EQB Inc.

Q1 2024 Results

February 29, 2024

TSX: EQB | EQB.PR.C

Caution Regarding Forward-Looking Statements

Certain forward-looking statements may be made in this presentation, including statements regarding possible future business, financing and growth objectives. Such forward looking information is presented for the purpose of assisting the holders of EQB Inc., an Ontario corporation (the “Company”), securities and financial analysts in understanding its financial position and results of operations as at and for the periods ended on the dates presented, as well as its financial performance objectives, vision and strategic goals, and may not be appropriate for other purposes.

Forward-looking statements are typically identified by words such as “believe”, “expect”, “foresee”, “forecast”, “anticipate”, “intend”, “estimate”, “goal”, “plan” and “project” and similar expressions of future or conditional verbs such as “will”, “may”, “should”, “could” or “would”. These statements include, but are not limited to, statements relating to the expected impact of the acquisitions of Concentra Bank and ACM Advisors Ltd. described herein (the "Acquisitions"), the anticipated benefits of the Acquisitions, including the expected impact on the Company’s size, operations, capabilities, growth drivers and opportunities, activities, attributes, profile, business services portfolio and loans, revenue and assets mix, market position, profitability, performance, and strategy; the expected impact of the Acquisitions on the Company's financial performance; expectations regarding the Company's business model, plans and strategy, the maintenance of CET1 ratio and changes in adjusted EPS; anticipated synergies and estimated transaction and integration costs and the timing of incurrence thereof; the Company’s financial performance objectives, vision and strategic goals; the economic and market review and outlook; the regulatory environment in which we operate; the outlook and priorities for each of our business lines; the risk environment including liquidity, funding and interest rate risk; and statements by Company representatives.

By their very nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties, which give rise to the possibility that such predictions, forecast, projections, expectations or conclusions will not prove to be accurate, that such assumptions may not be correct and/or that the financial performance objectives, vision and strategic goals will not be achieved. As such, there can be no assurance that the expectations represented by any forward-looking statements will prove to be correct. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurance that these expectations will prove to have been correct. Certain important assumptions by the Company in making forward-looking statements include, but are not limited to; the maintenance of the Equitable Bank’s CET1 ratio; the Company’s ability to execute its transformation plan and strategy; the successful and timely integration of the Company and Concentra and the realization of the anticipated benefits and synergies of the acquisition in the timeframe anticipated, including impact and accretion in various financial metrics; the ability to retain management and key employees of Concentra; the ability of the Company to access the capital markets; the absence of significant undisclosed costs or liabilities associated with the Acquisitions; the expectation of regulatory stability; no downturn in economic conditions; sufficient liquidity and capital resources; no material changes in competition, market conditions or in government monetary, fiscal and economic policies; and the maintenance of credit ratings.

The Company cautions readers against placing undue reliance on forward-looking statements when making decisions, as the actual results could differ considerably from the opinions, plans, objectives, expectations, forecasts, estimates and intentions expressed in such forward-looking statements due to various factors. Among other things, these factors include: potential undisclosed costs or liabilities associated with the Acquisitions; historical and pro forma consolidated financial information may not be representative of future performance; reputational risks and the reaction of the Company's and Concentra’s personnel and customers to the transaction; the failure to realize, in the timeframe anticipated or at all, the anticipated benefits and synergies of the Acquisitions; factors relating to the integration of the Company and Concentra, diversion of management time and unanticipated costs of integration. These risks and uncertainties, many of which are beyond the Company’s control and the effects of which can be difficult to predict, also include, but are not limited to, the length, duration and impact of the novel coronavirus (COVID-19) pandemic, including measures adopted by governmental or public authorities in response to it, global economic conditions and market activity, changes in government monetary and economic policies, legislative and regulatory developments, changes in accounting standards as well as changes in competition. The preceding list is not exhaustive. Investors are cautioned that such forward-looking statements involve risks and uncertainties detailed from time to time in the Company’s periodic reports filed with Canadian regulatory authorities.

Many factors could cause actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward looking statements. The Company does not undertake to update any forward-looking statements, oral or written, made by it or on its behalf except in accordance with applicable securities laws. Additional information on items of note, reported results, risk factors and assumptions related to forward-looking statements are available in the Company’s Annual MD&A and other public filings available on SEDAR

The Company is not affiliated with, and should not be confused with, Equitable Holdings Inc., Equitable Financial Corp. or Equitable Financial Group Inc.

