

PRESS RELEASE



FIRM CAPITAL MORTGAGE INVESTMENT CORPORATION

TSX Symbol FC

FIRM CAPITAL MORTGAGE INVESTMENT CORPORATION ANNOUNCES Q3/2024 RESULTS

November 5, 2024, TORONTO, CANADA – Firm Capital Mortgage Investment Corporation (the “Corporation”) (TSX FC, FC.DB.I, FC.DB.J, FC.DB. K and FC.DB.L) today released its financial statements for the three and nine months ended September 30, 2024.

NET INCOME

For the three months ended September 30, 2024, net income increased by 4.3% to \$8,960,532 as compared to \$8,594,640 for the same period in 2023. Net income for the nine months ended September 30, 2024 increased by 0.9% to \$26,064,088, as compared to \$25,828,891 reported for the same period in 2023.

EARNINGS PER SHARE

Basic weighted average earnings per share for the three months ended September 30, 2024 was \$0.250 (2023 – \$0.249). Basic weighted average earnings per share for the nine months ended September 30, 2024 was \$0.746 (2023 – \$0.749).

PORTFOLIO

The Corporation’s Investment Portfolio increased by 6.7% to \$637.9 million as at September 30, 2024, in comparison to \$598.1 million as at December 31, 2023 (in each case, gross of impairment allowance, fair value adjustment, and unamortized fees). During the nine months ended September 30, 2024, new investment funding was \$234.3 million (2023 – \$162.9 million), and repayments were \$186.5 million (2023 – \$244.8 million). On September 30, 2024, the Investment Portfolio was comprised of 289 investments (2023 – 243). The average gross investment size was approximately \$2.2 million, with 15 investments individually exceeding \$7.5 million.

PRUDENT IMPAIRMENT ALLOWANCE

The allowance for impairment and fair value adjustment as of September 30, 2024 was \$24.2 million (December 31, 2023 – \$22.7 million), comprising (i) \$17.8 million (December 31, 2023 – \$10.65 million) representing the total amount of management’s estimate of the shortfall between the investment balances and the estimated recoverable amount from the security under the specific loans, (ii) \$5.0 million (2023 – \$10.4 million) representing the total amount of management’s estimate of fair value adjustment on investments stated at fair value through profit or loss; and (iii) a collective allowance balance of \$1.43 million (2023 – \$1.7 million).

INVESTMENT PORTFOLIO DETAILS

Details on the Corporation’s investment portfolio as at September 30, 2024, are as follows:

- The total gross carrying amount of the investment portfolio was \$637,937,381, which is higher by 6.7 % than the \$598,110,536 reported at December 31, 2023.

- Conventional first mortgages comprise 89.3% of the total gross investment portfolio (87.5% as at December 2023).
- Approximately 28.7% of the total gross carrying amount of the investment portfolio matures by December 31, 2024.
- The average face interest rate on the total gross carrying amount of the investment portfolio is 10.28% per annum, as compared to 10.99% at December 31, 2023.
- Regionally, the gross mortgage investment portfolio is diversified as follows: Ontario (88.2%), Quebec (5.9%), Western Canada (3.6%), USA (2.1%) and Nova Scotia (0.2%).
- Of the 289 investments, 269 were underwritten (as part of a renewal process or for new fundings) between 2024 and 2023, representing 84% of the investment portfolio, while the remaining 16% were underwritten in 2022 or prior.

DIVIDEND AND SHARE PURCHASE PLAN

The Corporation has in place a Dividend Reinvestment Plan (DRIP) and Share Purchase Plan that is available to its shareholders. The DRIP allows participants to have their monthly cash dividends reinvested in additional shares. The price paid per share is 97% (if the share price is higher than \$14.85) of the weighted average trading price calculated five trading days immediately preceding each dividend date with no commission cost. Once registered with the Share Purchase Plan, participants have the right to purchase additional shares, totaling no greater than \$12,000 per year and no less than \$250 per month. Shareholders participating pay no commission.

For the nine months ended September 30, 2024, the Corporation declared dividends on its common shares totaling \$24,562,104 or \$0.702 per share, versus \$24,210,051, or \$0.702 per share for the nine months ended September 30, 2023. The number of common shares outstanding at September 30, 2024 was 36,733,777, as compared to 34,488,577 at September 30, 2023.

ABOUT THE CORPORATION

Where Mortgage Deals Get Done®

The Corporation, through its mortgage banker, Firm Capital Corporation, is a non-bank lender providing residential and commercial short-term bridge and conventional real estate financing, including construction, mezzanine, and equity investments. The Corporation's investment objective is the preservation of shareholders' equity, while providing shareholders with a stable stream of monthly dividends from investments. The Corporation achieves its investment objectives through investments in selected niche markets that are under-served by large lending institutions. Lending activities to date continue to develop a diversified mortgage portfolio, producing a stable return to shareholders. Full reports of the financial results of the Corporation for the year are outlined in the unaudited consolidated financial statements and the related management discussion and analysis of the Corporation, available on the SEDAR+ website at www.sedarplus.ca. In addition, supplemental information is available on the Corporation's website at www.firmcapital.com.

FORWARD-LOOKING STATEMENTS

This news release contains forward-looking statements within the meaning of applicable securities laws including, among others, statements concerning our objectives, our strategies to achieve those objectives, our performance, our investment portfolio and our dividends, as well as statements with respect to management's beliefs, estimates, and intentions, and similar statements concerning anticipated future events, results, circumstances, performance, or expectations that are not historical facts. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "outlook", "objective", "may", "will", "expect", "intent", "estimate", "anticipate", "believe", "should", "plans", or "continue", or similar expressions

suggesting future outcomes or events. Such forward-looking statements reflect management's current beliefs and are based on information currently available to management.

These statements are not guarantees of future performance and are based on our estimates and assumptions that are subject to risks and uncertainties, including those described in our current Annual Information Form under "Risk Factors" (a copy of which can be obtained at www.sedarplus.ca), which could cause our actual results and performance to differ materially from the forward-looking statements contained in this news release.

Those risks and uncertainties include, among others, risks associated with mortgage lending, dependence on the Corporation's manager and mortgage banker, competition for mortgage lending, real estate values, interest rate fluctuations, environmental matters, and shareholder liability. Material factors or assumptions that were applied in drawing a conclusion or making an estimate set out in the forward-looking information include, among others, that the Corporation is able to invest in mortgages at rates consistent with rates historically achieved; adequate mortgage investment opportunities are presented to the Corporation; and adequate bank indebtedness and bank loans are available to the Corporation. Although the forward-looking information contained in this news release is based upon what management believes are reasonable assumptions, there can be no assurance that actual results and performance will be consistent with these forward-looking statements.

All forward-looking statements in this news release are qualified by these cautionary statements. Except as required by applicable law, the Corporation undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

For further information, please contact:

Firm Capital Mortgage Investment Corporation
Eli Dadouch
President & Chief Executive Officer
(416) 635-0221

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