Laurentian Bank of Canada reports 2022 results

The financial information reported herein is based on the condensed interim consolidated (unaudited) information for the threemonth period ended October 31, 2022 and on the audited consolidated financial statements for the year ended October 31, 2022, and has been prepared in accordance with International Financial Reporting standards (IFRS), as issued by the International Accounting Standards Board (IASB). All amounts are denominated in Canadian dollars. The Laurentian Bank of Canada and its entities are collectively referred to as “Laurentian Bank” or the “Bank” and provide deposit, investment, loan, securities, trust and other products or services. The Bank's 2022 Annual Report (which includes the Audited Consolidated Financial Statements and accompanying Management's Discussion & Analysis) will be available today on the Bank's website at www.lbcfg.ca and on SEDAR at www.sedar.com.

MONTREAL, Dec. 09, 2022 (GLOBE NEWSWIRE) -- Laurentian Bank of Canada reported net income of $226.6 million and diluted earnings per share of $4.95 for the year ended October 31, 2022, compared with $57.1 million and $1.03 for the year ended October 31, 2021. Return on common shareholders' equity was 8.9% for the year ended October 31, 2022, compared with 1.9% for the year ended October 31, 2021. Adjusted net income was $237.1 million and adjusted diluted earnings per share were $5.19 for the year ended October 31, 2022, compared with $211.2 million and $4.57 for the year ended October 31, 2021. Adjusted return on common shareholders' equity was 9.3% for the year ended October 31, 2022, compared with 8.3% for the same period a year ago. For the fourth quarter of 2022, net income was $55.7 million and diluted earnings per share were $1.26, compared with a net loss of $102.9 million and a diluted loss per share of $2.39 for the fourth quarter of 2021. Of note, reported results for the fourth quarter of 2021 included impairment and restructuring charges of $189.4 million ($148.5 million after income taxes), or $3.40 per share, related to the strategic review of the Bank's operations completed in the fourth quarter of 2021 and to the impairment of the Personal Banking segment. Return on common shareholders' equity was 8.7% for the fourth quarter of 2022, compared with (16.9)% for the fourth quarter of 2021. Adjusted net income was $57.8 million and adjusted diluted earnings per share were $1.31 for the fourth quarter of 2022, compared with $47.8 million and $1.06 for the fourth quarter of 2021. Adjusted return on common shareholders' equity was 9.0% for the fourth quarter of 2022, compared with 7.5% a year ago. “I am extremely pleased that we exceeded all of our financial targets in this first year of our three-year strategic plan,” said Rania Llewellyn, President & CEO. “Our solid results speak to the strength of our underlying business, our ongoing focus on cost discipline, our prudent approach to credit, and our continued efforts in executing against our plan. I would like to thank all Laurentian Bank team members for embracing our new purpose and living our core values as One Winning Team, and for your relentless focus on the customer as we enter into 2023 with momentum on our side.” For the three months ended For the year ended In millions of dollars, except per share and percentage amounts (Unaudited) October 31, 2022 October 31, 2021 Variance October 31, 2022 October 31, 2021 Variance Reported basis Net income (loss) $ 55.7 $ (102.9) n.m. $ 226.6 $ 57.1 297% Diluted earnings (loss) per share $ 1.26 $ (2.39) n.m. $ 4.95 $ 1.03 381% Return on common shareholders’ equity (1) 8.7% (16.9)% 8.9% 1.9% Efficiency ratio (2) 67.7% 142.3% 67.8% 87.8% Common Equity Tier 1 capital ratio (3) 9.1% 10.2% Adjusted basis Adjusted net income (4) $ 57.8 $ 47.8 21% $ 237.1 $ 211.2 12% Adjusted diluted earnings per share (1) $ 1.31 $ 1.06 24% $ 5.19 $ 4.57 14% Adjusted return on common shareholders’ equity (1) 9.0% 7.5% 9.3% 8.3% Adjusted efficiency ratio (1) 66.6% 65.5% 66.5% 68.2% (1) This is a non-GAAP ratio. For more information, refer to the Non-GAAP Financial and Other Measures