INTRODUCTION

[Speaker: Operator]

Good afternoon, I will be your conference operator today. At this time, I would like to welcome everyone to RFA Financial's Second Quarter 2026 Results conference call. All lines have been placed on mute to prevent any background noise.

After the speaker's remarks, there will be a question & answer session. If you would like to ask a question during this time, simply press * (star) then the number 1 on your telephone keypad. If you would like to withdraw your question, please press * (star) then the number 2 on your telephone keypad.

Thank you! Ms. Heather Nikkel, you may begin your conference.

[Speaker: Heather Nikkel]

Thank you, operator, and good afternoon, everyone. Thank you for taking the time to join us today.

[Speaker: Heather Nikkel]

For this call, we will walk you through an executive summary, discuss our Q2 financial results, and provide an update on our operations. Our Q2 results, including our financial statements, management's discussion and analysis, and earnings press release are available on Sedar+ and on our website at rfafinancial.ca. The Q2 presentation can be seen in real-time on the webcast version of this conference call and is also available on RFA Financial's website in the Investor Relations section. The transcript along with a recording of the webcast will also be made available on RFA's website after this call.

FORWARD LOOKING STATEMENTS

[Speaker: Heather Nikkel]

Please note that today's call will include forward-looking statements and information. These statements are subject to risks and uncertainties that could cause actual results to differ materially from those anticipated, including those described under the headings "Risk Factors" in Artis's Annual Information Form for the year ended December 31, 2024, "Risk Factors Relating to the Resulting Issuer" in the Management Information Circular of Artis dated November 10, 2025, and "Risks and Uncertainties" in RFA's Q2 2026 MD&A, all of which can be accessed on Sedar+ and RFA's website. Forward-looking statements reflect management's views only as of today's date. We do not undertake to revise them or reflect subsequent events or circumstances, and participants should not place undue reliance on these statements.

In addition, we will reference certain non-GAAP financial measures and ratios during this call, including originations, average mortgage and loan assets, weighted average lease term, net interest margin, write-offs, mortgage arrears rate, and payout ratio. These do not have standardized meanings under GAAP, may differ from those used by other issuers, and should not be considered in isolation or as substitute for the measures and ratios prepared in accordance with GAAP. They are intended to provide supplemental information regarding the performance of RFA. For further details on these, please see our Q2 2026 MD&A, press release, and investor presentation deck for today's session.

You should also be aware that certain statements presented today, including those relating to credit scores and mortgage arrears rates are based on information obtained from reputable third-party sources. While RFA has not independently verified such information, we have no reason to believe it is inaccurate in any material respect.

Unless otherwise noted, all dollar amounts referenced on this call are in Canadian currency.

RFA FINANCIAL MANAGEMENT TEAM

[Speaker: Heather Nikkel]

Before we get into the results, I'd like to introduce the leadership team joining me today.

With me on the call are Ben Rodney, our President and Chief Executive Officer; Jaclyn Koenig, our Chief Financial Officer; and Melody Lo, our Chief Operating Officer.

With that, I will turn things over to Ben.

EXECUTIVE SUMMARY

[Speaker: Ben Rodney]

Thanks, Heather, and thank you everyone for joining us today.

I am looking forward to walking you through our medium-term targets and how our platform is positioned to achieve those objectives while creating long-term value for shareholders.

3-5 YEAR TARGETS

[Speaker: Ben Rodney]

Q2 was another quarter of sound execution against our long-term strategy. The building blocks are in place, our targets remain unchanged, and we continue to see a clear path to scaling the platform and enhancing shareholder returns.

Looking ahead, over the next three to five years, we plan to execute between $1.3 and $1.5 billion dollars of asset sales, grow our lending portfolio towards $8 to $12 billion dollars, and redeploy capital into higher-return opportunities across the platform.

As we execute on these priorities, we expect to generate a return on equity in the low-to-mid teens and deliver 40% to 50% compound annual growth in net income, both specific to RFA Bank, and achieve and maintain a payout ratio below 65%.

These targets are supported by a capital allocation model that is already in motion and designed to compound value over time.

STRATEGIC GROWTH ENGINE

[Speaker: Ben Rodney]

At the core of that model is disciplined capital recycling.

We have a scalable financial services platform and a high-quality real estate portfolio. Our strategy is to monetize real estate assets and redeploy that capital into higher-return opportunities, including lending growth, strategic acquisitions, and share repurchases. As those investments generate earnings and liquidity, we reinvest the proceeds back into the business.

