EQB Inc.

Q3 2024 Results

August 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 Third Quarter Report 2024, which is available on SEDAR.

Change of EQB's fiscal year

EQB changed its fiscal year to end on October 31 for 2023 onward, from 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 the closest historical period. When the year is complete, the 12-month fiscal 2024 period will be presented compared to a 10-month fiscal 2023.
- For this Q3 2024 presentation, quarterly data is presented as at or for the three months ended July 31, 2024 and compared to the prior quarter Q2 2024 ended April 30, 2024 and the prior years Q2 2023 ended June 30, 2023. Year-to-date figures are presented as at or for the nine months ended July 31, 2024 vs. June 30, 2023.
- The comparative period of nine months ended June 30, 2023 included the acquisition of Concentra Bank on November 1, 2022, and as noted previously, contains several one-time items associated with the acquisition. Please see the Q4 2022 Management's Discussion and Analysis for more information.

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

Financial Highlights

As of Q3 2024

Record Q3 revenue with ROE continuing ahead of 15%+ target

Revenue

$327MM +3% Q/Q | +15% Y/Y

Pre-Provision Pre-Tax Income

$182MM adjusted | **$177MM** reported

Diluted Earnings per Share

$2.96 adjusted | **$2.84** reported

Return on Equity

15.9% adjusted | **15.2%** reported

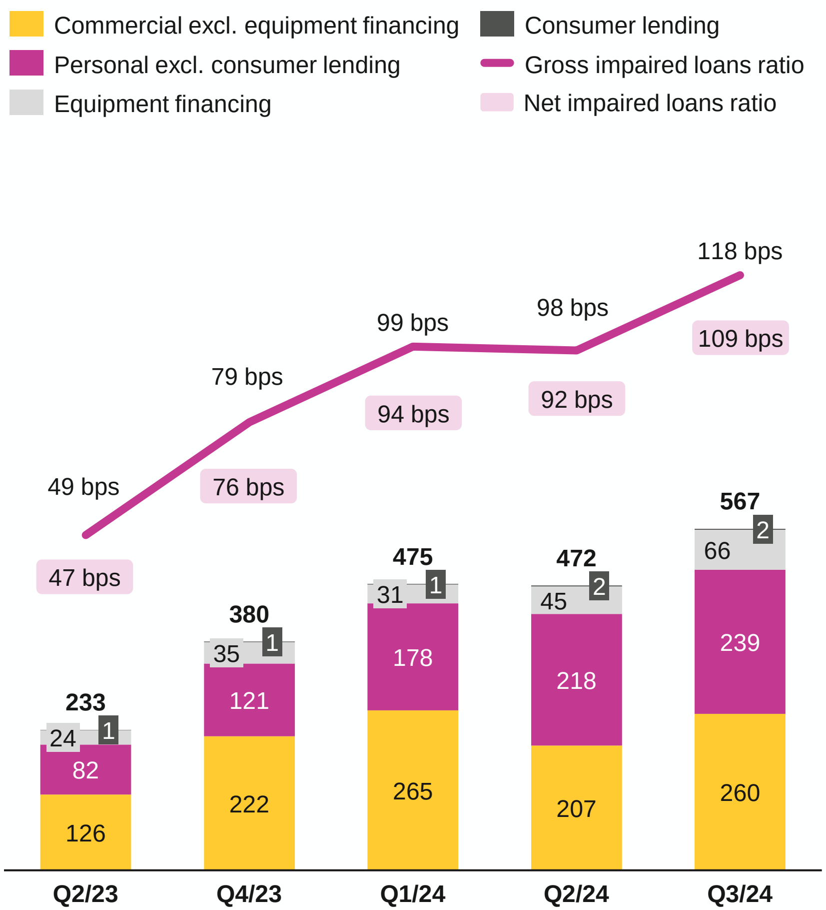
Dividends

$0.47 declared per common share | +24% Y/Y

Adjusted measures and ratios, and PPPT are Non-GAAP measures. For additional information, see adjustments to financial results and Non-GAAP financial measures and ratios section in the Q3 2024 MD&A

Gross Impaired Loans: well-reserved to manage credit losses that may arise from impaired loans

Total Gross Impaired Loans ($MM = millions)



Commercial (excl. equipment financing)