section below and beginning on page 28 of the 2022 Annual Report, including the Management's Discussion and Analysis (MD&A) for the year ended October 31, 2022, which pages are incorporated by reference herein. The MD&A is available on SEDAR at www.sedar.com (2) This is a supplementary financial measure. For more information, refer to the Non-GAAP Financial below and beginning on page 28 of the 2022 Annual Report, including the MD&A for the year ended October 31, 2022, which pages are incorporated by reference herein. (3) In accordance with OSFI's “Capital Adequacy Requirements” guideline. (4) This is a non-GAAP financial measure. For more information, refer to the Non-GAAP Financial and Other Measures below and beginning on page 28 of the 2022 Annual Report, including the MD&Afor the year ended October 31, 2022, which pages are incorporated by reference herein. Highlights For the three months ended For the year ended In thousands of dollars, except per share and percentage amounts (Unaudited) October 31 2022 July 31 2022 Variance October 31 2021 Variance October 31 2022 October 31 2021 Variance Operating results Total revenue $257,142 $259,952 (1)% $ 250,431 3% $1,034,235 $1,002,457 3% Net income (loss) $ 55,650 $ 55,866 —%

$(102,876) n.m. $ 226,583 $ 57,069 297% Adjusted net income (1) $ 57,834 $ 58,153 (1)% $ 47,829 21% $ 237,078 $ 211,151 12% Operating performance Diluted earnings (loss) per share $ 1.26 $ 1.18 7% $ (2.39) n.m. $ 4.95 $ 1.03 381% Adjusted diluted earnings per share (2) $ 1.31 $ 1.24 6% $ 1.06 24% $ 5.19 $ 4.57 14% Return on common shareholders' equity (2) 8.7% 8.4% (16.9)% 8.9% 1.9% Adjusted return on common shareholders' equity (2) 9.0% 8.7% 7.5% 9.3% 8.3% Net interest margin (3) 1.77% 1.83% 1.83% 1.84% 1.85% Efficiency ratio (3) 67.7% 68.3% 142.3% 67.8% 87.8% Adjusted efficiency ratio (2) 66.6% 67.1% 65.5% 66.5% 68.2% Operating leverage (3) 0.8% (3.0)% (111.1)% 23.5% (16.7)% Adjusted operating leverage (2) 0.7% (2.8)% 4.2% 2.6% 5.8% Financial position ($ millions) Loans and acceptances $ 37,581 $ 36,571 3% $ 33,645 12% Total assets $ 50,717 $ 49,796 2% $ 45,077 13% Deposits $ 27,132 $ 26,675 2% $ 22,988 18% Common shareholders' equity (2) $ 2,514 $ 2,452 3% $ 2,353 7% Basel III regulatory capital ratios Common Equity Tier 1 (CET1) capital ratio (4) 9.1% 9.1% 10.2% CET1 risk-weighted assets ($ millions)(4) $ 23,909 $ 23,465 $ 20,007 Credit quality Gross impaired loans as a % of loans and acceptances (3) 0.42% 0.43% 0.75% Net impaired loans as a % of loans and acceptances (3) 0.28% 0.29% 0.49% Provision for credit losses as a % of average loans and acceptances (3) 0.19% 0.18% 0.30% 0.16% 0.15% Common share information Closing share price(5) $ 30.40 $ 41.79 (27)% $ 41.67 (27)% $ 30.40 $ 41.67 (27)% Price / earnings ratio (trailing four quarters)(3) 6.1 x 31.7 x 40.5 x 6.1 x 40.5 x Book value per share (2) $ 58.02 $ 56.70 2% $ 53.99 7% $ 58.02 $ 53.99 7% Dividends declared per share $ 0.45 $ 0.45 —% $ 0.40 13% $ 1.78 $ 1.60 11% Dividend yield (3) 5.9% 4.3% 3.8% 5.9% 3.8% Dividend payout ratio (3) 35.8% 37.9% n.m. 35.9% 154.9% Adjusted dividend payout ratio (2) 34.4% 36.3% 37.4% 34.2% 34.9% (1) This is a non-GAAP financial measure. For more information, refer to the Non-GAAP Financial and Other Measures section below and beginning on page 28 of the 2022 Annual Report, including the MD&A for the year ended October 31, 2022, which pages are incorporated by reference therein. (2) This is a non-GAAP ratio. For more information, refer to the Non-GAAP Financial and Other Measures section below and beginning on page 28 of the 2022 Annual Report, including the MD&A for the year ended October 31, 2022, which pages are is incorporated by reference therein. (3) This is a supplementary financial measure. For more information, refer to the Non-GAAP Financial and Other Measures section below and beginning on page 28 of the 2022 Annual Report, including the MD&A for the year ended October 31, 2022, which pages are incorporated by reference therein. (4) In accordance with OSFI's "Capital Adequacy Requirements" guideline. (5) Toronto Stock Exchange (TSX) closing market price. Non-GAAP Financial and