EQB Inc.

TSX: EQB | EQB.PR.C | EQB.R

Q2 2022 Results

August 10, 2022

DRIVE CHANGE IN CANADIAN BANKING TO ENRICH PEOPLE'S LIVES

16.6%[1]
ROE 10-year average

360K+[2]
Customers

Carbon Neutral
Scope 1 & 2 GHG emissions

CANADA'S CHALLENGER BANK™

540%[1]
10-year total shareholder return

15.7%[1]
EPS growth 10-year CAGR

1. As at December 31, 2021
2. As at June 30, 2022

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. (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 timing and completion of the acquisition of Concentra described herein (the "Acquisition"), the anticipated sources of financing thereof (including the related subscription receipt offering and debt financing); the fact that closing of the Acquisition is subject to conditions; the anticipated benefits of the Acquisition, 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 Acquisition 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; retention of Concentra management and employees and the strategic fit and complementarity of Concentra and Equitable Bank; anticipated synergies and estimated transaction and integration costs and the timing of incurrence thereof as well as 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 its business lines, the risk environment including liquidity and funding 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 satisfaction of all conditions to the completion of Acquisition and the related financings within the anticipated timeframe; 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 Acquisition; 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 material factors. Among other things, these factors include: the failure or delay to receive or fulfill regulatory approvals and notifications or otherwise satisfy the conditions to the completion of the acquisition or the subscription receipt or debt financing; potential undisclosed costs or liabilities associated with the acquisition; 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 acquisition; 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 at www.sedar.com

Non-GAAP and other financial measures

Results and quantitative information in this document are presented on an IFRS 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 GAAP, which are based on IFRS. The presentation of non-GAAP financial measures presents the impacts of certain items on the period's results, helps readers understand the Company's analysis of results, and allows for assessment of these results without the specified items if such items are considered not reflective of the Company's underlying performance. Readers are cautioned that the Company uses non-GAAP and financial measures that do no have standardized meanings under GAAP and may not be comparable to similar measures used by other companies or peers.

Further information regarding the composition of our non-GAAP and other financial measures is provided in the Glossary section of the Second Quarter Report 2022. The Second Quarter Report 2022 is available on SEDAR at www.sedar.com.

Andrew Moor

President & CEO

EQB Equitable Bank EQ Bank

Strong core earnings performance in Q2 and YTD 2022

Q2 2022	Diluted EPS	NIM	NII ($MM)	ROE
ADJUSTED[1]	$1.75 -13% y/y -34% q/q	1.81% Consistent y/y -0.06% q/q	$168 +18% y/y +3% q/q	12.1% -4.4% y/y -7.1% q/q
REPORTED	$1.67 -17% y/y -33% q/q	1.80% -0.01% y/y -0.06% q/q	$167 +17% y/y +3% q/q	11.6% -4.9% y/y -6.7% q/q

YTD 2022	Diluted EPS	NIM	NII ($MM)	ROE
ADJUSTED[1]	$4.40 +10% y/y	1.84% +0.05% y/y	$331 +20% y/y	15.6% -1.2% y/y
REPORTED	$4.19 +5% y/y	1.83% +0.04% y/y	$329 +19% y/y	14.9% -1.9% y/y

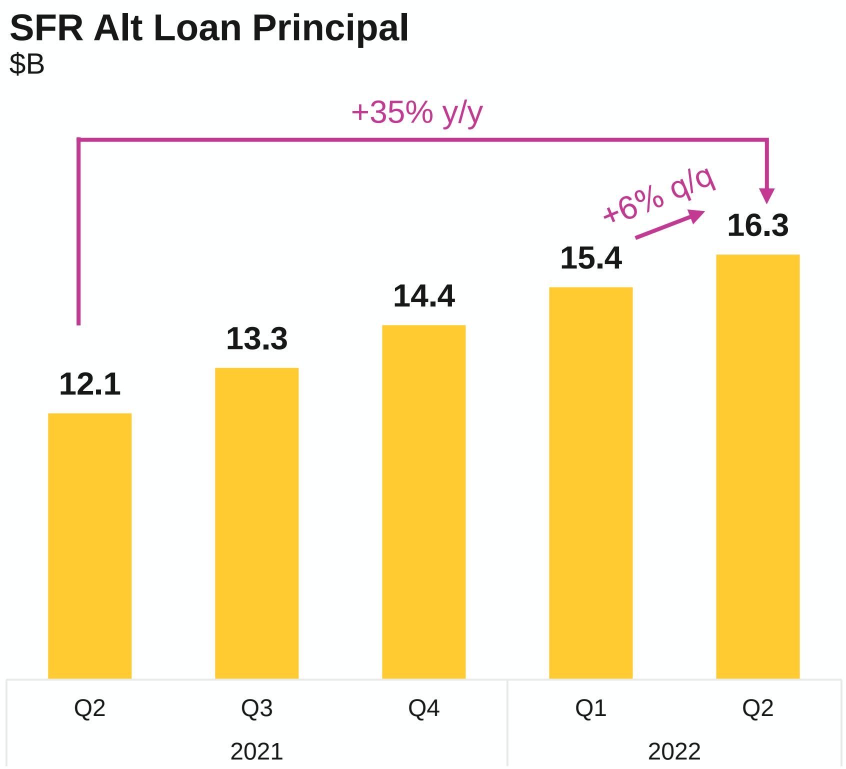
1. Adjusted results are non-GAAP. Adjusted results were introduced starting Q1 2022 relating to Concentra Bank acquisition and integration costs