- Increased by $53MM (+25% Q/Q), accounting for 56% of the sequential increase in total impaired loans
- ~90% of the increase related to two specific loans
- Remain confident in our ability to resolve the majority loans with reserves already set aside; resolutions are likely to occur in the first half of F2025

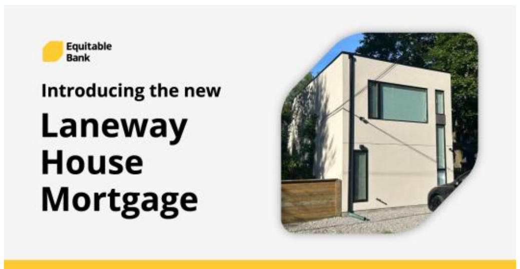
Personal (excl. consumer lending)

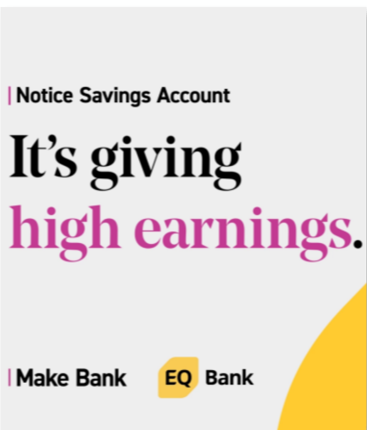
- Increased by $21MM (+10% Q/Q), a much slower addition to impairments than in prior quarters
- Continues to be attributed to timing in the cycle. Expect to see improvements over time with monetary policy easing and housing market activity returning
- Expect losses - if any - to be minimal given the high coverage ratio on the portfolio

Equipment financing

- Increased by $21MM (+45% Q/Q), primarily due to long-haul transportation sector

Innovation: ongoing development of products and services to deliver better value for customers

