News Release

EQB reports first quarter 2026 results

Diluted EPS	Return on equity	PPPT[3]	Total PCL	CET1 ratio
Q1 Adjusted[1] $2.26 *+48% q/q, (24%) y/y*	Q1 Adjusted[1] *11.1%*	Q1 Adjusted[1] $156.2MM *+9% q/q, (8%) y/y*	Q1 Adjusted[1] $39.1MM *(28%) q/q, +186% y/y*	*13.6%* **Total capital ratio** *16.0%*
Q1 Reported $2.11 *n.m. q/q, (24%) y/y*	Q1 Reported *10.4%*	Q1 Reported $148.4 *+167% q/q, (9%) y/y*	Q1 Reported $39.1MM *(28%) q/q, +109% y/y*	**Common share dividend declared** *$0.59/share* *4% q/q, 16% y/y*

TORONTO, February 25, 2026 – EQB Inc. (TSX: EQB) today reported financial results for the first quarter and three months ended January 31, 2026.

- **Adjusted diluted EPS**[1]: $2.26, +48% q/q and (24%) y/y (reported $2.11)
- **Adjusted net income**[1]: $85.2 million, +34% q/q and (27%) y/y (reported $79.5 million)
- **Adjusted PPPT**[2]**:** $156.2 million, +9% q/q and (8%) y/y (reported $148.4 million)
- **Adjusted ROE**[1]: 11.1%, +360 bps q/q and (410 bps) y/y (reported 10.4%)
- **Adjusted revenue**[1]: $306.8 million, flat q/q and (5%) y/y (reported $306.8 million)
- **Adjusted net interest margin (NIM)**[1,3]**:** 2.02%, +1 bp q/q and (8 bps) y/y (reported 2.02%)
- **Book value per share:** $81.75, +1% q/q and +3% y/y
- **Total AUM + AUA**[3]**:** $142 billion, +3% q/q +8% y/y
- **EQ Bank customers**: 633,000, +4% q/q and +18% y/y
- **Common share dividends declared:** $0.59 per share, +4% q/q and +16% y/y
- **Capital:** CET1 ratio of 13.6% and total capital ratio of 16.0%

"EQB's first quarter reflects the outcome of our refreshed strategic focus and important steps forward to challenge the market, raise the bar in banking and win for Canadians, while progressing toward our ROE objectives. We strengthened execution across our core franchise, expanded loans under management, significantly improved efficiency and maintained prudent credit provisioning," said Chadwick Westlake, President and CEO. "In every environment, we must perform and deliver differentiated choice for customers. The opportunity set for Canada's Challenger Bank is tangible and growing because Canadians deserve better options. We are energized to close our agreement to acquire PC Financial, partner with Loblaw Companies and make banking more competitive across Canada with EQ Bank."

Planned acquisition of PC Financial progressing with strong momentum

- EQB formally filed its applications with the Office of the Superintendent of Financial Institutions (OSFI) and the Competition Bureau of Canada in January 2026
- EQB established its Integration Management Office to prepare for integration, achieve strategic benefits of the acquisition, including revenue and expense synergies, and deliver value to Canadians in the long-term

Efficiency ratio improvement reflects disciplined expense management

- Proactive strategic restructuring program in Q4 2025 delivered significant cost benefits, contributing to 9% q/q and 1% y/y decline in adjusted expenses, respectively (reported down 39% q/q and 1% y/y); this was achieved while EQB continued to actively invest in technology, innovation and new capabilities as well as higher premises costs reflecting the new Toronto headquarters
- EQB's adjusted efficiency ratio for Q1 improved to 49.1% (reported 51.6%), down from 53.6% in Q4 2025, demonstrating meaningful execution against its low-50% efficiency ratio target for 2026

Delivered positive LUM growth despite dynamic operating environment

- Commercial lending loans under management (LUM) grew 3% q/q and 19% y/y, the latter driven by solid results in insured multi-unit residential mortgages as demand for CMHC-insured construction loans and the securitization market remained strong
- Personal lending LUM was flat q/q and declined 2% y/y, driven by the strategic decision to decelerate growth in insured single-family due to lower margins; excluding insured single-family, personal lending LUM was up 1% q/q and 7% y/y driven by growth in the single-family uninsured and decumulation portfolios. The decumulation lending portfolio grew 5% q/q and 30% y/y as EQ continued to capture market share in this rapidly growing segment