Reaffirming 2022 growth guidance

Medium-term guidance	YTD 2022	2022 Full-Year Guidance[2]
Adjusted ROE	15.6%	15%+
Adjusted Pre-Provision Pre-Tax Income Growth (PPPT)	12%[1]	12%+
Adjusted Diluted EPS Growth	10%[1]	8-10%
Dividend Growth	54%[3]	20% – 25%[4]
BVPS Growth Y/Y	16%	12%+
CET1 Ratio	13.5%	13%+

1. Represents growth from YTD June 30, 2021 to YTD June 30, 2022
2. Guidance represents expected growth rates from December 31, 2021 to December 31, 2022
3. Represents ytd/ytd growth from dividend of $0.37 declared until July 28, 2021 to the dividend of $0.57 declared until August 9, 2022
4. Increase from the levels that would have been paid out in 2021 had capital distributions by banks not been restricted by OSFI at the onset of the pandemic

Single-family residential Alt loan growth well ahead of guidance



- Originations +8% y/y to $1.9B in Q2 2022, supported by deep broker partnership and service excellence
- Average Beacon score of 713 (+3bps q/q and +6bps y/y)

Total Personal Banking loan growth +$3.9B or +19% y/y to record $24B

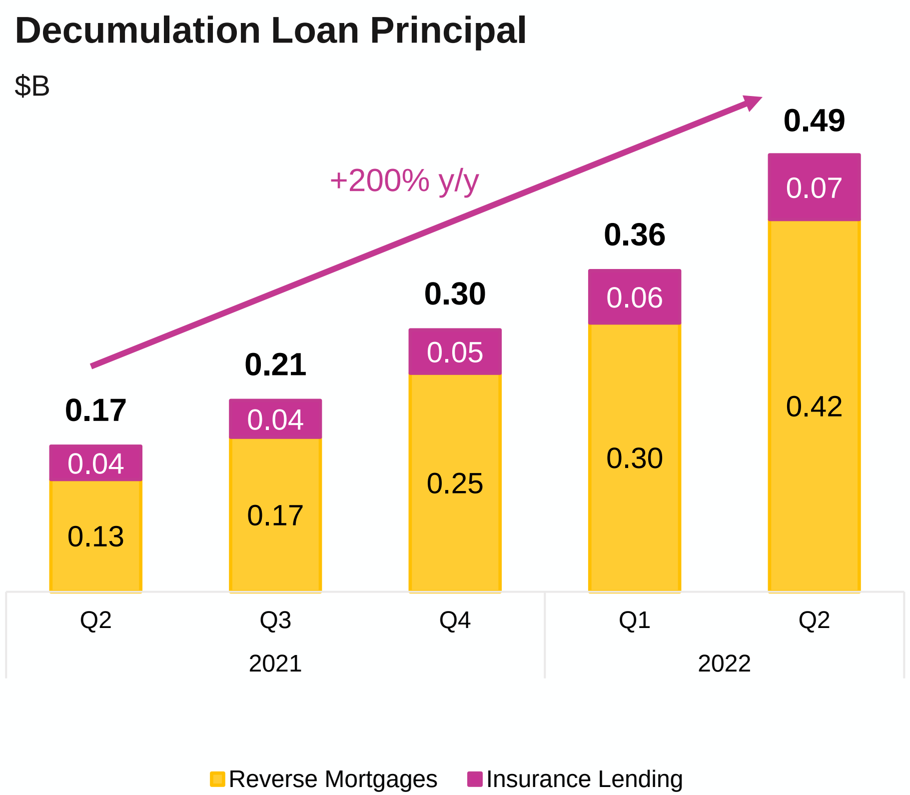
Protecting shareholder capital at all times