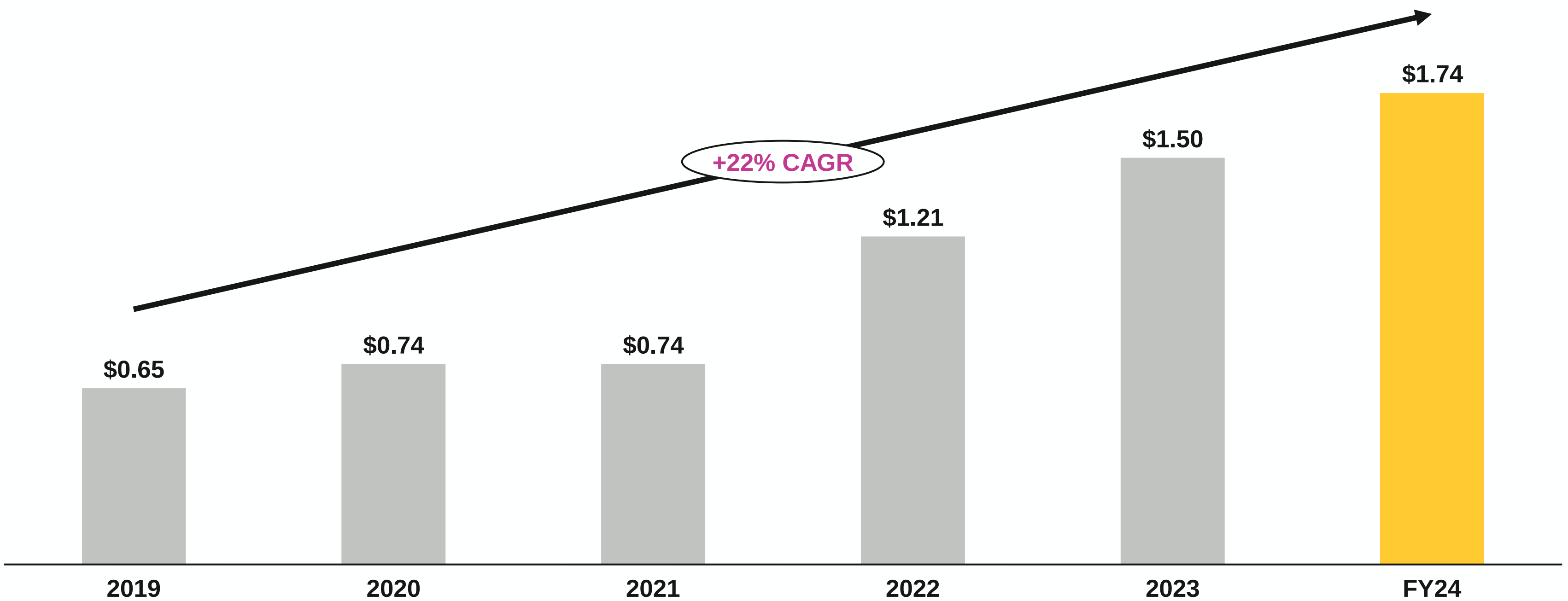




- **Notice Savings Accounts**: in the initial 9-week launch, 1 in 5 of all new EQ Bank customers opened a Notice Savings Account on the same day they began banking with us
- **Second Chance / Deuxième Chance campaign** has significantly increased EQ Bank's brand awareness since February (per our survey of 2,000 Canadians)
- **Strong customer growth momentum in Quebec** and uptake in payroll deposits across Canada
- Soft launch of **EQ Bank for Small Business** complete, with the next phase of rolling out the app to our existing waitlist of EQ customers before broadening the offering to Canadians later in the year
- Introduced **Equitable Bank Laneway House Mortgage**, with the initial launch in GTA, Calgary and Vancouver through the broker channel

Outlook: successful completion of our five-year plan to increase the common share dividend by 20-25% per annum

Annual Dividends Paid per Common Share[1]



- Delivered on our five-year plan to increase the common shared dividend at **20 – 25%** per annum (caught up from the brief period when banks were asked to restrict increases during the pandemic)
- Updated dividend strategy to be communicated with FY25 and medium-term guidance measures with Q4/24 results

1. Represents dividends paid on a calendar year basis with the exception of FY24, which shows dividends paid in the 12-month period ended Sep 30, 2024, as a result of the change in fiscal year

Chadwick Westlake

Chief Financial Officer

Financial Results: record earnings that reflect growth in net interest income, LUM and higher non-interest revenue

In $MM, unless otherwise noted and except for per share amounts	Adjusted Q3/24	Adjusted Q/Q	Adjusted Y/Y	Reported Q3/24	Reported Q/Q	Reported Y/Y
Return on Equity	**15.9%**	0.0%	-2.4%	**15.2%**	0.1%	-5.6%
Diluted Earnings per Share ($)	**$2.96**	5%	-1%	**$2.84**	6%	-16%
Pre-Provision Pre-Tax	**$181.5**	5%	12%	**$176.7**	6%	-5%
Book Value Per Share ($)	**75.67**	3%	12%	**75.67**	3%	12%
CET1	**14.7%**	0.6%	0.6%	**14.7%**	0.6%	0.6%
Loans Under Management ($B)	**$66.9**	2%	11%	**$66.9**	2%	11%
Multi-Unit Residential LUM ($B)	**$24.1**	7%	33%	**$24.1**	7%	33%
Net Interest Margin	**2.09%**	-0.02%	0.10%	**2.09%**	-0.02%	0.10%
Efficiency Ratio	**44.5%**	-0.7%	1.7%	**46.0%**	-1.5%	5.4%
Net-Interest Income	**$271.4**	2%	8%	**$271.4**	2%	8%
Non-Interest Revenue	**$55.9**	13%	70%	**$55.9**	13%	-8%
Total Revenue	**$327.2**	3%	15%	**$327.2**	3%	5%
Non-Interest Expenses	**$145.7**	2%	20%	**$150.6**	0%	19%
Net Income	**$117.2**	6%	1%	**$112.2**	6%	-14%