The result is a capital allocation model that drives earnings growth, improves capital efficiency, and supports our long-term financial objectives. Importantly, that growth is supported by disciplined underwriting practices, which have contributed to consistently low realized write-offs across market cycles and will protect our lending portfolio quality as we scale.

Q2 SPOTLIGHT

[Speaker: Ben Rodney]

Before moving on to our financial results, I'd like to highlight a significant development achieved by our leasing team at RFA Asset Management. This accomplishment reflects both the strength of our team and our continued focus on delivering sustainable growth.

SIGNIFICANT LEASE SECURED WITH INSTITUTIONAL-GRADE TENANT

[Speaker: Ben Rodney]

We recently secured a 20-year lease agreement with IG Wealth Management, totalling over 120,000 square feet at our 360 Main Street and 300 Main Street properties in downtown Winnipeg.

IG is a member of IGM Financial Inc., a subsidiary of the Power Corporation of Canada, and provides an institutional-quality tenancy that enhances the long-term strength and stability of our office portfolio.

The new lease represents the largest private-sector relocation to an existing Class A downtown Winnipeg office in recent history.

Importantly, this transaction increases committed occupancy from 79.6% to approximately 95.1% and is expected to increase net rental income by approximately 59.7% for RFA's core Winnipeg office portfolio. These figures have been adjusted to reflect the expiration of an existing lease within the premises to be occupied by IG.

Beyond the direct leasing benefits, this transaction also delivers meaningful strategic value across the broader portfolio. The addition of more than 1,000 employees to the property is expected to increase activity in the surrounding area and support performance across nearby RFA assets.

It is also expected to drive an increase in the property's value, reflecting both the quality of the asset and the strength of its location.

We view this transaction as a clear validation of our leasing strategy, asset management team, and the underlying quality of the portfolio.

With that, I will pass the call over to Jaclyn to review our second quarter financial performance.

FINANCIAL PERFORMANCE

[Speaker: Jaclyn Koenig]

Thank you, Ben — and, hello everyone.

Q2 2026 FINANCIAL HIGHLIGHTS

[Speaker: Jaclyn Koenig]

This was our first full quarter as RFA Financial and an important milestone in the evolution of our business.

Highlights for the quarter include closing on the sale of 13 properties for an aggregate sale price of $94 million dollars. As of June 30, we had approximately $442 million dollars of investment properties held for sale.

Occupancy, including committed leases, was 84.4% at quarter-end, and we saw a healthy 3.0% increase in weighted-average renewal rates during the quarter.

Financial services metrics reported include a net interest margin of 2.1%, excluding the impact of non-cash purchase price adjustments, and a CET1 Ratio of 17.5% specific to RFA Bank. Actual credit losses represented just 0.08%, or 8 basis points, of average mortgage and loan assets on an annualized basis, also specific to RFA Bank.

That wraps up our second-quarter financial results. With that, I will turn the call over to Melody to provide an operational update.

OPERATIONAL OVERVIEW

[Speaker: Melody Lo]

Thanks, Jaclyn, and good afternoon, everyone.

I am happy to provide an update on our operations and walk you through the highlights of the second quarter.

Before turning to the results, I'd like to spend a moment on integration. We continued to make strong progress during the quarter, advancing our disposition strategy, aligning key governance and operating processes, and maintaining a disciplined approach to capital allocation.

What we are most encouraged by is how the combined platform is performing. We focused on building a foundation that will be sustainable for scale. Increased capital flexibility is allowing us to strategize capital into attractive opportunities that we believe will generate stronger long-term returns.

While there are continued initiatives and priorities, we are pleased with our progress to date and remain confident in the opportunities in front of us.

REAL ESTATE PORTFOLIO

[Speaker: Melody Lo]

Our real estate portfolio continues to play an important role in supporting growth, providing both stable cash flow and a source of capital for reinvestment.

Following recent dispositions, as of June 30, the portfolio consisted of 76 diversified properties in Canada and the U.S., totalling approximately 8.7 million square feet, along with 395 multi-residential suites.

The portfolio continues to generate stable cash flow and demonstrates strong operating performance, including a weighted average rental rate increase of 3% on lease renewals during the quarter.

DISPOSITION PIPELINE

[Speaker: Melody Lo]

Disposition activity remains strong quarter-over-quarter, with $60 million dollars closed in Q1, $94 million dollars closed in Q2, and $77 million dollars closed subsequent to the end of the quarter, totalling $231 million dollars across 25 properties to date. Total disposition activity reached $541 million dollars year-to-date, including closed, unconditional, and conditional transactions.