57%

Average LTV of Uninsured Residential Mortgage Portfolio at Quarter End

- Strong adjudication and low LTVs provide protection in the event of a decline in asset prices
- Focus of lending is on large, urban centres with strong population growth and diversified employment opportunities
- We prudently dialed back LTVs in the 905 region and refined lending assessments

Significant expansion in decumulation lending

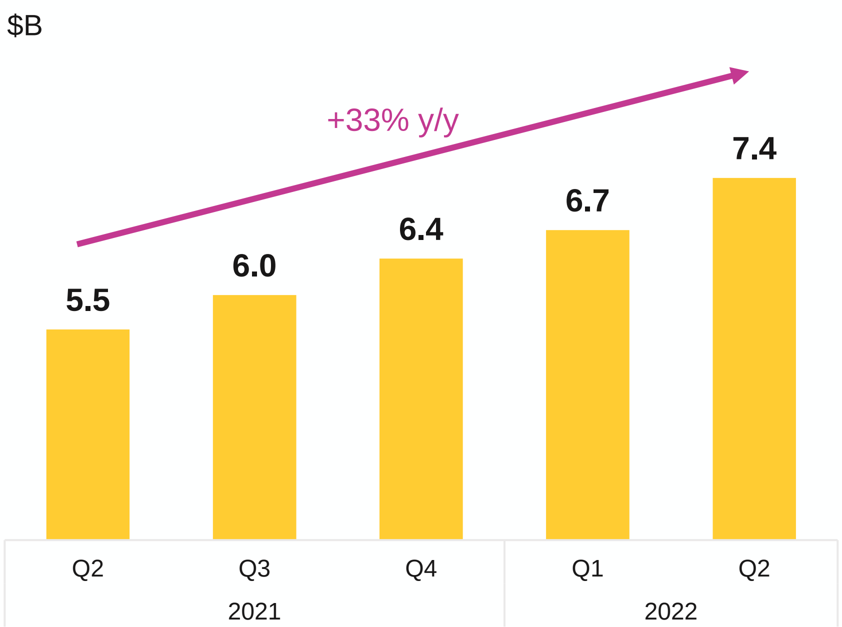


- Decumulation lending increased to $495MM, nearly three-fold growth y/y with reverse mortgages +231% y/y and insurance lending +95% y/y
- Reverse mortgages portfolio +38% q/q to $421MM and insurance lending portfolio +24% q/q to $73MM

Decumulation portfolios trending to 2022 guidance

Commercial Banking growth across all business lines

Conventional Commercial Loan Principal[1]



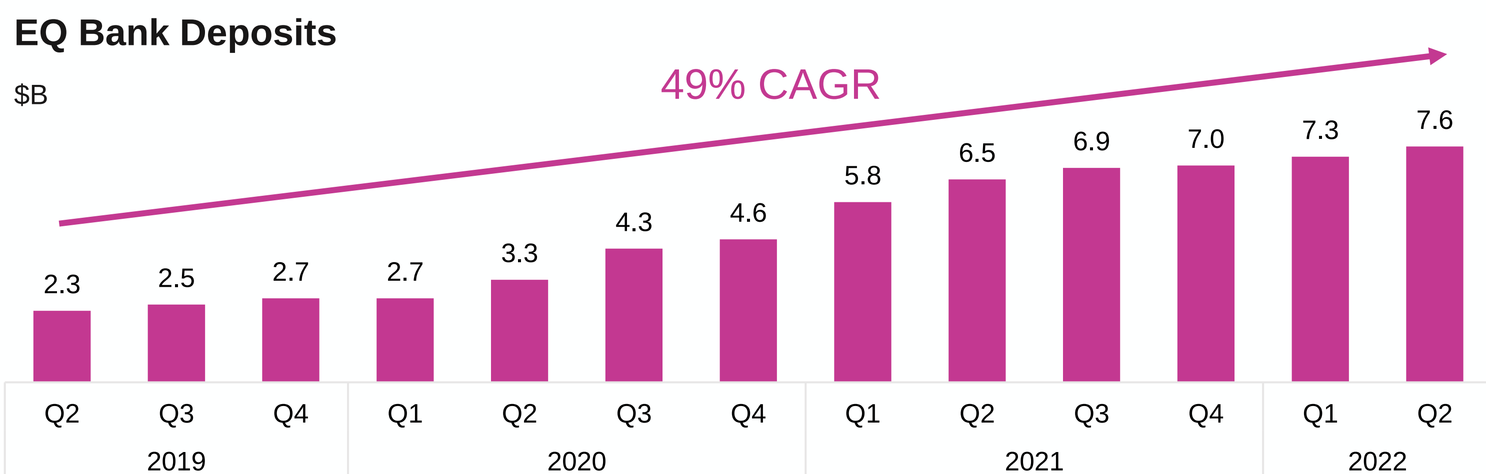
- Each commercial loan type ended the quarter ahead of 2022 guidance
- Specialized finance portfolio +107% y/y to record $739MM
- Equipment leasing portfolio +40% y/y, with two thirds of the growth in prime