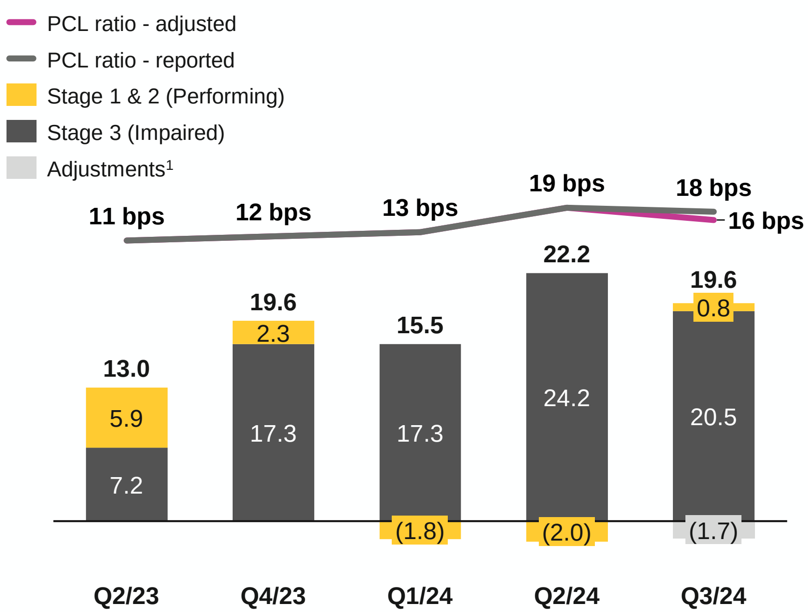
- Record revenue of $327 million (excluding 4-month Q4 2023) and improving efficiency ratio, down 70bps Q/Q
- Q3/24 adjusted ROE of 15.9% and reported ROE of 15.2% above target of 15%+
- Adjusted provisions for credit losses decreased 12% from an expected peak level in Q2 2024
- Well-capitalized: Total capital increased 130bps to 16.6% with our inaugural Limited Recourse Capital Note issuance combined with strong organic growth. Issuance was 4x oversubscribed. CET1 increased 60bps Q/Q to 14.7% supported by strong internal capital generation
- Terminating DRIP Program, expect to redeem outstanding preferred shares

Note: Q3 2024 is presented as at or for the three months ended July 31, 2024, and compared to the prior quarter of Q2 2024 and prior year being Q2 2023.
Adjusted measures and ratios, LUM, NIM, and PPPT are Non-GAAP measures. For additional information, see adjustments to financial results and Non-GAAP financial measures and ratios section in the Q3 2024 MD&A

EQB

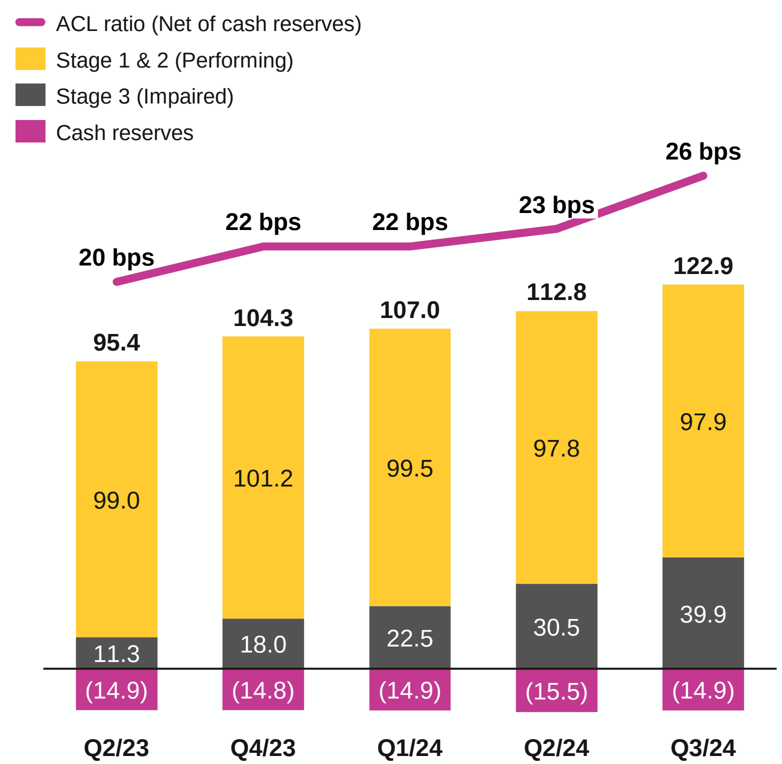
PCL and ACL: expecting a constructive set-up for F2025

Provision for Credit Losses ($MM)



