



FOR IMMEDIATE RELEASE

ATRIUM MORTGAGE INVESTMENT CORPORATION ANNOUNCES SECOND QUARTER RESULTS WITH RECORD QUARTERLY NET INCOME

TORONTO: August 3, 2023 – Atrium Mortgage Investment Corporation (TSX: AI, AI.DB.C, AI.DB.D, AI.DB.E, AI.DB.F, AI.DB.G) today released its financial results for the three and six months ended June 30, 2023.

Highlights

- **Record quarterly net income of \$14.4 million, up 35.2% from the comparative period**
- **Quarterly basic and diluted earnings per share of \$0.33 and \$0.32 respectively**
- **High quality mortgage portfolio of \$824.6 million**
 - **96.2% of portfolio in first mortgages**
 - **98.0% of portfolio is less than 75% loan to value**
 - **average loan-to-value is 59.8%**

“Atrium continued to produce outstanding results for shareholders in the second quarter. We posted record net income of \$14.4 million, and our EPS of \$0.33 matched the record set in the first quarter. Our mortgage portfolio was down marginally over the quarter to \$824.6 million due to slower market conditions, and delayed closings. But revenues grew on the heels of higher interest rates because 84.6% of our loans are now structured on a floating rate basis. Our main focus continues to be maintaining a low risk and resilient mortgage portfolio that can withstand the stresses of the current real estate downturn. For example, the average loan to value in the portfolio is only 59.8%, and 96.2% of our mortgage portfolio are first mortgages which is the highest percentage in our history as a public company. We also have no impaired loans to report, but we still have a healthy 150 basis point loan loss provision in place. We continue to evaluate new loan opportunities within our tight risk parameters and remain cautiously optimistic that we can increase the size of our portfolio over the balance of the year.” said Rob Goodall, CEO of Atrium.

Conference call

Interested parties are invited to participate in a conference call with management on Friday, August 4, 2023 at 9:00 a.m. ET to discuss the results. To participate or listen to the conference call live, please call 1 (888) 886-7786 or (416) 764-8658, conference ID 16843847. For a replay of the conference call (available until August 17, 2023) please call 1 (877) 674-6060, conference ID 843847 #.

Results of operations

For the three months ended June 30, 2023, Atrium reported assets of \$831.9 million, down from \$874.8 million at the end of 2022. Revenues were \$23.5 million, an increase of 29.4% from the second quarter of the prior year. Net income for the second quarter of 2023 was \$14.4 million, an increase of 35.2% from the comparative period. Atrium’s allowance for mortgage losses at June 30, 2023 totaled \$12.3 million, or 1.5% of the gross mortgage portfolio.

For the six months ended June 30, 2023, revenues were \$47.3 million, an increase of 36.7% from the six months ended June 30, 2022. Net income for the six months ended June 30, 2023 was \$28.6 million, an increase of 34.6% from the prior year period.

Basic and diluted earnings per common share were \$0.33 and \$0.32 respectively for the three months ended June 30, 2023, compared with \$0.25 basic and diluted earnings per common share in the comparable period. Basic and diluted earnings per common share were \$0.66 and \$0.63 respectively for the six months ended June 30, 2023, compared with \$0.50 basic and diluted earnings per common share for the six months ended June 30, 2022.

Mortgages receivable as at June 30, 2023 was \$817.4 million, down from \$860.4 million as at December 31, 2022. During the six months ended June 30, 2023, \$127.9 million of mortgage principal was advanced and \$174.4 million was repaid. The weighted average interest rate on the mortgage portfolio at June 30, 2023 was 11.27%, compared to 10.77% at December 31, 2022.

Financial summary

Interim Consolidated Statements of Income and Comprehensive Income

(Unaudited, 000s, except per share amounts)