Commercial Banking loan principal on balance sheet reached $12.1B in Q2, +25% y/y or +11% q/q compared to 10-15% growth guidance for 2022

1. Includes equipment leases

EQ Bank on track for more growth with upcoming initiatives

$7.6B	~280,000	7-10x	Payments Card + Québec
Total deposits +16% y/y	Customers +26% y/y	Current customer lifetime value to customer acquisition cost	Expansion planned for second half of year



Deposits expected to achieve 20-30% y/y growth guidance for 2022

Readiness for Concentra Bank

- Received unconditional clearance from Competition Bureau of Canada
- Continuing to build strong working relationships with the credit union system and customer relationships; several joint connectivity events held between EQB and Concentra
- Transformation Management Office remains highly engaged with dedicated resources to ensure a seamless transition

Chadwick Westlake

CFO

Non-interest income impacted by fair value and mark to market adjustments in Q2; core fee based & other income +41% y/y

$MM	Q2 2022
Fees and other income	$7.9
Net (loss) gain on strategic investments	($8.7)
Net (loss) gain on derivatives, loans and investments	($3.9)
Gains on securitization and income from retained interests	$2.2
Total	($2.5)

- Fee income +41% or +$2.3MM y/y with new services and offerings
- Net loss ($8.7MM) on strategic investments primarily due to unrealized fair value and mark-to-market declines on fintech private equity and common shares
  - Partially offsets $15.9MM Q1 gain for a net YTD gain $7.2MM
- P&L impact of ($3.9MM) within Q2 from fair value losses on timing related to cost of funds and CMB swaps hedging

Focus remains on growing core fee-based income; underlying value of strategic investments remains constant, serving to enhance and complement positioning as a challenger and innovator