- **Total reported PCLs of $21.3MM (or 18 bps**) split across:
  - $20.8MM: Equipment Financing
  - $1.2MM: Commercial excl. equipment financing
  - $0.2MM: Consumer Lending
  - ($0.9MM): Personal
- **Stage 3 PCLs of $20.5MM** mainly from Equipment Financing (nearly 80%). Excluding equipment financing, Personal and Commercial stage 3 PCLs declined 59% or $6.6MM Q/Q

Net Allowance for Credit Losses[2] ($MM)

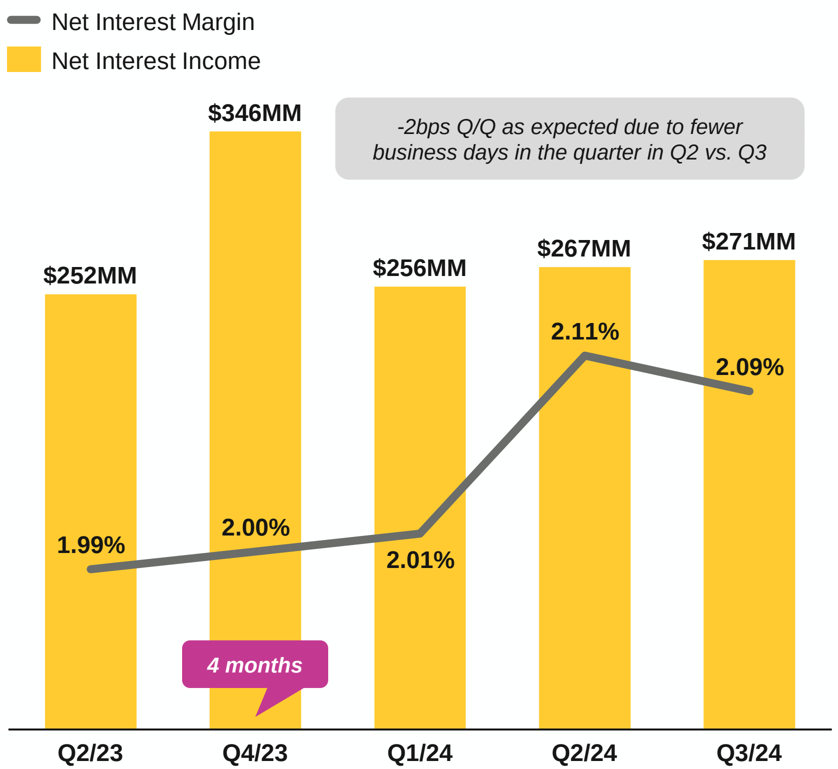


Net allowance for credit losses (net of cash reserves) increased by $10.1MM (or up 3 bps Q/Q), driven by a 37% increase in the equipment financing allowance

1. Adjustment details on pg.12 of the Q3 2024 MD&A. 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 Q3 2024 MD&A
2. Allowance for credit losses net of cash reserves

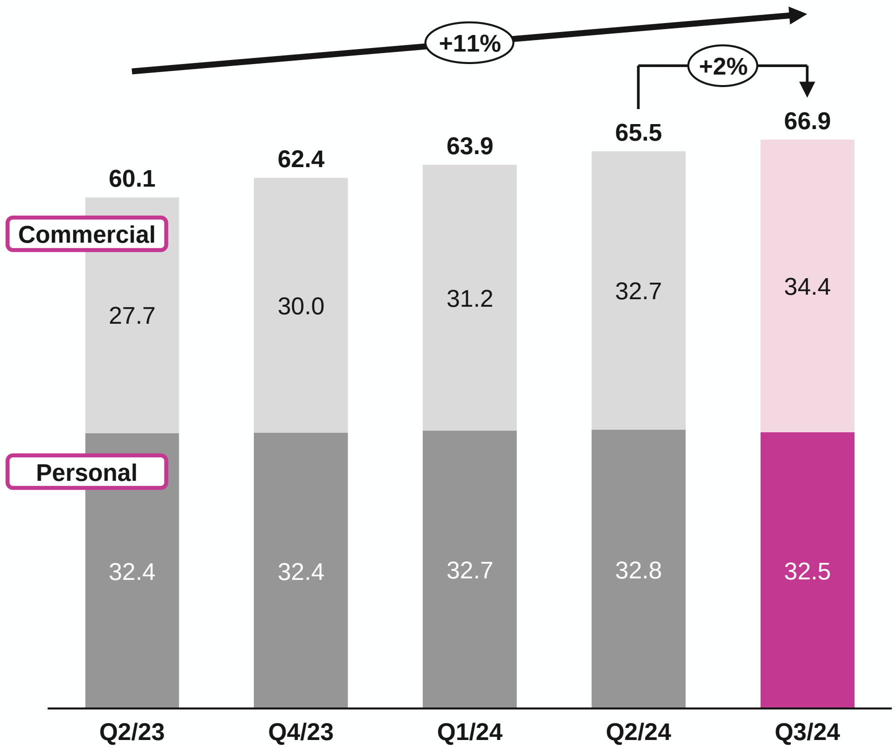
Net Interest Margin and Loans: expected margin expansion was sustained; total LUM trending well to expectations