EQ Bank welcomed new retail and business customers at an attractive rate

- EQ Bank added 26,000 new retail and business customers in Q1 who will benefit from its expanding shelf of everyday banking products and continued enhancements to the Business Banking platform, including the upcoming prepaid Business Card
- EQ Bank deposits grew to $9.94 billion in Q1 (flat q/q and +10% y/y), increasing to 27% of total deposit principal (up 41 bps y/y); growth was supported by continued adoption across its everyday banking offerings including the Personal Account and Business Banking platform, with the Notice Savings Account standing out as a differentiated savings solution for customers seeking more flexibility and value
- EQ Bank products received industry recognition as customers' products of choice including Best Savings Account in Canada from moneyGenius and Best Online Bank Account from Milesopedia

Prudent provisioning materially improved PCLs in line with robust risk management approach

- EQB's provision for credit losses (PCL) declined 28% q/q, reflecting lower performing provisions partially offset by higher impaired provisions; lower performing was driven by a more moderate build as Q4 2025 reflected deterioration in forward-looking macroeconomic indicators, while higher impaired provisions were largely related to one commercial borrower group, partially offset by lower provisions in equipment finance given a strategic shift to higher quality assets
- Adjusted PCL was up 186% y/y (reported 109% y/y), primarily reflecting higher impaired provisions in the commercial and personal lending portfolios
- Credit performance in Q1 reflected ongoing macroeconomic pressure expected to continue through H1 2026, with prudent provisions demonstrating continued discipline across EQB's risk management framework
- The Bank is appropriately reserved for credit losses with net allowances as a percentage of total loan assets of 43 bps, compared to 28 bps at Q1 2025

Dividend increase and share buybacks reflect balanced approach to capital deployment to drive sustainable, long-term shareholder value

- EQB declared a dividend of $0.59 per common share payable on March 31, 2026, to shareholders of record as of March 13, 2026, representing 4% and 16% increases from the dividends paid in December 2025 and March 2025, respectively

- As part of its capital management strategy and to drive attractive returns for shareholders, EQB renewed its Normal Course Issuer Bid (NCIB) and established an Automatic Securities Purchase Plan (ASPP) in January 2026, the latter of which allows the repurchase of common shares under the NCIB during restricted trading periods; in Q1, 1,066,890 common shares were repurchased

"While we expect operating environment headwinds to persist through the first half of the year, we delivered strong first quarter performance with meaningful expense improvement and continued strategic investment in high-impact growth areas. Importantly, we also delivered stable margins and maintained our disciplined approach to lending, anchored in our robust risk management framework," said Anilisa Sainani, CFO. "We are pleased with our results and positive momentum towards our efficiency guidance in the low-50% range and 12% ROE objective for fiscal 2026. We remain focused on executing against our priorities and positioning the business to successfully capitalize on our significant opportunities ahead."

Analyst conference call and webcast: 10:30 a.m. ET on February 26, 2026

EQB's Chadwick Westlake, President and CEO, Anilisa Sainani, CFO, and Marlene Lenarduzzi, CRO, will host EQB's quarterly earnings call and webcast. The webcast with accompanying slides will be available at eqb.investorroom.com. To access the conference call with operator assistance, dial 416-945-7677 or 888-699-1199 five minutes prior to the start time.

[1] Adjusted measures and ratios are Non-Generally Accepted Accounting Principles (GAAP) measures and ratios. Adjusted measures and ratios are calculated in the same manner as reported measures and ratios, except that financial information included in the calculation of adjusted measures and ratios is adjusted to exclude the impact of one-time acquisition and integration related costs, and certain items which management determines would have a significant impact on a reader's assessment of business performance. For additional information and a reconciliation of reported results to adjusted results, see the "Non-GAAP financial measures and ratios" section.

[2] PPPT represents pre-provision-pre-tax income, a non-GAAP measure of financial performance.