Strong core performance in Q2

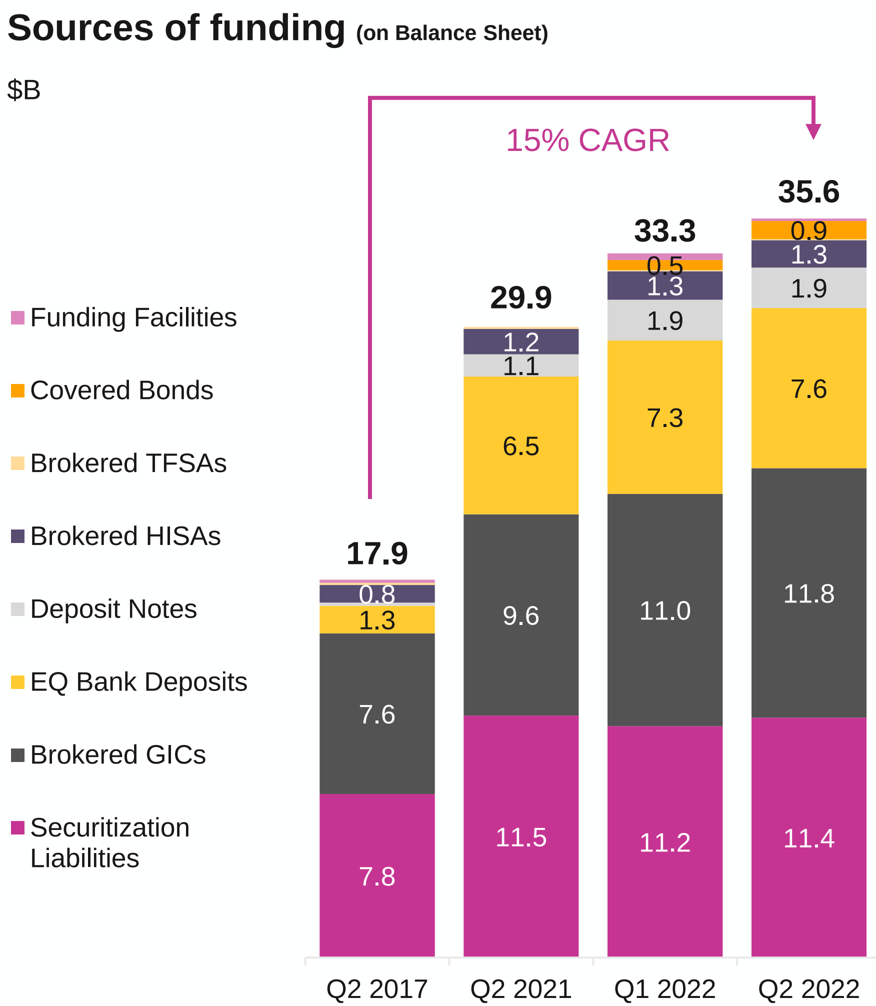
In $MM, unless otherwise noted and except for per share amounts	Q2 2022 Adjusted[1]	Change Y/Y	Change Q/Q
ROE	**12.1%**	(4.4%)	(7.1%)
Conventional Loans ($B)	**$24.1**	36%	7%
NIM	**1.81%**	–	(0.06%)
Net interest income	**$167.6**	18%	3%
Total Revenue	**$165.1**	4%	(12%)
PCL	**$5.2**	364%	*n.m.*
Non-Interest Expenses	**$75.6**	16%	8%
Pre-Provision Pre-Tax	**$89.5**	(5%)	(25%)
Net Income After Tax	**$61.5**	(13%)	(33%)
YTD Operating Leverage	**(4.4%)**	(9.2%)	(8.1%)
Efficiency Ratio	**45.8%**	4.9%	8.8%
Diluted EPS	**$1.75**	(13%)	(34%)
Book Value Per Share	**$59.25**	16%	1%
CET1	**13.5%**	(0.9%)	–

Highlights

- Due to accounting treatment of mark to market and fair value adjustments to non-interest income within Q2, adjusted ROE 12.1%, but YTD remains on guidance for 2022 at 15.6%
- Disciplined pricing and ROE focus in all lending generated NIM per 2022 guidance at 1.81%, consistent to end of 2021 and Q2 y/y, but declining 6bps q/q as expected from Q1 2022
- Efficiency ratio inflated in Q2 due to lower Revenue driven by mark to market and fair value adjustments, remains on track YTD
- Notwithstanding impact to earnings in Q2, BVPS growth ahead of 2022 guidance
- CET1 capital consistent and ahead of guidance