Net Interest Income and Margin



- Gross yields on the loan book remained stable Q/Q, with higher yields in personal roughly offset by lower yields in commercial
- Stable funding costs through funding diversification strategy
- Higher prepayment income in Q3, trending upwards towards a more normalized level

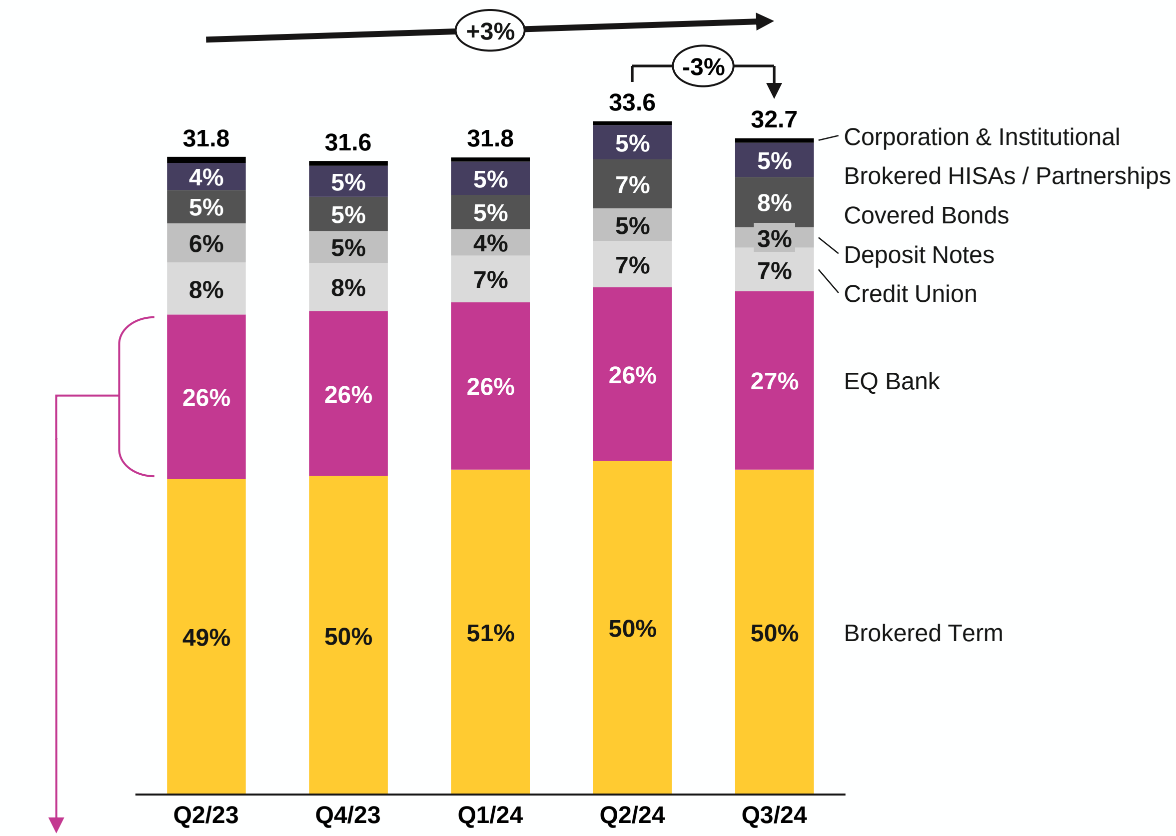
Loans under Management ($B)