Non-IFRS and other financial measures

Our financial condition and results of operations, as well as any measures derived using such quantitative metrics, in this document are presented on an International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board basis. The Company also uses a number of financial measures when assessing its results and overall performance. Some of these financial measures are not calculated in accordance with IFRS. We present non-IFRS financial measures because management uses these measure to assess its own performance and we believe such measures may help readers analyze the Company’s results and assess results before certain items that may not reflect the Company’s underlying performance. Readers are cautioned that the Company’s non-IFRS financial measures do not have standardized meanings under IFRS and may not be comparable to similar measures used by other companies or peers.

Further information regarding the composition of our non-IFRS financial measures and reconciliations of such measures to the most closely comparable IFRS measures are provided in the Glossary section of our First Quarter Report 2024, which is available on SEDAR.

Change of EQB’s fiscal year

EQB has changed its fiscal year to end on October 31 for 2023 onwards, compared to prior fiscal periods ending December 31. With this change, EQB’s reporting cycle is now consistent with Canada’s publicly traded banks.

Quarterly comparison periods throughout fiscal 2024 will compare to the closest historical period. When the year is complete, the 12-month fiscal 2024 period will be compared to a 10-month fiscal 2023.

For this presentation, Q1 2024 is presented as at or for the three months ended January 31, 2024, and compared to the prior quarter of Q4 2023 (four months ended October 31, 2023) and prior year being Q4 2022 (three months ended December 31, 2022).

Note that the comparative period of Q4 2022 included the acquisition of Concentra Bank on November 1, 2022, and contains several one-time items associated with the acquisition. Please see the Q4 2022 Management's Discussion and Analysis for more information. In addition, please see the comparison of performance relative to guidance below in “Overall Business Performance”.

The change in fiscal year did not result in changes to the dividend payment schedule. EQB continues to pay dividends on the last business day of March, June, September, and December.

Andrew Moor

President & Chief Executive Officer

Reflection: March 18, 2024, marks EQB's 20-year anniversary as a publicly listed company

Total Shareholder Return (TSR)[1] : +1,025%
TSR CAGR [1] : +13%

March 18, 2004
EQB's initial public offering (IPO)

March 18, 2024
20-years since IPO

On track to achieve the best 20-year total shareholder return of any banks listed on the TSX and S&P500

1. Total shareholder return between periods March 18, 2004, and January 31, 2024

It’s Time: Launch of EQ Bank’s "Second Chance" marketing campaign in January 2024

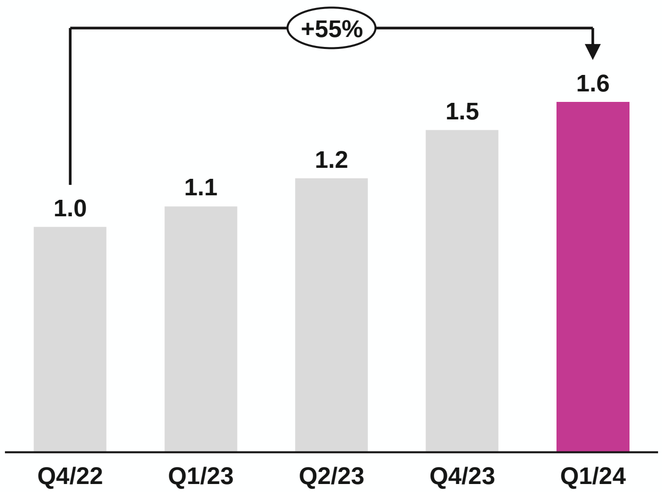
"Second Chance" campaign launch

- EQ Bank’s survey on Canadians revealed a significant disconnect in awareness about fees paid and interest earned
- The survey also found that, despite widespread feelings of dissatisfaction, most young Canadians 18-34 still use their first-ever bank accounts
- To raise awareness of this common predicament, EQ Bank joined forces with Eugene and Dan Levy to give Canadians a **"Second Chance"** at these first accounts