	Three months ended		Six months ended	
	June 30		June 30	
	2023	2022	2023	2022
Revenue	\$ 23,548	\$ 18,201	\$ 47,255	\$ 34,578
Mortgage servicing and management fees	(2,052)	(2,461)	(4,106)	(4,339)
Other expenses	(332)	(212)	(776)	(536)
Impairment of investment property held for sale	—	—	—	(1,832)
Recovery of (provision for) mortgage losses	(690)	(383)	(1,485)	1,430
Income before financing costs	20,474	15,145	40,888	29,301
Financing costs	(6,045)	(4,470)	(12,247)	(8,028)
Net income and comprehensive income	<u>\$ 14,429</u>	<u>\$ 10,675</u>	<u>\$ 28,641</u>	<u>\$ 21,273</u>
Basic earnings per share	\$ 0.33	\$ 0.25	\$ 0.66	\$ 0.50
Diluted earnings per share	\$ 0.32	\$ 0.25	\$ 0.63	\$ 0.50
Dividends declared	\$ 9,822	\$ 9,675	\$ 19,607	\$ 19,323
Mortgages receivable, end of period	\$ 817,421	\$ 811,699	\$ 817,421	\$ 811,699
Total assets, end of period	\$ 831,917	\$ 830,357	\$ 831,917	\$ 830,357
Shareholders' equity, end of period	\$ 489,010	\$ 476,839	\$ 489,010	\$ 476,839

Analysis of mortgage portfolio

<u>Property Type</u>	As at June 30, 2023			As at December 31, 2022		
	Number	Outstanding amount	% of Portfolio	Number	Outstanding amount	% of Portfolio
(outstanding amounts in 000s)						
High-rise residential	19	\$ 279,332	33.9%	20	\$ 300,989	34.7%
Mid-rise residential	27	216,913	26.3%	30	225,281	26.0%
Low-rise residential	13	129,371	15.7%	14	128,244	14.8%
House and apartment	139	102,490	12.4%	158	108,124	12.5%
Condominium corporation	11	1,980	0.2%	12	2,189	0.3%
Residential portfolio	209	730,086	88.5%	234	764,827	88.3%
Commercial	21	94,521	11.5%	26	101,435	11.7%
Mortgage portfolio	<u>230</u>	<u>\$ 824,607</u>	<u>100.0%</u>	<u>260</u>	<u>\$ 866,262</u>	<u>100.0%</u>

As at June 30, 2023					
Location of underlying property	Number of mortgages	Outstanding amount	Percentage outstanding	Weighted average loan to value	Weighted average interest rate
<i>(outstanding amounts in 000s)</i>					
Greater Toronto Area	148	\$ 591,157	71.7%	61.1%	11.57%
Non-GTA Ontario	51	30,624	3.7%	65.4%	9.04%
British Columbia	30	195,376	23.7%	54.7%	10.62%
Alberta	1	7,450	0.9%	71.0%	13.75%
	<u>230</u>	<u>\$ 824,607</u>	<u>100.0%</u>	<u>59.8%</u>	<u>11.27%</u>

As at December 31, 2022					
Location of underlying property	Number of mortgages	Outstanding amount	Percentage outstanding	Weighted average loan to value	Weighted average interest rate
<i>(outstanding amounts in 000s)</i>					
Greater Toronto Area	169	\$ 598,207	69.0%	59.7%	11.04%
Non-GTA Ontario	61	38,950	4.5%	68.7%	8.25%
British Columbia	28	220,727	25.5%	56.4%	10.41%
Alberta	2	8,378	1.0%	71.2%	12.55%
	<u>260</u>	<u>\$ 866,262</u>	<u>100.0%</u>	<u>59.4%</u>	<u>10.77%</u>

For further information on the financial results, and further analysis of the company's mortgage portfolio, please refer to Atrium's interim consolidated financial statements and its management's discussion and analysis for the three and six month period ended June 30, 2023, available on SEDAR+ at www.sedarplus.ca, and on the company's website at www.atriummic.com.

About Atrium

Canada's Premier Non-Bank Lender™

Atrium is a non-bank provider of residential and commercial mortgages that lends in major urban centres in Canada where the stability and liquidity of real estate are high. Atrium's objectives are to provide its shareholders with stable and secure dividends and preserve shareholders' equity by lending within conservative risk parameters. Atrium is a Mortgage Investment Corporation (MIC) as defined in the Canada *Income Tax Act*, so is not taxed on income provided that its taxable income is paid to its shareholders in the form of dividends within 90 days after December 31 each year. Such dividends are generally treated by shareholders as interest income, so that each shareholder is in the same position as if the mortgage investments made by the company had been made directly by the shareholder. For further information about Atrium, please refer to regulatory filings available at www.sedarplus.ca or investor information on Atrium's website at www.atriummic.com.

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