[3] These are non-GAAP measures, see the "Non-GAAP financial measures and ratios" section.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Consolidated balance sheets (unaudited)

($000s) As at	**January 31, 2026**	October 31, 2025	January 31, 2025
Assets:			
Cash and cash equivalents	**889,635**	717,253	810,017
Restricted cash	**883,538**	1,326,684	817,025
Securities purchased under reverse repurchase agreements	**2,298,802**	1,604,165	1,800,014
Investments	**1,605,119**	1,645,864	1,571,754
Loans			
Loans – Personal	**31,762,404**	31,857,508	32,360,193
Loans – Commercial	**13,835,441**	14,581,966	14,128,917
Allowance for credit losses	**(210,260)**	(206,801)	(148,715)
	45,387,585	46,232,673	46,340,395
Securitization retained interests	**1,073,043**	1,028,623	892,258
Deferred tax assets	**33,732**	36,429	28,841
Other assets			
Derivative financial instruments	**236,240**	242,799	263,856
Intangible assets	**148,652**	148,623	195,552
Goodwill	**92,545**	92,545	110,580
Investment in associate	**53,510**	49,884	50,225
Other	**421,505**	368,179	351,307
	952,452	902,030	971,520
Total assets	**53,123,906**	53,493,721	53,231,824
Liabilities and Equity			
Liabilities:			
Deposits	**37,491,813**	36,616,511	34,616,801
Securitization liabilities	**10,922,876**	11,197,477	13,711,167
Obligations under repurchase agreements	**29,356**	104,568	-
Deferred tax liabilities	**205,217**	199,151	190,419
Funding facilities	**576,651**	1,454,087	768,813
Other liabilities			
Derivative financial instruments	**77,559**	94,742	135,237
Other	**673,826**	615,386	587,951
	751,385	710,128	723,188
Total liabilities	**49,977,298**	50,281,922	50,010,388
Equity:			
Common shares	**494,610**	503,060	506,160
Other equity instruments	**147,360**	147,360	147,360
Contributed deficit	**(16,284)**	(15,014)	(17,437)
Retained earnings	**2,507,738**	2,566,475	2,564,315
Accumulated other comprehensive income	**5,404**	1,684	11,200
Total shareholders' equity	**3,138,828**	3,203,565	3,211,598
Non-controlling interests	**7,780**	8,234	9,838
Total equity	**3,146,608**	3,211,799	3,221,436
Total liabilities and equity	**53,123,906**	53,493,721	53,231,824

Consolidated statements of income (unaudited)

($000s, except per share amounts) Three-month period ended	**January 31, 2026**	January 31, 2025
Interest income:		
Loans – Personal	**437,241**	481,370
Loans – Commercial	**203,526**	222,117
Investments(1)	**21,169**	20,792
Other	**24,503**	25,370
	686,439	749,649
Interest expense:		
Deposits	**309,233**	347,809
Securitization liabilities(1)	**103,935**	125,568
Funding facilities	**6,470**	5,547
Other	**3,361**	83
	422,999	479,007
Net interest income(1)	**263,440**	270,642
Non-interest revenue:		
Fees and other income	**26,430**	22,920
Net (losses) gains on loans and investments	**(36)**	2,304
Gain on sale from securitization activities(1)	**16,138**	17,616
Net gains on hedging and derivatives	**822**	9,153
	43,354	51,993
Revenue	**306,794**	322,635
Provision for credit losses	**39,128**	18,678
Revenue after provision for credit losses	**267,666**	303,957
Non-interest expenses:		
Compensation and benefits	**71,122**	75,934
Product costs	**24,338**	23,362
Technology and system costs	**21,895**	23,532
Marketing and corporate expenses	**15,785**	17,082
Regulatory, legal and professional fees	**16,987**	12,874
Premises	**8,236**	6,471
	158,363	159,255
Income before income taxes	**109,303**	144,702
Income taxes	**29,772**	36,992
Net income	**79,531**	107,710
Net income available to common shareholders and non-controlling interests	**79,531**	107,710
Net income attributable to:		
Common shareholders	**79,216**	107,402
Non-controlling interests	**315**	308
	79,531	107,710
Earnings per share:		
Basic	**2.13**	2.79
Diluted	**2.11**	2.77

(1) Effective November 1, 2024, interest income earned on securitized retained interests is reported in Interest income – Investments and interest expense incurred on servicing liabilities is reported in Interest expense – Securitization liabilities. Previously, these amounts were included in Non-interest revenue. Prior period comparative figures have been updated to conform to current period presentation.