Other Measures In addition to financial measures based on generally accepted accounting principles (GAAP), management uses non-GAAP financial measures to assess the Bank's underlying ongoing business performance. Non-GAAP financial measures presented throughout this document are referred to as "adjusted" measures and exclude amounts designated as adjusting items. Adjusting items include the amortization of acquisition-related intangible assets, and certain items of significance that arise from time to time which management believes are not reflective of underlying business performance. Non-GAAP financial measures are not standardized financial measures under the financial reporting framework used to prepare the financial statements of the Bank and might not be comparable to similar financial measures disclosed by other issuers. The Bank believes non-GAAP financial measures are useful to readers in obtaining a better understanding of how management assesses the Bank's performance and in analyzing trends. The following tables show a reconciliation of the non-GAAP financial measures to their most directly comparable financial measure that is disclosed in the primary financial statements of the Bank. RECONCILIATION OF NON-GAAP FINANCIAL MEASURES — CONSOLIDATED STATEMENT OF INCOME For the three months ended For the year ended In thousands of dollars (Unaudited) October 31 2022 July 31 2022 October 31 2021 October 31 2022 October 31 2021 Non-interest expenses $174,147 $177,479 $ 356,480 $701,661 $880,362 Adjusting items, before income taxes Amortization of acquisition-related intangible assets (1) 3,172 3,074 3,009 12,304 12,042 Strategic review-related charges (2) (237) — 96,067 1,828 96,067 Personal Banking segment impairment charges (3) — — 93,392 — 93,392 Restructuring charges (4) — — (88) — 2,385 Net gain on the settlement of pension plans resulting from annuity purchases (5) — — — — (7,064) 2,935 3,074 192,380 14,132 196,822 Adjusted non-interest expenses $171,212 $174,405 $ 164,100 $687,529 $683,540 Income (loss) before income taxes $ 65,146 $ 65,844 $(130,949) $275,696 $ 72,595 Adjusting items, before income taxes Adjusting items impacting non-interest expenses (detailed above) 2,935 3,074 192,380 14,132 196,822 Adjusted income before income taxes $ 68,081 $ 68,918 $ 61,431 $289,828 $269,417 Reported net income (loss) $ 55,650 $ 55,866 $(102,876) $226,583 $ 57,069 Adjusting items, net of income taxes Amortization of acquisition-related intangible assets (1) 2,359 2,287 2,248 9,152 9,001 Strategic review-related charges (2) (175) — 70,638 1,343 70,638 Personal Banking segment impairment charges (3) — — 77,884 — 77,884 Restructuring charges (4) — — (65) — 1,753 Net gain on the settlement of pension plans resulting from annuity purchases (5) — — — — (5,194) 2,184 2,287 150,705 10,495 154,082 Adjusted net income $ 57,834 $ 58,153 $ 47,829 $237,078 $211,151 Net income (loss) available to common shareholders $ 54,361 $ 51,265 $(104,231) $214,804 $ 44,804 Adjusting items, net of income taxes (detailed above) 2,184 2,287 150,705 10,495 154,082 Adjusted net income available to common shareholders $ 56,545 $ 53,552 $ 46,474 $225,299 $198,886 (1) Amortization of acquisition-related intangible assets results from business acquisitions and is included in the Noninterest expenses line item. (2) The strategic review-related charges are included in the Impairment and restructuring charges line-item and initially included in the fourth quarter of 2021 impairment charges, severance charges and charges related to lease and other contracts. In 2022, net charges mainly related to lease contracts following the completion of the reduction of leased corporate office premises in Montreal and Toronto, as well as to other updates to estimates initially recorded in 2021. (3) The Personal Banking segment impairment charges related to the impairment of the Personal Banking segment in 2021 as part of the annual goodwill impairment test. Impairment charges were included in the Impairment and restructuring charges line-item. (4) Restructuring charges mainly consisted of charges associated with the optimization of the branch