1. Adjusted results are non-GAAP

Increasing benefits from funding diversification strategy



Total deposit principal $23.5B, +28% y/y

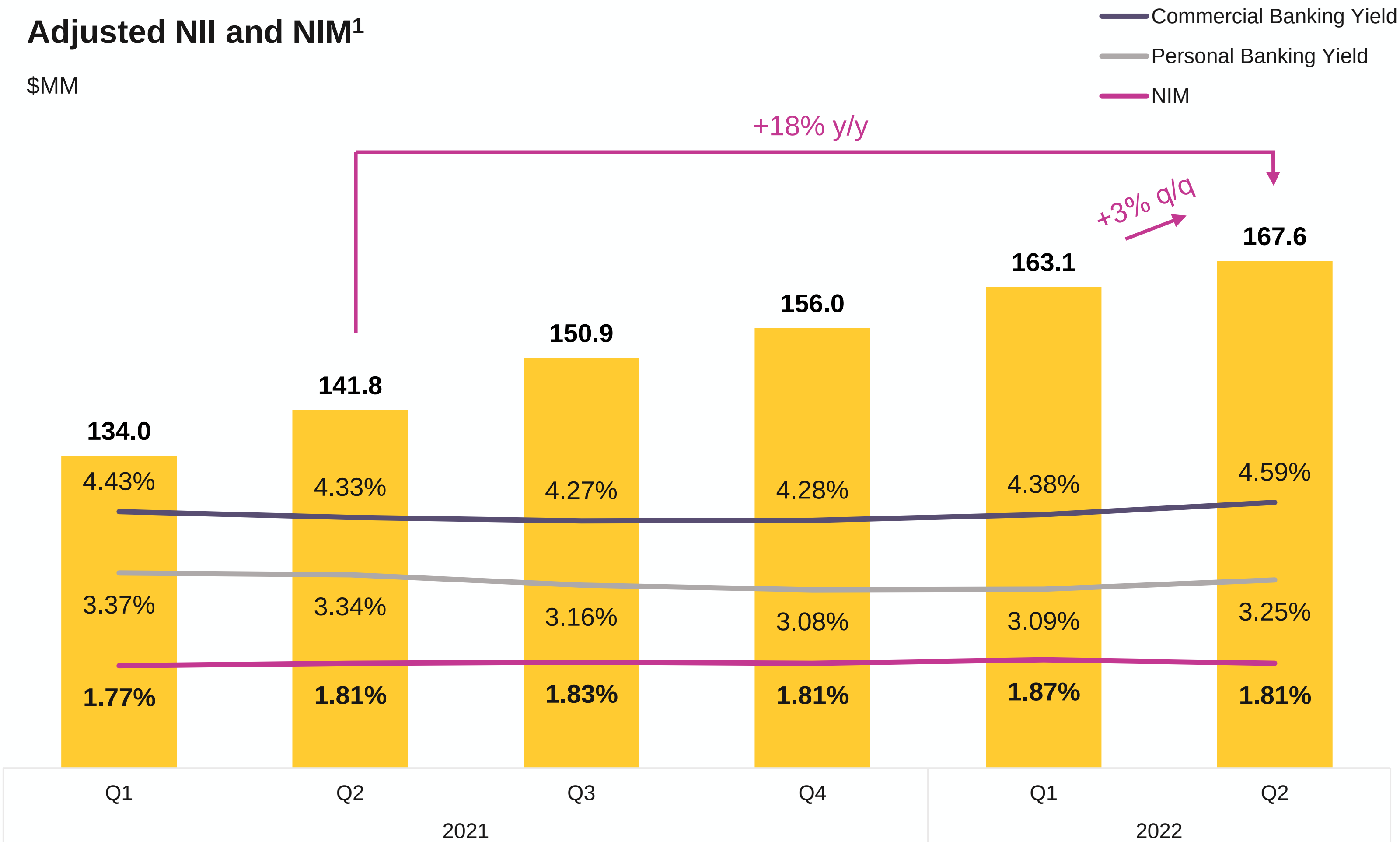
- EQ Bank deposits +16% y/y to $7.6B

Successfully diversifying funding stack

- EQ Bank deposits represented 21% of on-balance sheet funding (vs. 7% in 2017)
- Brokered deposits 37% (vs. 48% in 2017)
- Wholesale funding 8% (vs. 1% in 2017)
- Funding Facilities and Securitization 34% (vs. 44% in 2017)

Completed second covered bond issuance of €300MM, continuing momentum with EQB's lowest cost of funding

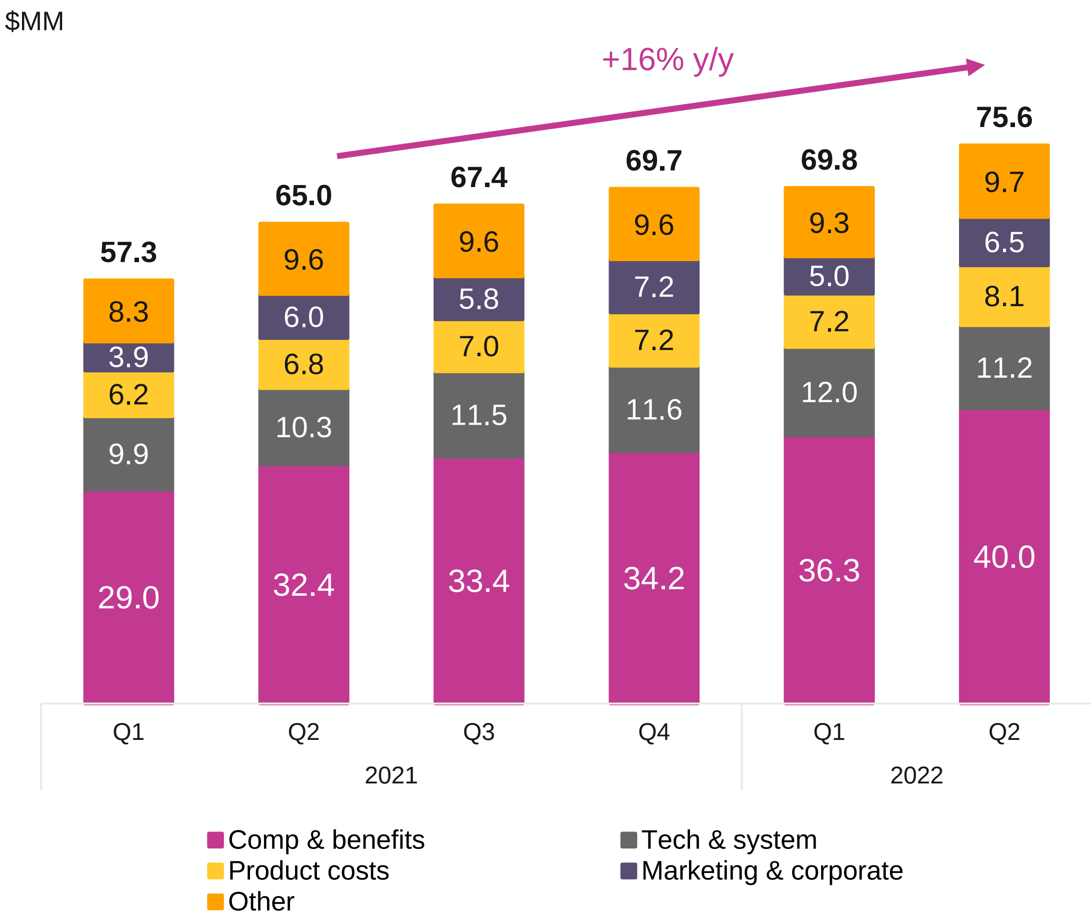
Strong and consistent margins resulting from tested, ROE-focused value creation approach



