice President and Chief Compliance Officer
 (Chief Anti Money Laundering & Privacy Officer)

Sylvia Pinto

Vice President, Corporate Secretary & Governance Officer

Susan Han

Vice President and Chief Audit Executive

Justin Silva

Vice President, Treasurer

Peter Ryan

Vice President, Controller

Becky Lee

Vice President, Investments

CORPORATE INFORMATION

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Toronto Stock Exchange
Symbol: MKP

Registrar and Transfer Agent

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General Information

For general enquiries about MCAN Mortgage Corporation d/b/a MCAN Financial Group please write to Ms. Sylvia Pinto, Corporate Secretary & Governance Officer (head office details above) or e-mail mcanexecutive@mcanfinancial.com.

Dividend Reinvestment Plan ("DRIP")

For further information regarding MCAN's Dividend Reinvestment Plan, please visit:
www.mcanfinancial.com

An Enrolment Form may be obtained at any time upon written request addressed to the Plan Agent, Computershare. Registered Participants may also obtain Enrolment Forms online at www-us.computershare.com/investor.

Shareholders

For dividend information, change in share registration or address, lost certificates, estate transfers, or to advise of duplicate mailings, please call MCAN Mortgage Corporation's d/b/a MCAN Financial Group Registrar and Transfer Agent, Computershare (see left for contact).

Report Copies

This MCAN Mortgage Corporation d/b/a MCAN Financial Group 2025 Third Quarter Report is available for viewing/printing on our website at www.mcanfinancial.com, and also on SEDAR+ at www.sedarplus.ca.





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