Personal and Commercial Banking: Portfolio highlights

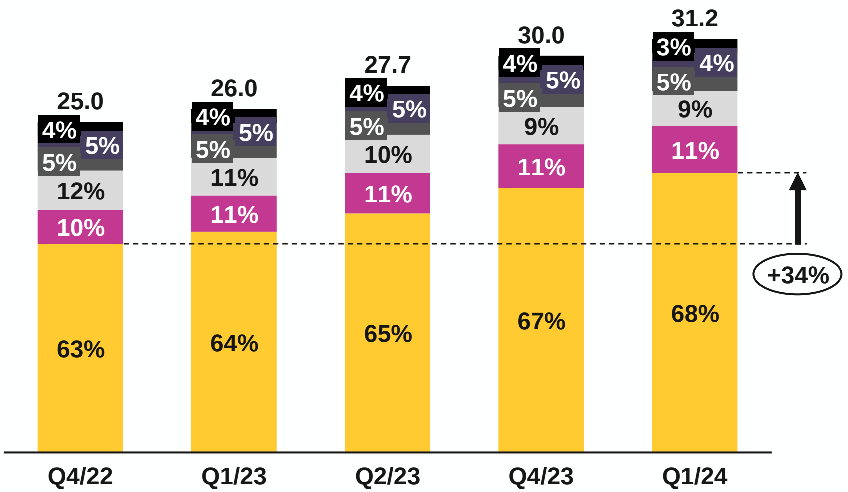
Loans Under Management ($B)

Personal Banking – Decumulation



- Fastest growing lending portfolio across all business segments
- Expect growth trajectory to continue in 2024

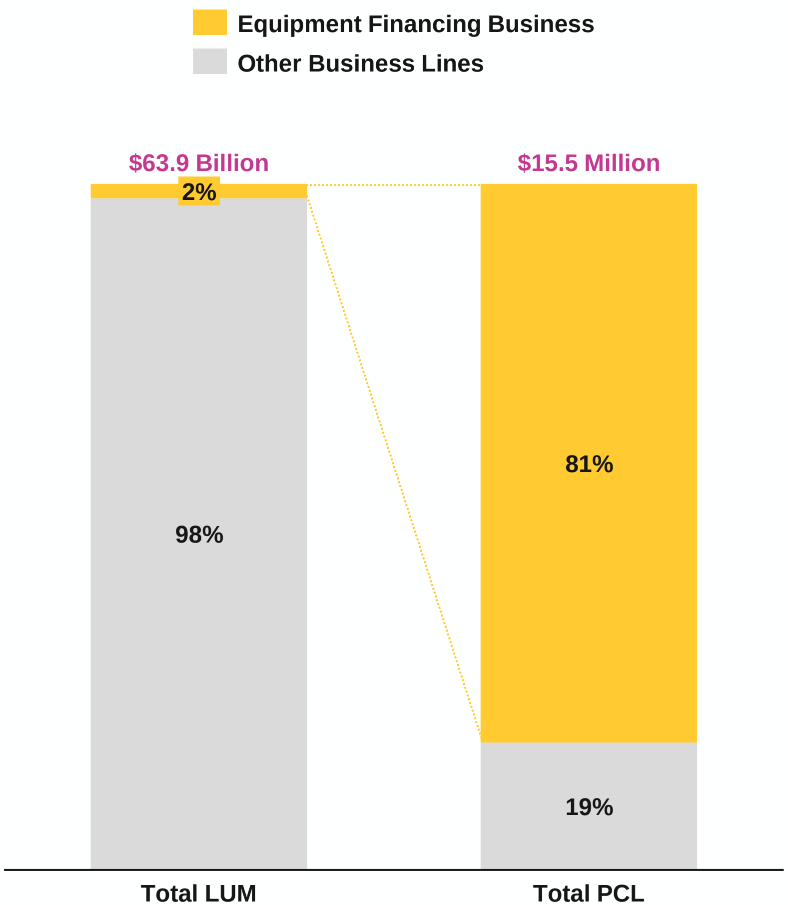
Commercial Banking (on B/S only)



~1% of the Bank's loan assets are offices, with an average LTV of 62%

Credit: Comments and outlook

Equipment Financing Business as a % of total LUM and PCL



- Equipment financing business accounts for approximately 2% of the Bank's total loans under management
- Loans are priced at a wider spread to cover expected cost of credit losses
- Provision for credit losses from equipment financing accounted for over 80% of net PCL for Q1 or $12.7 million
  - Losses were largely a result of cyclical downturn in the long-haul transportation sector, representing about 44% of the leasing portfolio

ACM Advisors: Majority interest acquisition in Q1

- ACM marks **EQB's entry into wealth and alternative asset management** in asset classes we understand well
- New source of **non-interest revenue** for EQB and **performing to plan**
- Goal of **doubling this business** over the next five years
- New opportunity to **enrich people's lives**