1. Adjusted NII and NIM displayed for Q4 2021 to Q2 2022

Investing in people, process & platform innovations

Non-interest expenses[1]



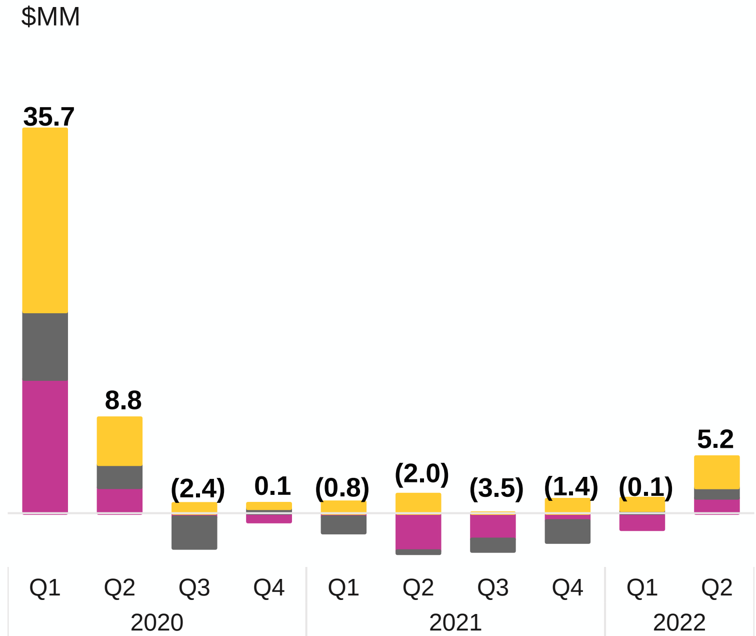
- Compensation and benefits +24% y/y, largely due +29% y/y increase in staffing to support growth and strategic investment
- Marketing costs +10% y/y due to promotions on new offerings and enhancing the brand of EQ Bank in the Canadian marketplace
- Product and technology costs +13% y/y from investments in innovation and impact of amortization