Consolidated statements of comprehensive income (unaudited)

($000s) Three-month period ended	**January 31, 2026**	January 31, 2025
Net income	**79,531**	107,710
Other comprehensive income – items that will be reclassified subsequently to income		
Debt instruments at Fair Value through Other Comprehensive Income:		
Net change in (losses) gains on fair value	**(4,921)**	12,440
Recovery of credit losses recognized to income	**(112)**	-
Reclassification of net losses (gains) to income	**8,924**	(10,066)
Other comprehensive income – items that will not be reclassified subsequently to income:		
Equity instruments designated at Fair Value through Other Comprehensive Income:		
Net change in gains on fair value	**-**	1,071
Reclassification of net gains to retained earnings	**-**	(378)
	3,891	3,067
Income tax (expense) recovery	**(1,101)**	(917)
	2,790	2,150
Cash flow hedges:		
Net change in unrealized gains (losses) on fair value	**10,075**	(4,210)
Reclassification of net gains to income	**(8,750)**	(3,424)
	1,325	(7,634)
Income tax (expense) recovery	**(365)**	2,031
	960	(5,603)
Total other comprehensive income (loss)	**3,750**	(3,453)
Total comprehensive income	**83,281**	104,257
Total comprehensive income attributable to:		
Common shareholders	**82,966**	103,949
Non-controlling interests	**315**	308
	83,281	104,257

Consolidated statements of changes in equity (unaudited)

($000s) Three-month period ended											January 31, 2026
					Accumulated other comprehensive income (loss)						
	Common Shares	Other equity instruments	Contributed Deficit	Retained Earnings	Cash Flow Hedges	Financial Instruments at FVOCI	Total	Attributable to equity holders	Non-controlling interests	Total
Balance, beginning of period	503,060	147,360	(15,014)	2,566,475	1,697	(13)	1,684	3,203,565	8,234	3,211,799
Net Income	-	-	-	79,216	-	-	-	79,216	315	79,531
Transfer of AOCI losses to income, net of tax	-	-	-	-	-	(30)	(30)	(30)	-	(30)
Other comprehensive gain, net of tax	-	-	-	-	960	2,790	3,750	3,750	-	3,750
Exercise of stock options	4,313	-	-	-	-	-	-	4,313	-	4,313
Common shares repurchased and cancelled, net of tax	(13,842)	-	-	(97,016)	-	-	-	(110,858)	-	(110,858)
Automatic Share purchase obligation	-	-	-	(19,686)	-	-	-	(19,686)	-	(19,686)
Dividends:										
Common shares	-	-	-	(21,251)	-	-	-	(21,251)	(769)	(22,020)
Put option – non-controlling interest	-	-	(877)	-	-	-	-	(877)	-	(877)
Stock-based compensation	-	-	686	-	-	-	-	686	-	686
Transfer relating to the exercise of stock options	1,079	-	(1,079)	-	-	-	-	-	-	-
Balance, end of period	494,610	147,360	(16,284)	2,507,738	2,657	2,747	5,404	3,138,828	7,780	3,146,608

($000s) Three-month period ended										January 31, 2025
					Accumulated other comprehensive income (loss)					
	Common Shares	Other equity instruments	Contributed Deficit	Retained Earnings	Cash Flow Hedges	Financial Instruments at FVOCI	Total	Attributable to equity holders	Non-controlling interests	Total
Balance, beginning of period	505,876	147,440	(17,374)	2,483,309	21,617	(13,062)	8,555	3,127,806	10,379	3,138,185
Net Income	-	-	-	107,402	-	-	-	107,402	308	107,710
Realized loss on sale of shares, net of tax	-	-	-	(5,718)	-	-	-	(5,718)	-	(5,718)
Transfer of AOCI losses to retained earnings, net of tax	-	-	-	-	-	6,004	6,004	6,004	-	6,004
Transfer of AOCI losses to income, net of tax	-	-	-	-	-	94	94	94	-	94
Other comprehensive (loss) gain, net of tax	-	-	-	-	(5,603)	2,150	(3,453)	(3,453)	-	(3,453)
Exercise of stock options	460	-	-	-	-	-	-	460	-	460
Common shares repurchased and cancelled, net of tax	(275)	-	-	(1,832)	-	-	-	(2,107)	-	(2,107)
Issuance costs, net of tax	-	(80)	-	-	-	-	-	(80)	-	(80)
Dividends:										
Common shares	-	-	-	(18,846)	-	-	-	(18,846)	(849)	(19,695)
Put option – non-controlling interest	-	-	(1,131)	-	-	-	-	(1,131)	-	(1,131)
Stock-based compensation	-	-	1,167	-	-	-	-	1,167	-	1,167
Transfer relating to the exercise of stock options	99	-	(99)	-	-	-	-	-	-	-
Balance, end of period	506,160	147,360	(17,437)	2,564,315	16,014	(4,814)	11,200	3,211,598	9,838	3,221,436