Chadwick Westlake

Chief Financial Officer

Financial Results Overview: Performing to guidance

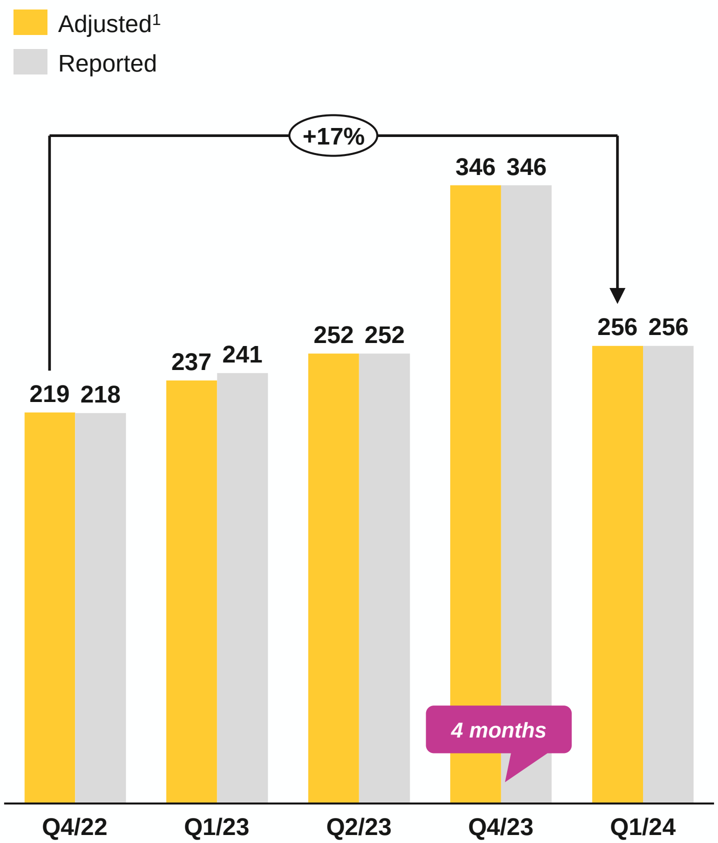
In $MM, unless otherwise noted and except for per share amounts	Adjusted[1] Q1/24	Adjusted[1] Q/Q	Adjusted[1] Y/Y	Reported Q1/24	Reported Q/Q	Reported Y/Y
ROE	**15.6%**	(0.9%)	(0.3%)	**15.0%**	(0.8%)	7.3%
Diluted EPS ($)	**$2.76**	n.m.	12%	**$2.66**	n.m.	124%
Book Value Per Share[2] ($)	**71.33**	1%	14%	**71.33**	1%	14%
CET1	**14.2%**	0.2%	0.5%	**14.2%**	0.2%	0.5%
Loans Under Management ($B)	**$63.9**	2%	12%	**$63.9**	2%	12%
Multi-Unit Residential LUM ($B)	**$21.1**	6%	34%	**$21.1**	6%	34%
NIM	**2.01%**	0.01%	0.14%	**2.01%**	0.01%	0.16%
Efficiency Ratio	**44.9%**	1.1%	1.4%	**46.7%**	0.9%	(12.6%)
Net-Interest Income	**$256.0**		17%	**$256.0**		17%
Non-Interest Revenue	**$42.8**		162%	**$42.8**		161%
Total Revenue	**$298.8**		27%	**$298.8**		27%
Non-Interest Expenses	**$134.0**		31%	**$139.5**		0%
Pre-Provision Pre-Tax	**$164.7**		24%	**$159.3**		67%
Net Income After Tax	**$108.4**		17%	**$104.4**		128%

- Q1/24 adjusted ROE was 15.6% and on track for full-year guidance of 15%+
- BVPS +14% y/y; within range of full-year guidance
- Well capitalized with CET1 at 14.2%, up 20 bps Q/Q
- Board of Directors has approved removing the 2% discount on our common share dividend reinvestment program

