

Frequently Asked Questions Relating to the Transaction

Q. What is the Transaction?

A. Under the Transaction, the Company will indirectly acquire all of the issued and outstanding shares in the capital of the Manager, who currently provides management services to the Company under the MSA, and Proprio from Brookfield pursuant to terms of the Purchase Agreement among the Company, the Partnership, Brookfield Business Partners L.P., the Vendor and Vendor Holdings, negotiated by the Special Committee on the Company's behalf. The Target Entities own a portfolio of high-quality residential real estate brokerages operating across Canada. Upon the Closing, the Partnership, a subsidiary of the Company, will acquire the Target Entities by issuing approximately 2,838,769 Class B LP Units, subject to certain customary purchase price adjustments, and will issue 64,085 Class B LP Units to the Vendor in payment of certain distributions owing by the Partnership to the Vendor. At the 5-day volume-weighted average trading price of the Restricted Voting Shares, on the TSX as of December 13, 2023, the last trading day prior to the announcement of the entering into of the Purchase Agreement, of \$11.74 per Restricted Voting Share, the Consideration Units and Deferred Distribution Payment Units represented a value for the Transaction of approximately \$34 million. As a result of the Transaction, Brookfield's ownership interest in the Company is expected to increase from approximately 28.4% to approximately 41.7%, subject to applicable purchase price adjustments.

Q. Was a special committee formed to review the Transaction?

A. Yes. On March 8, 2023, the Board formed the Special Committee to, among other things, (i) review and negotiate the terms relating to the acquisition contemplated by the Proposal, (ii) review, consider and evaluate whether the Proposal is fair to and in the best interests of the Company, and (iii) provide its recommendation to the Board in respect of proceeding with the acquisition contemplated by the Proposal.

Q. What are the expected benefits to Shareholders of the Transaction?

A. In making their respective recommendations, the Special Committee and the Board, with the benefit of advice from their advisors, reviewed and considered a significant amount of information and considered a number of factors relating to the Transaction.

The Transaction is expected to provide a number of meaningful benefits to Shareholders, including but not limited to:

- **Compelling Pro Forma Financial Metrics.** The Transaction is expected to meaningfully enhance the scale of Bridgemarq and deleverage the business through the settlement of the Deferred Management Fee Payment and the Deferred Distribution Payment. Given the expected liquidity of the pro forma entity, the Company anticipates maintaining existing levels of cash dividends per share, subject to the discretion of the Board.
- **Expanded Acquisition and Growth Opportunities.** With the acquisition of the Owned Brokerages, the Transaction is expected to add to Bridgemarq's capability to capture future growth across a broader spectrum of the real estate industry through both organic growth and future acquisition opportunities. The addition of highly-regarded best-in-class real estate brokerage operations is expected to provide Bridgemarq with the scale to grow in its current markets and to expand beyond those markets increasing value for Shareholders. Particularly, the Proprio model provides compelling opportunities to expand its platform to markets outside of Québec.
- **Expanded Revenue Opportunities.** The broadening of the Business to include brokerage operations is expected to enable Bridgemarq to capture additional revenue and add increased capability to service sales representatives in the markets they serve.
- **Simplified Organizational Structure.** The Transaction is expected to result in a more traditional and simplified organizational model, allowing for increased efficiency of operations and focused, dedicated management.
- **Stronger Alignment of Interests.** The simplified organizational structure resulting from the Transaction is expected to create a stronger alignment of interests among management, the Board, and Shareholders and more efficient decision-making. By combining the Owned Brokerages with the Royal LePage® and Via Capitale® Franchise Networks, the Transaction is also expected to empower the management team to respond to market dynamics more efficiently through its enhanced service offerings.
- **Strengthened Franchise Network.** With the expansion of business lines to include direct brokerage operations, Bridgemarq is expected to be in a better position to grow its industry-leading national network of REALTORS® and Brokers in addition to diversifying its revenue streams.
- **Proven Leadership Team.** The Business of Bridgemarq following the completion of the Transaction will be led by Spencer Enright as Chief Executive Officer, the current Chief Executive Officer of the Manager, and Mr. Enright will continue to serve as a director on the Board. The Company's current Chief Financial Officer, Glen McMillan, will continue in his role with the Company. The Company's current Chief Executive Officer, Phil Soper, will continue his role in managing all brokerage and franchise relationships as the President of the Company. Messrs. Enright, McMillan and Soper are talented and experienced executives whose dedicated efforts and focus will continue to benefit the future operations and business plans of Bridgemarq following the completion of the Transaction.

- Benefits from Increased Size and Scale. Upon completion of the Transaction, the Company will have broader revenue sources, which may be of interest to a broader investor base and potentially attract analyst coverage providing more exposure for the Company's Restricted Voting Shares.

Q. Why is Shareholder approval required for the Transaction?

A. The Company is required to seek the approval of Shareholders pursuant to Section 611(b) of the TSX Company Manual because the Consideration issuable to an Insider, Brookfield, will exceed 10% of the number of Restricted Voting Shares outstanding prior to the Closing Date. Please refer to "PART II – THE TRANSACTION - Securities Laws Matters - Toronto Stock Exchange" for additional information.

Q. Has the Board unanimously approved the Transaction?

A. Yes. Upon the recommendation of the Special Committee, the Board determined that the Transaction and the entering into of the Purchase Agreement were in the best interests of the Company and has approved the Transaction and the entering into by the Company of the Purchase Agreement.