network and the related streamlining of certain back-office and corporate functions, as well as to the resolution of the union grievances and complaints. Restructuring charges were included in the Impairment and restructuring charges line-item and included severance charges, salaries, legal fees, communication expenses, professional fees and charges related to lease contracts. (5) The net gain on the settlement of pension plans resulting from annuity purchases was related to the purchase (or buy-out) of group annuity contracts de-risking the Bank's pension plans and was included in the Non-interest expenses line item. RECONCILIATION OF NON-GAAP FINANCIAL MEASURES — CONSOLIDATED BALANCE SHEET For the three months ended For the year ended In thousands of dollars (Unaudited) October 31 2022 July 31 2022 October 31 2021 October 31 2022 October 31 2021 Shareholders' equity $ 2,781,103 $ 2,726,823 $ 2,640,870 $ 2,781,103 $ 2,640,870 Less: Preferred shares (122,071) (122,071) (122,071) (122,071) (122,071) Limited recourse capital notes (122,332) (121,543) (123,612) (122,332) (123,612) Cash flow hedges reserve(1) (22,607) (31,511) (42,095) (22,607) (42,095) Common shareholders' equity $ 2,514,093 $ 2,451,698 $ 2,353,092 $ 2,514,093 $ 2,353,092 Impact of averaging month-end balances (2) (32,795) (21,160) 99,451 (94,219) 45,225 Average common shareholders' equity $ 2,481,298 $ 2,430,538 $ 2,452,543 $ 2,419,874 $ 2,398,317 (1) The cash flow hedges reserve is presented in the Accumulated other comprehensive income line item. (2) Based on the month-end balances for the period. Consolidated Results Three months ended October 31, 2022 financial performance Net income was $55.7 million and diluted earnings per share were $1.26 for the fourth quarter of 2022, compared with a net loss of $102.9 million and a diluted loss per share of $2.39 for the fourth quarter of 2021. Of note, reported results for the fourth quarter of 2021 included impairment and restructuring charges of $189.4 million ($148.5 million after income taxes), or $3.40 per share, related to the strategic review of the Bank's operations completed in the fourth quarter of 2021 and to the impairment of the Personal Banking segment. Adjusted net income was $57.8 million and adjusted diluted earnings per share were $1.31 for the fourth quarter of 2022, compared with $47.8 million and $1.06 for the fourth quarter of 2021. Total revenue Total revenue of $257.1 million for the fourth quarter of 2022 increased by 3% compared with $250.4 million for the fourth quarter of 2021. Net interest income increased by $10.7 million or 6% to $183.8 million for the fourth quarter of 2022, compared with $173.1 million for the fourth quarter of 2021. The increase was mainly due to higher interest income stemming from commercial loans, partly offset by higher funding costs and lower mortgage pre-payment penalties. The net interest margin was 1.77% for the fourth quarter of 2022, a decrease of 6 basis points compared with the fourth quarter of 2021, mainly due to higher funding costs, loan repricing lags and lower mortgage prepayment penalties as a result of the rising interest rate environment, partly offset by favourable changes in our business mix. Other income decreased by $4.0 million or 5% to $73.3 million for the fourth quarter of 2022, compared with $77.3 million for the fourth quarter of 2021. The volatile market conditions unfavourably impacted financial markets revenue in the fourth quarter of 2022, including fees and securities brokerage commissions and income from mutual funds. Provision for credit losses The provision for credit losses was $17.8 million for the fourth quarter of 2022 compared with $24.9 million for the fourth quarter of 2021, an improvement of $7.1 million. The decrease is mainly due to lower provisions on performing loans as the Bank had recorded a $19.3 million provision in the fourth quarter of 2021 in relation to its investment loan portfolio, following the Bank’s strategic review. This was partly offset by higher provisions on impaired loans in the fourth quarter of 2022. The provision for credit losses as a percentage of average loans and