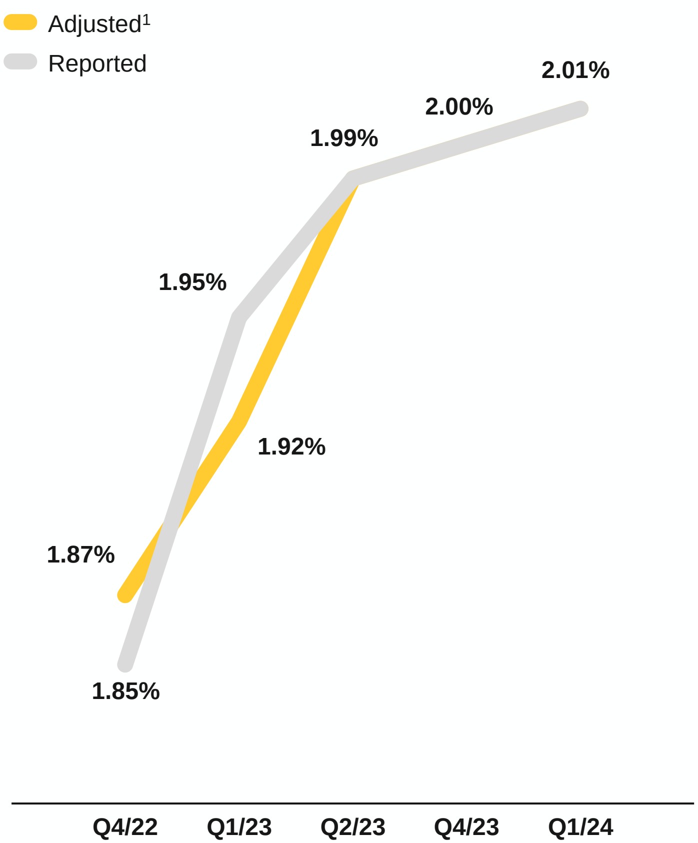
Note: Q1 2024 is presented as at or for the three months ended January 31, 2024, and compared to the prior quarter of Q4 2023 (four months ended October 31, 2023) and prior year being Q4 2022 (three months ended December 31, 2022).
1. Adjusted measures and ratios are Non-GAAP measures. For additional information, see adjustments to financial results and Non-GAAP financial measures and ratios section in the Q1 2024 MD&A
2. Includes a downward adjustment to shareholder's equity to reflect the value of a future option to acquire the remaining 25% of ACM

Net Interest Margin: Expansion from funding diversification and increasing yields on conventional loans in Commercial

Net Interest Income ($MM)



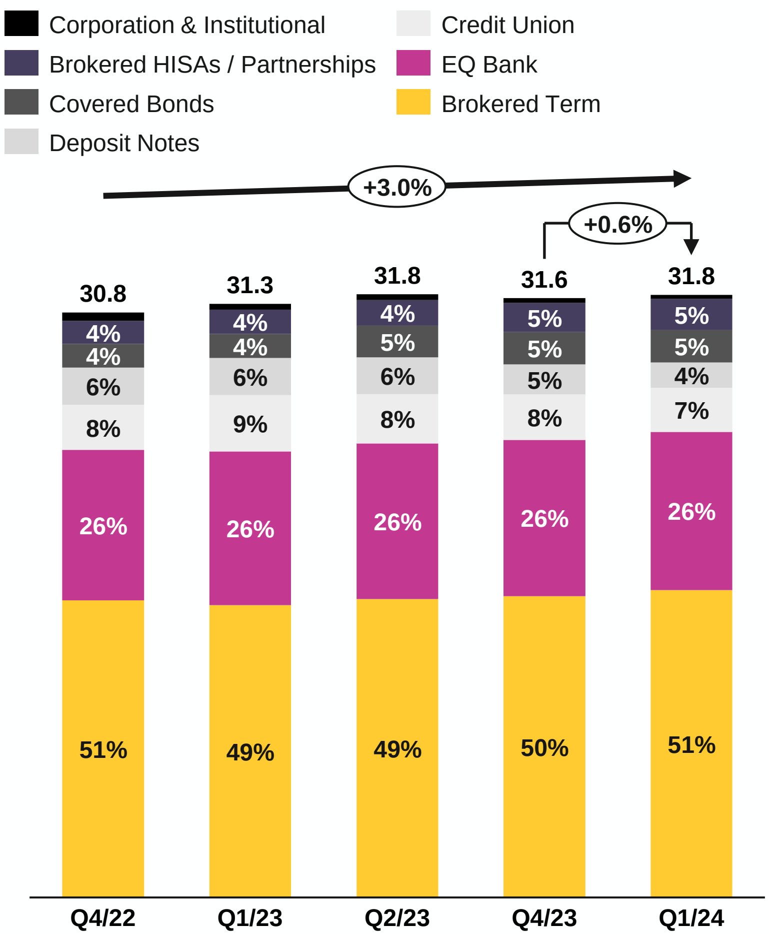
Net Interest Margin (%)



1. Adjusted measures and ratios are Non-GAAP measures. For additional information, see adjustments to financial results and Non-GAAP financial measures and ratios section in the Q1 2024 MD&A