- Insured multi-unit residential mortgages (~70% of the total commercial) increased 7% Q/Q or 33% Y/Y to $24 billion
- Decumulation loans – including reverse mortgages – increased 11% Q/Q and 56% Y/Y to $1.9 billion

Funding: expanding EQ Bank franchise value through continued strong growth in deposits and customer base

Total Deposit Principal ($B)



EQ Bank

	Q2/23	Q4/23	Q1/24	Q2/24	Q3/24
Customers	368M	401M	426M	457M	485M
Deposits	$8.2B	$8.2B	$8.3B	$8.7B	$8.9B

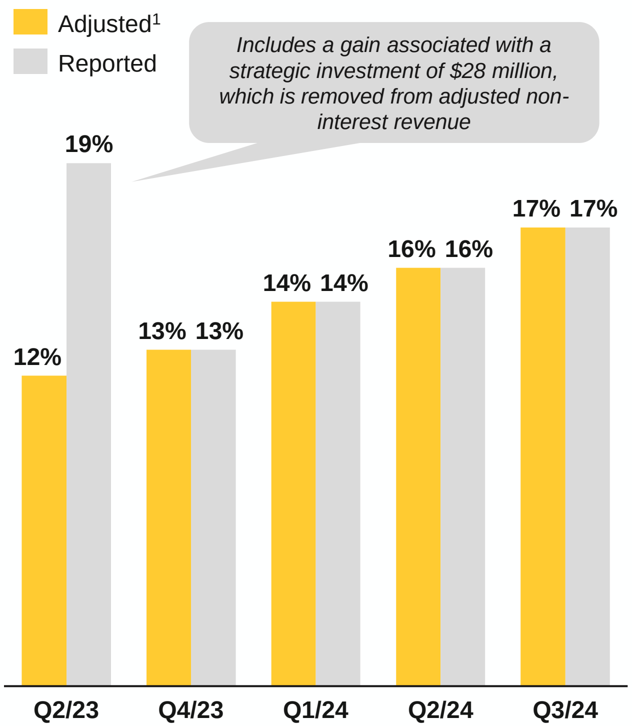
EQ Bank

- EQ Bank customers increased to roughly 485 thousand, up 6% Q/Q and 32% Y/Y
- EQ Bank deposits, which increased 3% Q/Q and 8% Y/Y to $8.9 billion, continues to be a source of high quality direct-to-consumer funding and our top priority for funding growth
- Customer transactions were up 119% Y/Y
- Continue to be strategic with EQ Bank pricing, as we seek to grow the franchise and optimize the lower deposit beta advantage compared to peers

Non-Interest Revenue: record quarter for non-interest revenue, reaching $56 million or 17% of total revenue

Non-Interest Revenue (NIR)

NIR as a % of total revenue



Non-Interest Revenue ($MM)	Q2/23	Q2/24	Q3/24
Fees and other income	14.5	20.6	22.6
Gains (losses) on strategic investments	27.9	3.4	2.3
Net gains (losses) on other investments	1.7	3.7	3.9
Gain on sale and income from retained interests	16.1	23.2	22.8
Net gains (losses) on securitization activities & derivatives	0.6	(1.5)	4.4
Total non-interest revenue – reported	**60.8**	**49.3**	**55.9**
Strategic investment	(28.0)	-	-
Total non-interest revenue – adjusted[1]	**32.9**	**49.3**	**55.9**