acceptances stood at 19 bps for the quarter, compared to 30 bps for the same quarter a year ago. Refer to the “Credit risk management” section on pages 53 to 59 of the Bank's MD&A for the year ended October 31, 2022, and to Note 6 to the Consolidated Financial Statements for more information on provision for credit losses and allowances for credit losses. Non-interest expenses Non-interest expenses amounted to $174.1 million for the fourth quarter of 2022, a decrease of $182.3 million compared with the fourth quarter of 2021. In the fourth quarter of 2021, non-interest expenses included the aforementioned impairment and restructuring charges of $189.4 million. Adjusted non-interest expenses increased by $7.1 million or 4% to $171.2 million for the fourth quarter of 2022, compared with $164.1 million for the fourth quarter of 2021. Salaries and employee benefits amounted to $89.6 million for the fourth quarter of 2022, an increase of $1.9 million compared with the fourth quarter of 2021, mostly due to salary increases and talent acquisition to close foundational gaps, improve the customer experience, and support growth. This increase was partly offset by a one-time $2.9 million employee benefits subsidy arising from the Bank's U.S. activities. Premises and technology costs were $47.0 million for the fourth quarter of 2022, an increase of $1.6 million compared with the fourth quarter of 2021. The increase year-over-year is mainly due to higher technology costs as the Bank is investing in its infrastructure and closing foundational gaps. Other non-interest expenses were $37.8 million for the fourth quarter of 2022, an increase of $3.8 million compared with the fourth quarter of 2021, mainly resulting from higher professional and advisory services fees resulting from investments made to support the Bank's strategic plan, as well as higher advertising, business development and travel expenses. Efficiency ratio The efficiency ratio on a reported basis was 67.7% for the fourth quarter of 2022, compared with 142.3% for the fourth quarter of 2021. The decrease year-over-year is mainly due to the aforementioned impairment and restructuring charges recorded in the fourth quarter of 2021. The adjusted efficiency ratio was 66.6% for the fourth quarter of 2022, compared to 65.5% for the fourth quarter of 2021. The increase yearover-year is due to the increase in adjusted non-interest expenses. Income taxes For the quarter ended October 31, 2022, income taxes were $9.5 million, and the effective tax rate was 15%. The lower effective tax rate, compared to the statutory rate, is attributed to a lower taxation level of income from foreign operations, as well as from the favourable effect of holding investments in Canadian securities that generate non-taxable dividend income. For the quarter ended October 31, 2021, the income tax recovery was $28.1 million, and the effective tax rate was 21%. Three months ended October 31, 2022 compared with three months ended July 31, 2022 Net income was $55.7 million and diluted earnings per share were $1.26 for the fourth quarter of 2022, compared with net income of $55.9 million and diluted earnings per share of $1.18 for the third quarter of 2022. Adjusted net income was $57.8 million and adjusted diluted earnings per share were $1.31 for the fourth quarter of 2022, compared with $58.2 million and $1.24 for the third quarter of 2022. Total revenue decreased by $2.8 million to $257.1 million for the fourth quarter of 2022, compared with $260.0 million for the previous quarter. Net interest income decreased by $4.7 million sequentially to $183.8 million, mainly due to higher funding costs, loan repricing lags and lower mortgage prepayment penalties as a result of the rising interest rate environment, partly offset by favourable changes in our business mix. Net interest margin was 1.77% for the fourth quarter of 2022, a decrease of 6 basis points compared with 1.83% for the third quarter of 2022, mainly as a result of the aforementioned reasons. Other income amounted to $73.3 million for the fourth quarter of 2022, an increase of $1.9 million compared with $71.4 million for the