Funding: Diversified sources of funding matched against loan maturities; 95% of deposits are either term or insured

Total Deposit Principal ($B)



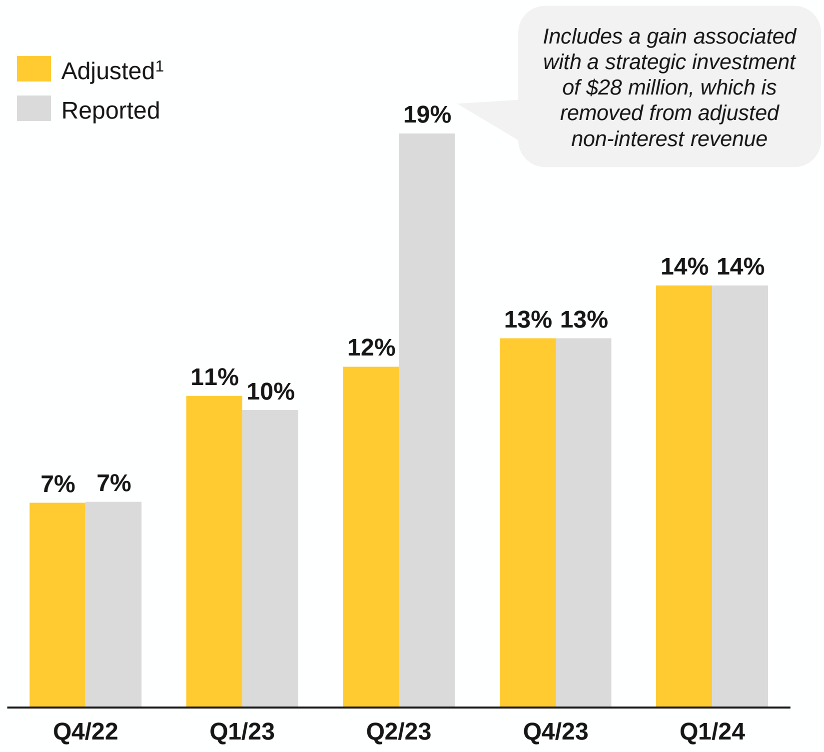
Total Deposits Principal +0.6% Q/Q and +3.0% Y/Y

- Bearer deposit note program nearly $500 million as of Q1/24
- EQ Bank deposits grew to $8.3 billion. Cost of funds at EQ Bank moved at a lower velocity than BoC changes
- Equitable Bank is the only non-DSIB in Canada to issue covered bonds in the European market
- Credit union deposits remained stable at $2.3 billion

Non-Interest Revenue: Growing well and on track to represent 12-15% of total revenue by 2027

Non-Interest Revenue

Non-interest revenue as a % of total revenue



Non-Interest Revenue ($MM)	Q1/24
Fees and other income	16.6
Gains (losses) on strategic investments	(0.3)
Net gains (losses) on other investments	5.3
Gain on sale and income from retained interests	19.4
Net gains (losses) on securitization activities & derivatives	1.7
Total non-interest revenue – reported	**42.8**
FV amortization adjustment on other investments	-
Total non-interest revenue – adjusted[1]	**42.8**

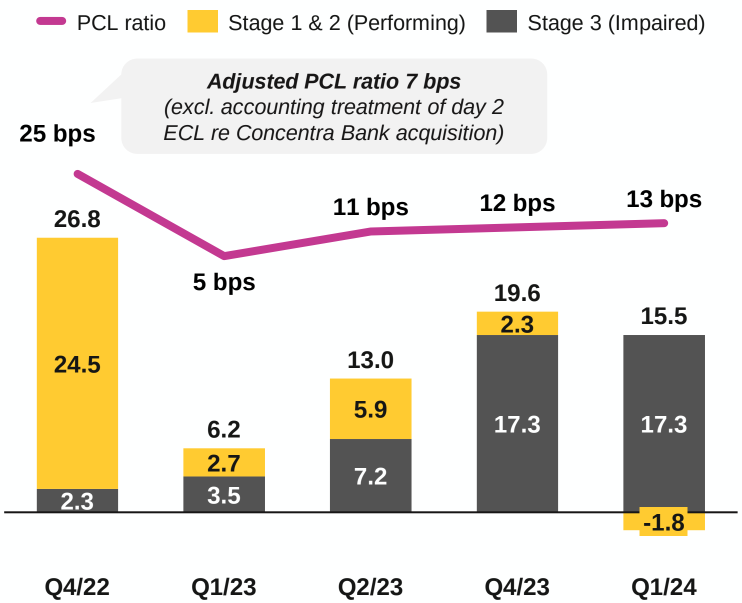
Levers of non-interest revenue:

- Major participant in the CMB Program, maximizing our allocation of insured 5 and 10-year term multi-unit residential mortgages
- Concentra Trust: building relationships and expanding product offerings to Credit Unions and Wealth advisors
- Fee-based revenue from ACM acquisition
- Payment-as-a-Service, serve as BIN sponsors for third parties

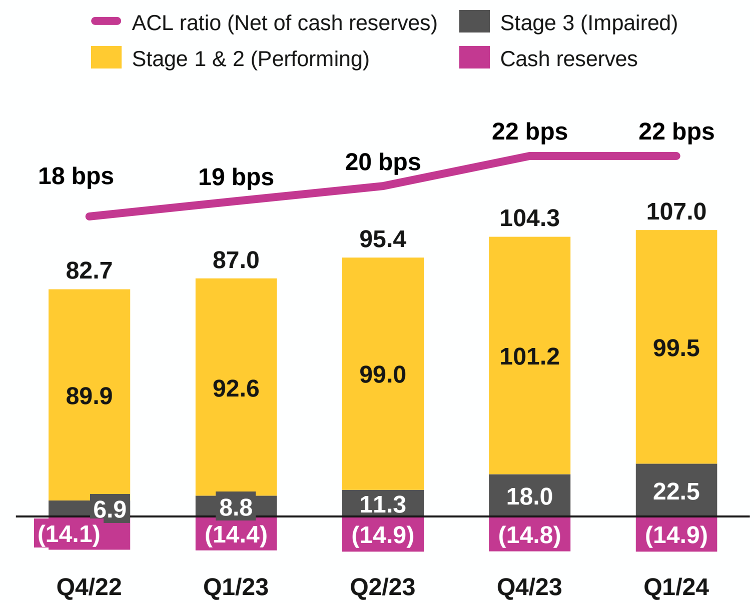
1. Adjusted measures and ratios are Non-GAAP measures. For additional information, see adjustments to financial results and Non-GAAP financial measures and ratios section in the Q1 2024 MD&A

PCL and ACL: Appropriately provisioned

Provision for Credit Losses ($MM)



Net Allowance for Credit Losses[1] ($MM)



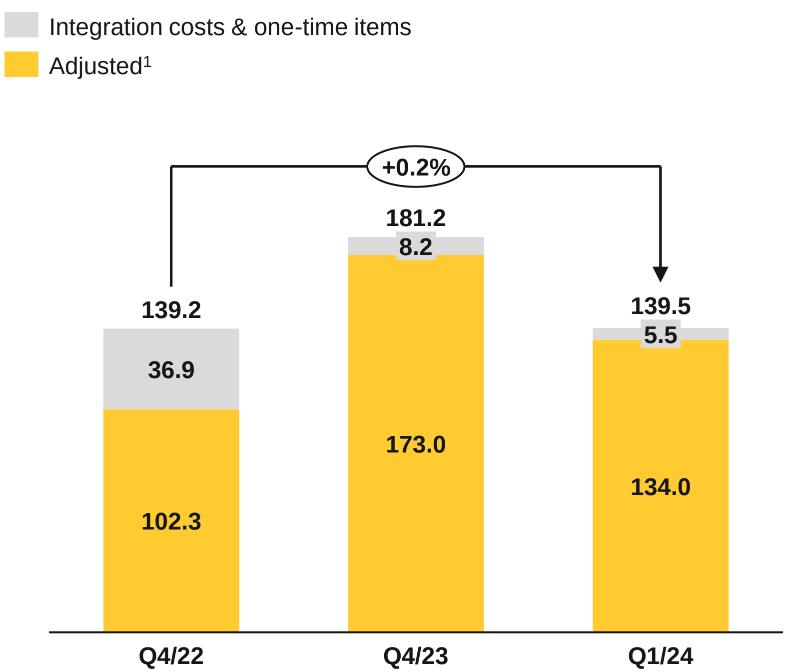
- **Total PCLs of $15.5MM (or 13 bps**) split across:
  - $12.7MM: Equipment Financing
  - $4.0MM: Commercial[2]
  - $6.2MM: Personal
  - ($7.3MM): Consumer Lending[3]
- **Stage 3 PCLs of $17.3MM** mainly from Equipment Financing (~66%) and Commercial portfolio (~19%)