Consolidated statements of cash flows (unaudited)

($000s) Three-month period ended	**January 31, 2026**	January 31, 2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	**79,531**	107,710
Adjustments for non-cash items in net income:		
Financial instruments at fair value through income	**(6,301)**	(20,498)
Amortization of premiums/discounts	**(2,597)**	(2,830)
Amortization of capital and intangible assets	**14,941**	14,823
Provision for credit losses	**39,128**	18,678
Securitization gains	**(16,138)**	(17,616)
Stock-based compensation	**686**	1,167
Income taxes	**29,772**	36,992
Securitization retained interests	**50,187**	39,957
Changes in operating assets and liabilities:		
Restricted cash	**443,146**	154,962
Securities purchased under reverse repurchase agreements	**(694,637)**	(539,896)
Loans receivable, net of securitizations	**717,010**	625,297
Other assets	**(30,752)**	(21,739)
Deposits	**892,641**	848,736
Securitization liabilities	**(280,365)**	(893,246)
Obligations under repurchase agreements	**(75,212)**	-
Funding facilities	**(877,436)**	(178,143)
Other liabilities	**43,924**	51,673
Income taxes paid	**(32,368)**	(39,231)
Cash flows from operating activities	**295,160**	186,796
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of common shares	**4,313**	460
Common shares repurchased	**(110,858)**	(2,107)
Limited recourse capital notes	**-**	(80)
Dividends paid on common shares	**(22,020)**	(19,695)
Cash flows used in financing activities	**(128,565)**	(21,422)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	**(36,424)**	(3,730)
Proceeds on sale or redemption of investments	**77,183**	31,366
Investment in associate	**(3,598)**	-
Net change in Canada Housing Trust re-investment accounts	**-**	41,409
Purchase of capital assets and system development costs	**(31,374)**	(16,043)
Cash flows from investing activities	**5,787**	53,002
Net increase in cash and cash equivalents	**172,382**	218,376
Cash and cash equivalents, beginning of period	**717,253**	591,641
Cash and cash equivalents, end of period	**889,635**	810,017
Supplemental statement of cash flows disclosures		
Cash flows from operating activities include:		
Interest received	**682,412**	709,697
Interest paid	**(354,014)**	(416,436)
Dividends received	**-**	218

About EQB Inc.
EQB Inc. (TSX: EQB) is a leading digital financial services company with $142 billion in combined assets under management and administration (as at January 31, 2026). It offers banking services through Equitable Bank, a wholly owned subsidiary and Canada's seventh largest bank by assets, and wealth management through ACM Advisors, a majority owned subsidiary specializing in alternative assets. As Canada's Challenger Bank™, Equitable Bank has a clear mission to drive change in Canadian banking to enrich people's lives. It leverages technology to deliver exceptional personal and commercial banking experiences and services to over 800,000 customers and more than six million credit union members through its businesses. Through its digital EQ Bank platform (eqbank.ca) its customers have named it one of Canada's top banks on the Forbes World's Best Banks list since 2021.

Please visit eqb.investorroom.com for more details.

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Cautionary Note Regarding Forward-Looking Statements

Statements made by EQB in the sections of this news release, in other filings with Canadian securities regulators and in other communications include forward-looking statements within the meaning of applicable securities laws (forward-looking statements). These statements include, but are not limited to, statements about EQB's objectives, strategies and initiatives, financial performance expectation, statements with respect to EQB's intention to renew and/or make share repurchases under its NCIB, and other statements made herein, whether with respect to EQB's businesses or the Canadian economy. Generally, forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "intends", "scheduled", "planned", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases which state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved", or other similar expressions of future or conditional verbs. These statements include, but are not limited to, statements with respect to the completion of transactions that are subject to customary closing conditions and regulatory approvals, EQB's ability to successfully integrate acquired business, the timing and expected benefits of such transactions, statements relating to the expected impact of the Acquisition (as defined herein), the anticipated benefits of the Acquisition,, including the expected impact on EQB'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 EQB's financial performance; expectations regarding EQB's business model, plans and strategy, the maintenance of CET1 ratio and changes in adjusted EPS; retention of PC Financial management and employees and the strategic fit and complementarity of PC Financial and Equitable Bank; anticipated synergies and estimated transaction and integration costs and the timing of incurrence thereof, as well as EQB'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 EQB representatives.

Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, closing of transactions, performance or achievements of EQB to be materially different from those expressed or implied by such forward-looking statements, including but not limited to statements with respect to the completion of transactions that are subject to customary closing conditions and regulatory approvals, EQB's ability to successfully integrate acquired businesses, the timing and expected benefits of such transactions, risks related to capital markets and additional funding requirements, fluctuating interest rates and general economic conditions including, without limitation global geopolitical risk, uncertainty arising from ongoing United States/Canada tariff concerns and related impacts, business acquisition, legislative and regulatory developments, changes in accounting standards, the nature of EQB's customers and rates of default, the successful and timely approval of the Acquisition, the integration of PC Financial 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 PC Financial; and competition as well as those factors discussed under the heading "Risk Management" in EQB's Q1 Management's Discussion and Analysis (MD&A) and in EQB's documents filed on SEDAR+ at www.sedarplus.ca.

All material assumptions used in making forward-looking statements are based on management's knowledge of current business conditions and expectations of future business conditions and trends, including their knowledge of the current credit, interest rate and liquidity conditions affecting EQB and the Canadian economy. Although EQB believes the assumptions used to make such statements are reasonable at this time and has attempted to identify in its continuous disclosure documents important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. Certain material assumptions are applied by EQB in making forward-looking statements, including without limitation, assumptions regarding its continued ability to fund its mortgage business, a continuation of the current level of economic uncertainty that affects real estate market conditions, continued acceptance of its products in the marketplace, as well as no material changes in its operating cost structure and the current tax regime. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. EQB does not undertake to update any forward-looking statements that are contained herein, except in accordance with applicable securities laws.

Non-Generally Accepted Accounting Principles (GAAP) Financial Measures and Ratios

To enable readers to better assess trends in underlying business performance and increase consistency with the reporting regimens used by other leading Canadian financial institutions, EQB provides adjusted results in parallel with reported measures. Adjusted results are non-GAAP financial measures that enable readers to assess underlying business results and trends. Adjustments listed below are presented on a pre-tax basis:

Q1 2026

- $5.8 million PC Financial acquisition and integration-related costs; and
- $2.0 million Concentra Bank and ACM acquisitions-related intangible asset amortization.

Q4 2025

- $21.8 million decrease in net interest income due to non-recurring fair value adjustments on covered bonds and interest on securitizations;
- $92.0 million restructuring, severance and impairment charges, of which $12.8 million reflects impairments on non-operating assets related to the equipment financing business and $79.2 million of restructuring charges including goodwill and intangible asset impairments and severance provisions;
- $8.7 million non-recurring transaction fees;
- $6.5 million professional fees related to the announced agreement to acquire PC Financial; and
- $2.0 million Concentra Bank and ACM acquisition related intangible asset amortization.

Q1 2025

- $2.8 million new office lease related expenses prior to occupancy,
- $1.8 million non-recurring operational effectiveness expenses and acquisition and integration-related costs,
- $2.0 million Concentra Bank and ACM acquisition related intangible asset amortization, and
- $5.0 million provision for credit losses associated with an equipment financing purchase facility.

The following table presents a reconciliation of GAAP reported financial results to non-GAAP adjusted financial results.

