



February 2026 In Review

AP Capital MIC's 192nd consecutive monthly distribution was made on Monday, March 2nd, 16 years without a missed distribution. In February, AP's underwriting team advanced 23 mortgages for \$9.23 million. The Loan-to-Values (LTV) of 53% in February falls well below the fund's 70% target. Mortgage payouts received in the month summed \$18.16 million from 25 mortgages.

Fund Update

The Vitality of Velocity: Strength of a Rotating Portfolio

In recent weeks, there has been significant discourse surrounding the private credit sector that has shifted toward "liquidity." While broader market challenges have caused some institutional and private fund managers to tap the brakes, AP Capital remains highly functional. Our stability today is a direct result of the underlying short-term residential mortgages our fund advances and manages. At AP Capital, liquidity is not a static reserve; it is a function of **velocity**.

1. The Power of Payouts. Unlike long-term commercial project financing or "locked" development land, loans in AP's portfolio consist of short-term residential mortgages backed by single-family homes and urban serviced lots. These asset classes continue to sell actively in the market today, leading to a significant portion of our ~\$300M in assets being paid out or refinanced by borrowers. Payouts (\$18.16 MM in February) create a constant "inflow" of capital, allowing us to fund new mortgages and to meet shareholder redemption needs. AP is not waiting for a market cycle to turn to free up cash for operational needs; we are receiving it daily through the natural expiration of loan terms.

2. Selectivity in a Shifting Market: Because we have consistent capital rotation, we are currently "funding" into the 2026 market at today's reset values. While other asset managers may be forced to sit on the sidelines, our underwriting team remains active, albeit highly selective. By continuing to fund new mortgages (64 since Jan 1st), we are ensuring the fund's yield remains optimized and its collateral is fresh.

3. Maintaining the "Business as Usual" Standard. For our 1,738 investors, the "AP Experience" remains unchanged:

- Monthly Distributions: Paid on time and as forecasted.
- Redemption Fluidity: We continue to honor requests in accordance with our standard operating guidelines.
- LTV Discipline: We refuse to "stretch" for yield. Our weighted average LTV remains anchored near 58% (53% in February), providing 40% equity cushion against real estate market volatility.

Mortgages Under Administration	\$291 MM
Mortgages funded since inception	\$1.2 B
Mortgages in Portfolio	470
Mortgages funded since inception	2,837
Portfolio Loan to Value (LTV)	57%
Mortgage funds in BC	93%
Mortgage funds in AB	7%
Mortgage funds in 1 st position	79%
Mortgage funds in 2 nd position	21%
Residential Mortgages	98%
Single Detached Homes	57%
Serviced & Urban Lots	29%
Condos	7%
Townhouses & Duplex / MFD	5%
Owner Occupied	43%
Average credit score of borrowers	717
% of portfolio in foreclosure	6.20%
Average LTV on foreclosures	52%
Monthly distributions	
Class B shares	7.00% p.a.
Class F shares	7.50% p.a.
Consecutive months of distributions	192
Shareholder Accounts	1,738
Shareholders monthly cash distributions	51%
Shareholders share re-investment (DRIP)	49%
Open/cash shareholders	67%
Registered (RRSP, TFSA, etc) shareholders	33%



AP Capital Mortgage Investment Corporation Total Return



Does not reflect tax consequences of returns. Past performance does not guarantee future performance.

Simple Interest Audited Yield (net of fees)

Year	B Class	F Class
2015	13.65%	
2016	7.20%	
2017	7.03%	
2018	7.09%	7.65%*
2019	7.00%	7.71%
2020	6.80%	7.33%
2021	5.68%	6.23%
2022	6.34%	6.87%
2023	7.84%	8.365
2024	8.46%	9.02%
2025	7.69%**	8.33%**

*Introduction of F class shares

**Audit currently in process

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