

# FIRST NATIONAL

FINANCIAL CORPORATION



## FIRST NATIONAL ANNOUNCES SHAREHOLDER APPROVAL OF PREVIOUSLY ANNOUNCED PLAN OF ARRANGEMENT

**Toronto, Ontario, September 30, 2025** – First National Financial Corporation (the “**Company**” or “**First National**”) (TSX: FN, TSX:FN.PR.A, TSX:FN.PR.B) today announced the voting results from its special meeting of holders (the “**Shareholders**”) of common shares (the “**Shares**”) of First National held today (the “**Meeting**”) in connection with the previously-announced plan of arrangement under the *Business Corporations Act* (Ontario) (the “**Arrangement**”), pursuant to which a newly-formed acquisition vehicle (the “**Purchaser**”) controlled by private equity funds managed by Birch Hill Equity Partners Management Inc. and private equity funds managed by Brookfield Asset Management will acquire all of the outstanding Shares, other than certain Shares owned by the Company’s founders, Stephen Smith and Moray Tawse (together with their associates and affiliates, the “**Rollover Shareholders**”), for \$48.00 per Share in cash (the “**Transaction**”).

The Arrangement requires (i) the approval of 66 2/3% of the votes cast by Shareholders (including the Rollover Shareholders) present or represented by proxy and entitled to vote at the Meeting and (ii) the approval of a simple majority (more than 50%) of the votes cast by Shareholders present or represented by proxy and entitled to vote at the Meeting, other than the Rollover Shareholders and any other person required to be excluded from such vote for the purpose of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**Minority Shareholders**”). At the Meeting, the resolution approving the Arrangement was approved by (i) 98.82% of the votes cast by Shareholders, and (ii) 92.32% of the votes cast by Minority Shareholders. First National’s full report of voting results can be found on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

### Remaining Conditions to Completion of the Arrangement

Completion of the Transaction remains subject to the satisfaction or waiver of certain closing conditions that are set out in the arrangement agreement entered into between First National and the Purchaser on July 27, 2025 (the “**Arrangement Agreement**”), including receipt of final court approval and clearance under the *Competition Act* (Canada). First National intends to seek a final order (“**Final Order**”) of the Ontario Superior Court of Justice (Commercial List) to approve the Arrangement at a hearing expected to be held on October 3, 2025. Subject to obtaining the Final Order and the satisfaction or waiver of the remaining conditions in the Arrangement Agreement, the Transaction is anticipated to close in the fourth quarter of 2025.

### About First National

First National Financial Corporation is the parent company of First National Financial LP, a Canadian-based originator, underwriter and servicer of predominantly prime residential (single-family and multi-unit) and commercial mortgages. With almost \$160 billion in mortgages under administration, First National is one of Canada’s largest non-bank mortgage originators and underwriters. For more information, please visit [www.firstnational.ca](http://www.firstnational.ca).

## **Forward-Looking Information**

This news release contains statements that are “forward-looking information” within the meaning of applicable securities laws. In some cases, forward-looking information can be identified by the use of terms such as “may”, “will”, “should”, “expect”, “plan”, “anticipate”, “believe”, “intend”, “estimate”, “predict”, “potential”, “continue” or other similar expressions concerning matters that are not historical facts. Forward-looking statements include, among other things, statements with respect to the Transaction and the Final Order and closing of the Transaction. Forward-looking statements are necessarily based on a number of opinions, assumptions and estimates that, while considered reasonable by the Company as of the date of this news release, are subject to inherent uncertainties, risks and changes in circumstances that may differ materially from those contemplated by the forward-looking information. Important factors that could cause actual results to differ, possibly materially, from those indicated by the forward-looking information include, but are not limited to: the possibility that the Transaction will not be completed on the terms and conditions, or on the timing, currently contemplated, and that it may not be completed at all due to a failure to obtain or satisfy, in a timely manner or otherwise, required court approvals and other conditions of closing necessary to complete the Transaction or for other reasons; the possibility of adverse reactions or changes in business relationships resulting from the announcement or completion of the Transaction; risks relating to the retention of key personnel during the interim period; the possibility of litigation relating to the Transaction; and risks related to the diversion of management’s attention from the Company’s ongoing business operations. See also the risks and uncertainties identified under the headings “Forward-Looking Information” and “Risk Factors” in the Management Information Circular of the Company dated August 27, 2025 and under the headings “Risks and Uncertainties Affecting the Business” and “Forward-Looking Information” in the Company’s latest management’s discussion and analysis and in other periodic filings that the Company has made and may make in the future with the securities commissions or similar regulatory authorities in Canada, all of which are available under the Company’s SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca). These factors are not intended to represent a complete list of the factors that could affect the Company. However, such risk factors should be considered carefully. There can be no assurance that such estimates and assumptions will prove to be correct. You should not place undue reliance on forward-looking information, which speaks only as of the date of this release and is subject to change after such date. Management and First National disclaim any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required under securities laws.

### **For further information:**

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