1. Adjusted Non-interest expenses displayed for Q4 2021 to Q2 2022

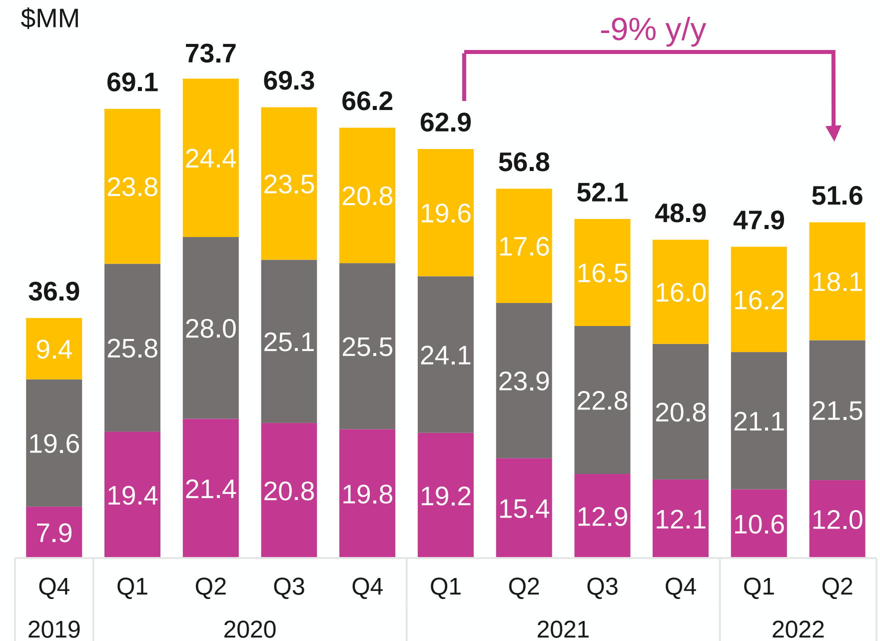
Loan books remain well-provisioned

Equipment leases
Commercial Banking
Personal Banking

Provision for Credit Losses



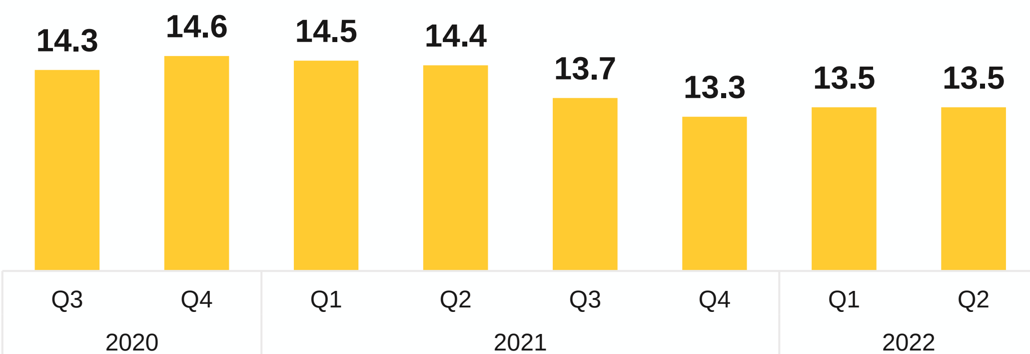
Allowance for Credit Losses



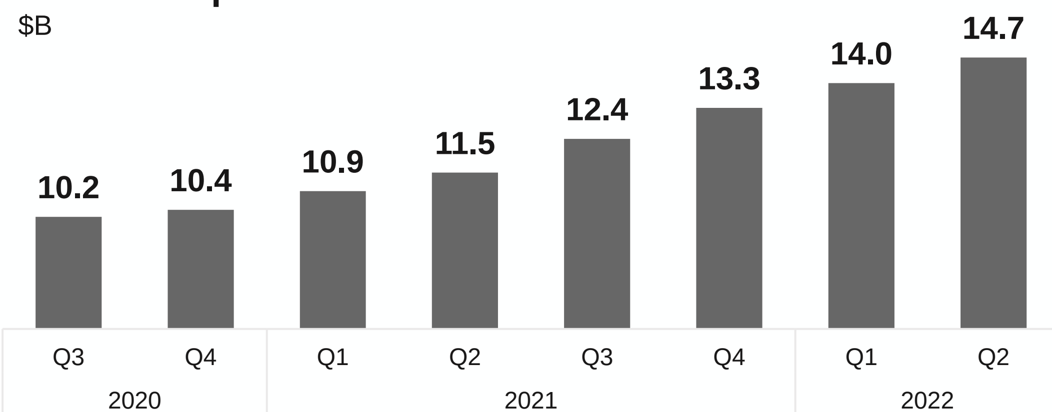
ACL now approximately 14bps as a percent of total lending assets, more consistent with pre-pandemic levels

Well-capitalized and ahead of guidance of 13%+ CET1

CET1 for Equitable Bank
%



RWA for Equitable Bank
$B



- CET1 consistent q/q, down 90bps y/y mainly due to organic deployment of capital to conventional lending, ahead of 13%+ 2022 guidance
- Continuing to grow dividend consistent with guidance

Final Thoughts

- Confirming 2022 growth guidance
- Portfolios well-positioned for changing market dynamics based on proactive underwriting measures
- Proven business model built for resilience across economic cycles
- Further upside and engagement expected with launch of EQ Bank payment card and expansion into Québec