Reconciliation of reported and adjusted financial results	**For the three months ended**		
($000, except share and per share amounts)	**31-Jan-26**	**31-Oct-25**	**31-Jan-25**
Reported results			
Net interest income[(1)]	**263,440**	286,427	270,642
Non-interest revenue[(1)]	**43,354**	30,660	51,993
Revenue	**306,794**	317,087	322,635
Non-interest expense	**158,363**	261,472	159,255
Pre-provision pre-tax income[(2)]	**148,431**	55,615	163,380
Provision for credit loss	**39,128**	54,551	18,678
Income taxes	**29,772**	5,822	36,992
Net income (loss)	**79,531**	(4,758)	107,710
Net income (loss) attributable to common shareholders	**79,216**	(9,474)	107,402
Adjustments			
Net interest income – interests and covered bond fair value adjustments	**-**	(21,784)	-
Non-interest revenue – non-operating asset impairments	**-**	12,809	-
Non-interest expenses – PC Financial acquisition and integration-related costs	**(5,837)**	(6,505)	-
Non-interest expenses – Concentra Bank and ACM acquisition-related intangible asset amortization	**(1,969)**	(1,969)	(1,969)
Non-interest expenses – non-recurring operational effectiveness and acquisition-related costs[(3)]	**-**	-	(1,782)
Non-interest expenses – restructuring, severance, and impairments	**-**	(79,236)	-
Non-interest expenses – non-recurring transaction fees	**-**	(8,721)	-
Non-interest expenses – new office lease related costs	**-**	-	(2,789)
Provision for credit loss – equipment financing	**-**	-	(5,018)
Impact on net income before taxes from adjustments	**7,806**	87,456	11,558
Income taxes – tax impact on above adjustments[(4)]	**2,103**	19,215	3,039
Post-tax adjustments – net income	**5,703**	68,241	8,519
Adjustments attributed to minority interests	**(229)**	(228)	(261)
Post-tax adjustments – net income to common shareholders	**5,474**	68,013	8.258
Adjusted results			
Net interest income[(1)]	**263,440**	264,643	270,642
Non-interest revenue[(1)]	**43,354**	43,469	51,993
Revenue	**306,794**	308,112	322,635
Non-interest expense	**150,557**	165,041	152,715
Pre-provision pre-tax income[(2)]	**156,237**	143,071	169,920
Provision for credit loss	**39,128**	54,551	13,660
Income taxes	**31,875**	25,037	40,030
Net income	**85,234**	63,483	116,230
Net income attributable to common shareholders	**84,690**	58,539	115,662
Diluted earnings per share			
Weighted average diluted common shares outstanding	**37,465,645**	38,269,352	38,781,523
Diluted earnings per share – reported	**2.11**	(0.25)	2.77
Diluted earnings per share – adjusted	**2.26**	1.53	2.98
Diluted earnings per share – adjustment impact	**0.15**	1.78	0.21

(1) Effective November 1, 2024, interest income earned from retained interests and interest expense incurred on servicing liabilities are reclassed from Non-interest revenue to Net interest income. Prior period comparative figures have been updated to conform to current period presentation.
(2) This is a non-GAAP measure, see Non-GAAP financial measures and ratios section of this MD&A.
(3) Includes non-recurring operational effectiveness and acquisition and integration-related costs associated with Concentra Bank and ACM.
(4) Income tax expense associated with non-GAAP adjustment was calculated based on the statutory tax rate applicable for that period.

Other non-GAAP financial measures and ratios:

- **Adjusted efficiency ratio:** it is derived by dividing adjusted non-interest expenses by adjusted revenue. A lower adjusted efficiency ratio reflects a more efficient cost structure
- **Adjusted return on equity (ROE)** is calculated on an annualized basis and is defined as adjusted net income available to common shareholders as a percentage of weighted average common shareholders' equity (reported) outstanding during the period.
- **Assets under administration (AUA):** is sum of (1) assets over which EQB's subsidiaries have been named as trustee, custodian, executor, administrator, or other similar role; (2) loans held by credit unions for which EQB's subsidiaries act as servicer.
- **Assets under management (AUM):** is the sum of total balance sheet assets, loan principal derecognized but still managed by EQB, and assets managed on behalf on investors.
- **Loans under management (LUM):** is the sum of loan principal reported on the consolidated balance sheet and loan principal derecognized but still managed by EQB.
- **Net interest margin (NIM):** this profitability measure is calculated on an annualized basis by dividing net interest income by the average total interest earning assets for the period.
- **Pre-provision pre-tax income (PPPT):** this is the difference between revenue and non-interest expenses.
- **Total loan assets:** this is calculated on a gross basis (prior to allowance for credit losses) as the sum of both **Loans – Personal** and **Loans – Commercial** on the balance sheet.