- Net allowance for credit losses (net of cash reserves) stayed flat Q/Q at 22 bps, mainly resulting from higher reserves required for non-performing leases
- Approximately **85%** of the uninsured single family residential lending portfolio has already renewed since interest rates began to rise in the spring of 2022

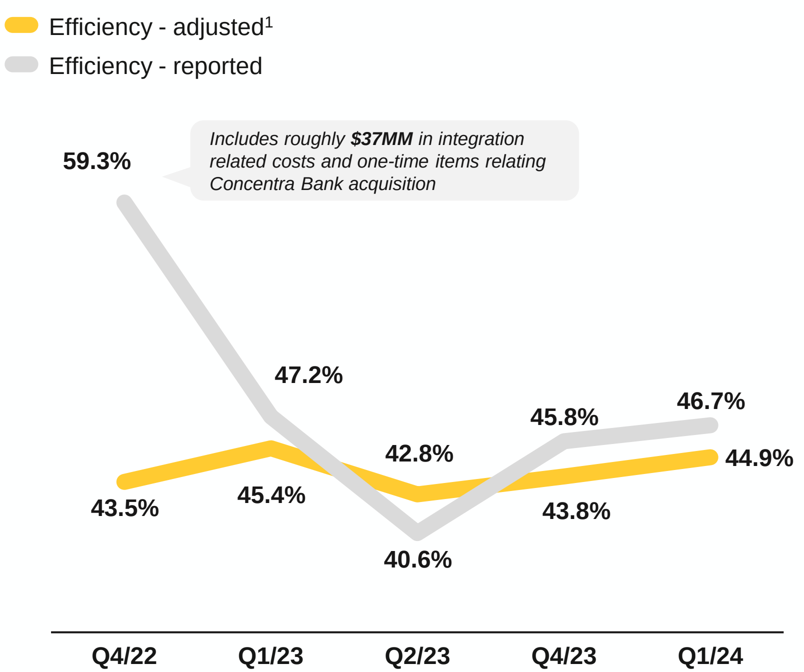
1. Allowance for credit losses net of cash reserves
2. Excluding equipment financing
3. Reflects a new cash reserve associated with the consumer lending portfolio

Non-Interest Expenses: Thoughtful expense management and investing in long-term franchise value

Non-interest expenses ($MM)



Efficiency ratio (%)



- Adjusted non-interest expenses was $44.7 million/month in Q1 2024 vs. $43.3 million/month in Q4 2023, mainly due to incentive payments in December, inclusion of ACM expenses, and EQ Bank's "Second Chance" campaign that was launched in early January
- FTE increased by 4% over the quarter to 1,808 (with ACM accounting for over half of the increase)

1. Adjusted measures and ratio are Non-GAAP measures. For additional information, see adjustments to financial results and Non-GAAP financial measures and ratios in the Q1 2024 MD&A

Reaffirming 2024 Guidance

EQB's key adjusted[1] financial metrics		F24 Guidance[2]
Return on equity (ROE)		15%+
Pre-Provision Pre-Tax Income (PPPT)		$660 - 700 million
Diluted EPS		$11.75 - 12.25 / share
Dividend		20 - 25%
BVPS		13 - 15%
CET1		13%+
Core portfolio metrics		
Total Loans Under Management	*On and off-balance sheet loans*	8 - 12%
Singe Family Residential Lending	*Uninsured residential mortgages*	5 - 10%
Wealth Decumulation	*Reverse mortgages and insurance lending*	40 - 60%
Commercial Lending (excl. multi-unit residential)	*Loans to small businesses and entrepreneurs and equipment financing*	5 - 10%
Multi-unit Residential Loans Under Management	*On and off-balance sheet multi-unit residential lending*	20 - 25%
EQ Bank	*Customer growth*	30 - 40%

1. Adjusted measures and ratios are Non-GAAP measures. For additional information, see adjustments to financial results and Non-GAAP financial measures and ratios section in the Q1 2024 MD&A
2. Guidance represents expected growth rates from October 31, 2023, to October 31, 2024. Guidance is forward-looking information; readers should refer to the caution regarding forward-looking statements section herein

Final Thoughts…

1. *Increased brand awareness for 2024*
2. *Continued momentum for our Challenger story*
3. *Delivering best long-term shareholder return*

Sandie Douville
Vice President
Investor Relations &
ESG Strategy

David Lee
Associate Director
Investor Relations

Maggie Hall
Director
PR and Communications

https://eqb.investorroom.com/

investor_enquiry@eqb.com