Q. Does the Board recommend that Shareholders vote FOR the Transaction Resolution?

A. Yes. The Board unanimously recommends that Shareholders vote FOR the Transaction Resolution.

Q. Was a fairness opinion prepared for the Special Committee in respect of the Transaction?

A. Yes. The Special Committee retained Blair Franklin as independent financial advisor to the Special Committee for the purposes of the Transaction. As part of this mandate, Blair Franklin was requested to provide an opinion as to the fairness, from a financial perspective, to the Company of the Consideration to be offered pursuant to the Transaction. Blair Franklin has prepared and delivered the Fairness Opinion dated December 14, 2023 to the Special Committee, stating that based upon and subject to the assumptions, limitations and qualifications set forth therein, as of December 14, 2023, the Consideration to be offered pursuant to the Transaction, is fair from a financial point of view to the Company.

Q. Are summaries of the terms of the material agreements for the Transaction available?

A. Yes. Please refer to "PART II – THE TRANSACTION - Summary of the Material Agreements" for summaries of the material terms of the Purchase Agreement, the Voting Support Agreements and the Transition Services Agreement, each of which are

qualified in their entirety by the complete texts of the agreements, which are available under the Company's profile on SEDAR+ at www.sedarplus.ca.

Q. When does the Company expect the Transaction to close? What are the conditions to closing?

A. The Company currently expects that the Transaction will close at the end of March 2024. The Closing is subject to various conditions, including (among others) the following mutual conditions for the benefit of the Vendor and Partnership, which are to be satisfied at or prior to Closing (unless waived upon the mutual consent of the Vendor and Partnership): (i) no Governmental Entity shall have enacted, issued, promulgated, enforced, or entered any law restraining, enjoining or otherwise prohibiting or making illegal the consummation of any of the transactions contemplated by the Purchase Agreement, (ii) the Transaction Resolution shall have been approved and adopted at the Meeting, (iii) the TSX shall have approved the listing of the Underlying Shares, (iv) the Competition Act Approval shall have been obtained and be in force, and (v) at or prior to the Closing, the Deferred Distribution Payment Units shall have been issued and delivered to the Vendor. The parties received an Advanced Ruling Certificate in respect of the Transaction on January 3, 2024, which satisfies the Competition Act Approval condition under the Purchase Agreement. On February 13, 2024, the Company received TSX Conditional Approval for the listing of up to 3,000,000 Underlying Shares issuable pursuant to the exchange of the Consideration Units and Deferred Distribution Payment Units issuable pursuant to the Transaction, subject to the Company fulfilling all of the conditions set out therein.

Q. Are there any risks that should be considered in connection with the Transaction?

A. Yes. There are a number of risks related to the Transaction which should be carefully considered by Shareholders prior to voting on the matters being put before Shareholders at the Meeting. In addition to the other information presented in this Circular (including the risks set out in the documents incorporated by reference in this Circular), please see "PART II – THE TRANSACTION - Reasons for the Recommendation" and "PART IV – RISK FACTORS" for a non-exhaustive list of risk factors that should be given special consideration, as well as the risks described in the Annual Information Form which is available under the Company's profile on SEDAR+ at www.sedarplus.ca.

Q. Is the Company's management changing?

A. The Company is currently managed by the Manager under the MSA. Upon closing of the Transaction, all of the employees of the Manager will become employees of the Company or its subsidiaries, providing full continuity of the management of the Company.

Q. Will the Company operate under the same name and using the same stock symbol?

A. Yes. The Company is acquiring the Manager and Proprio, which are currently owned by Brookfield. There will be no change to the Company's stock listing, including the ticker symbol "BRE".

Q. What happens to the MSA?

A. The MSA will be internalized in connection with closing, as the Manager will be acquired by Bridgemarq and all of the employees of the Manager will become employees of Bridgemarq. All management fee payments to Brookfield will cease on Closing.

Q. Is the Transaction expected to provide greater growth opportunities?

A. Yes. It is expected that by combining the franchise and brokerage businesses under one common ownership structure, the Company will unlock new growth opportunities across the broader spectrum of franchising, brokerage and ancillary service solutions.

Q. What role will Brookfield play going forward?

A. Brookfield has been a strong supporter of the Company since its inception in 2003, and the Company is pleased to continue to have Brookfield's strong support following the Transaction as the largest Shareholder. Brookfield currently owns approximately 28.4% of the Company on a fully-diluted basis and after Closing, Brookfield's ownership interest in the Company is expect to increase from approximately 28.4% to approximately 41.7%, subject to applicable purchase price adjustments.

Q. Will the Transaction impact the dividend payout amount?

A. The dividend policy of the Company is subject to and approved by the Board. The Company has paid out a significant portion of its cash flow in the past in the form of dividends to Shareholders. It is management's expectation that the Company will continue to pay out a significant portion of its cash flow to Shareholders, subject to working capital requirements, other investment opportunities and the Board's discretion. Based on management's latest forecasts and the results of the Target Entities, the Company anticipates maintaining the current dividend level, subject to working capital, other investment requirements and the Board's discretion.

Q. How do Shareholders buy/sell Restricted Voting Shares?

A. Shareholders can buy or sell Restricted Voting Shares by contacting the financial institution or platform by which the Shareholder invests. Only Shareholders of record as of the close of business on February 14, 2024 will be entitled to receive notice of, and to vote, at the Meeting.