Importantly, these sales have continued to be executed at prices that meet or exceed IFRS values, reinforcing the strength of the portfolio, and validating our asset valuations. Year-to-date, closed sales and unconditional contracts have been completed at an average of 4.6% above IFRS values, including 2.4% above IFRS values on closed sales and 9% above IFRS values on unconditional contracts. These results demonstrate the effectiveness of our asset management team in maximizing value.

With a healthy pipeline of $310 million dollars in conditional and unconditional transactions, and continued demand for our assets, we remain well positioned to advance our capital recycling strategy and create additional value through the balance of the year.

ORIGINATION GROWTH

[Speaker: Melody Lo]

Turning to mortgage originations, the platform continued to demonstrate strong momentum in the second quarter, with year-to-date total originations for RFA Bank and RFA Mortgage Corporation increasing 35% compared to the prior year.

RFA Bank delivered strong growth, with origination volume increasing 50% compared to Q2 of 2025, demonstrating strength in both alternative and off-balance sheet multi-family originations.

RFA Mortgage Corporation experienced a healthy 27% increase this quarter compared to the second quarter of last year.

I am also pleased to highlight that June was a record-breaking month for RFA Mortgage Corporation. During the month, we funded $573 million dollars in prime originations, the largest monthly volume in the company's history, and a 43% increase over June of last year.

This milestone reflects the strong demand for our mortgage solutions, the scalability of our origination platform, and the exceptional efforts of our teams and broker partners across the country, while ensuring discipline and risk-aware controls and measures.

The continued growth in originations positions us well for the next 3 to 5 years as we target lending assets of $8 to $12 billion dollars.

PRIME RESIDENTIAL: PROVEN PORTFOLIO RESILIENCE

[Speaker: Melody Lo]

Origination growth continues to be supported by a disciplined underwriting approach and a focus on credit quality. In the second quarter, our mortgage arrears rate remained low at just 0.032%, approximately 89% below the national average. This performance reflects our strategy of originating and retaining high-quality borrowers, demonstrated by average borrower credit scores that consistently exceed 790 for our prime portfolio.

Strong credit performance continues to underscore the resilience of the portfolio and deepen relationships with insurers and institutional aggregators, while supporting access to a high-quality pipeline through the broker channel.

RFA BANK: RESILIENT CREDIT QUALITY

[Speaker: Melody Lo]

Turning to RFA Bank, the performance of our alternative mortgage portfolio remained strong. Realized credit losses were exceptionally low, representing just 0.08% of average mortgage and loan assets on an annualized basis. This reflects prudent risk management, disciplined underwriting, and the overall quality of our borrower base.

We are pleased with the consistency of our credit results quarter-over-quarter, across all of our business lines, which continues to support sustainable growth.

I will now hand the call back to Ben for closing comments.

CLOSING REMARKS

[Speaker: Ben Rodney]

Thank you, Melody.

POSITIONED TO DELIVER

[Speaker: Ben Rodney]

The story today is ultimately one of strong execution. We continue to build value through leasing momentum, strategic asset sales, disciplined lending growth, and prudent capital allocation.

While we remain in the early stages of realizing the full potential of our combined platform, our results to date reinforce the strength of our strategy, the complementary nature of our businesses, and our ability to generate long-term value through disciplined capital allocation and active asset management.

Thank you all for your time today. I will now pass it back to the operator for our Q&A session. Operator, we are now ready to take questions.

QUESTION & ANSWER PERIOD

[Speaker: Operator]

Thank you. We will now begin the question-and-answer session. If you would like to ask a question during this time, simply press * (star) then the number 1 on your telephone keypad. If you would like to withdraw your question, please press * (star) then the number 2 on your telephone keypad.

END OF Q&A

[Speaker: Operator]

There are no further questions at this time. I will pass it back to Heather Nikkel for final remarks.

CONCLUSION

[Speaker: Heather Nikkel]

Thank you, operator. On behalf of the RFA team, I want to thank you again for joining us today. We appreciate your support and interest in RFA. If you have any questions, please feel free to contact me at our Investor Relations email address that can be found on our website and in the press release announcing our Q2 results. We look forward to sharing further updates with you in the coming months and quarters ahead. With that, I'll turn the call back to the operator.

[Speaker: Operator]

Ladies and gentlemen, this concludes today's call. Have a great day!