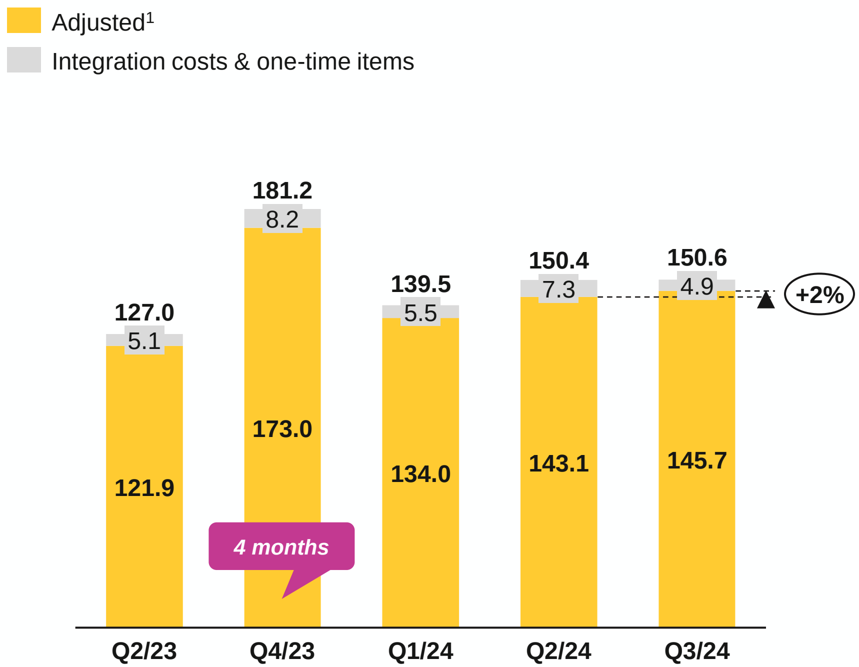
Levers of non-interest revenue:

- 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
- ACM Advisors asset management revenue
- Payment-as-a-Service, serve as BIN sponsors for third parties

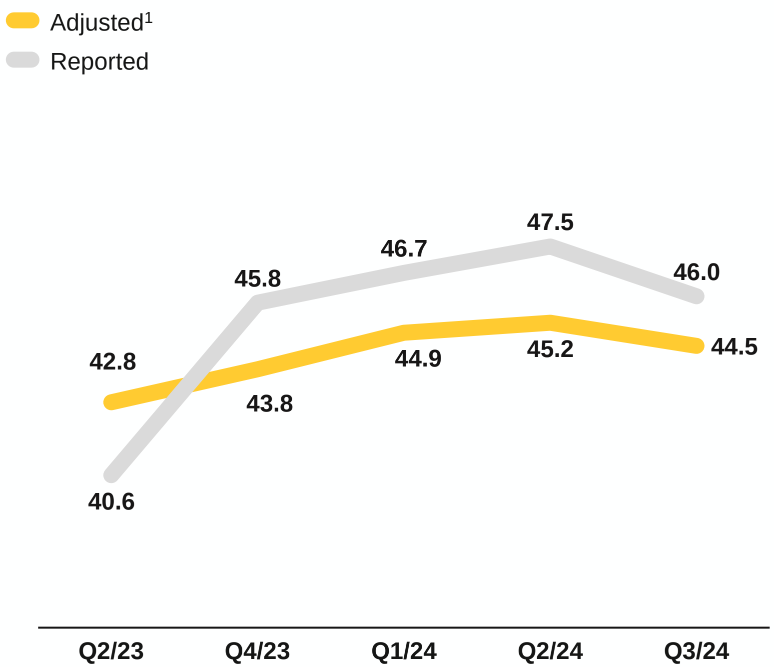
1. Adjusted measures and ratios are Non-GAAP measures. For additional information, see adjustments to financial results and Non-GAAP financial measures and ratios section in the Q3 2024 MD&A

Non-Interest Expenses: continuing to invest in growth initiatives that will benefit our long-term franchise value

Non-interest expenses ($MM)



Efficiency ratio (%)



- Adjusted non-interest expenses of $146 million in Q3/24 vs. $143 million in Q2/24, mainly due to higher staff costs, ongoing investments in technology and system costs, offset by deliberate decreases in marketing and product spend
- Elevating our operational effectiveness program to ensure we focus our resources on the highest value opportunities while we scale
- Targeting to generate flat to positive operating leverage across several quarters

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 Q3 2024 MD&A

Final Thoughts…

1. **Business mix and increasing diversification across assets, funding and revenue translating**

2. **Reaffirmed and otherwise refined guidance for final quarter of 2024**

3. **FY2025 guidance to be provided alongside Q4/24 earnings**

Mike Rizvanovic
Managing Director
Investor Relations

Maggie Hall
Director
PR and Communications

eqb.investorroom.com

investor_enquiry@eqb.com