previous quarter. The increase resulted from higher income from fees and securities brokerage commissions and card service revenues, partly offset by lower income from financial instruments. Provision for credit losses was $17.8 million for the fourth quarter of 2022, an increase of $1.2 million compared with $16.6 million for the third quarter of 2022. The increase is due to higher provisions on impaired loans partly offset by lower provisions on performing loans. Non-interest expenses decreased by $3.3 million to $174.1 million for the fourth quarter of 2022 from $177.5 million in the third quarter of 2022. The decrease mostly stems from the aforementioned one-time $2.9 million employee benefits subsidy and favourable seasonal reversal related to vacation accruals, lower employee benefits, as well as lower performance-based compensation. This was partly offset by higher technology costs, advertising, business development and travel expenses. Financial Condition As at October 31, 2022, total assets amounted to $50.7 billion, a 13% increase from $45.1 billion as at October 31, 2021, due to the higher level of both loans and liquid assets. Liquid assets As at October 31, 2022, liquid assets amounted to $11.8 billion, an increase of $1.9 billion compared with $9.9 billion as at October 31, 2021. Liquid assets is a supplementary financial measure and consist of cash, deposits with banks, securities and securities purchased under reverse repurchase agreements. The Bank continues to prudently manage its level of liquid assets. The Bank's funding sources remain well diversified and sufficient to meet all liquidity requirements. Liquid assets represented 23% of total assets as at October 31, 2022, an increase of 1% since October 31, 2021. Loans Loans and bankers' acceptances, net of allowances, stood at $37.4 billion as at October 31, 2022, an increase of $3.9 billion or 12% since October 31, 2021. During 2022, strong commercial loan growth and an increase in residential mortgage loans was partly offset by a decrease in personal loans. Commercial loans and acceptances amounted to $18.2 billion as at October 31, 2022, an increase of $4.1 billion or 29% since October 31, 2021. The increase resulted mainly from strong growth in both inventory financing and real estate lending, which increased by $2.4 billion and $1.4 billion respectively. Personal loans of $3.3 billion as at October 31, 2022 decreased by $0.4 billion from October 31, 2021, mainly as a result of a decline in the investment loan portfolio driven by volatile market conditions. Residential mortgage loans of $16.2 billion as at October 31, 2022 increased by $0.3 billion or 2% from October 31, 2021. Throughout 2022, the Bank continued its efforts to improve its mortgage processes. Deposits Deposits increased by $4.1 billion or 18% to $27.1 billion as at October 31, 2022 compared with $23.0 billion as at October 31, 2021. Personal deposits stood at $22.2 billion as at October 31, 2022, up $4.1 billion compared with October 31, 2021 mostly due to deepening and expanding relationships with advisors and brokers which led to higher personal notice and demand deposits, as well as term deposits. Personal deposits represented 82% of total deposits as at October 31, 2022, compared with 79% as at October 31, 2021, and contributed to the Bank's good liquidity position. Business and other deposits increased by $0.1 billion over the same period to $4.9 billion, due to an increase in wholesale funding which included a $0.3 billion issuance of covered bonds in April 2022. Debt related to securitization activities Debt related to securitization activities increased by $0.9 billion or 8% compared with October 31, 2021 and stood at $12.2 billion as at October 31, 2022.

Since the beginning of the year, new mortgage loan securitization through the CMHC programs, supplemented by other secured funding, more than offset maturities, as well as normal repayments. For additional information on the Bank's securitization activities, please refer to Notes 7 and 14 to the Consolidated Financial Statements. Subordinated debt Subordinated debt stood at $336.6 million as at October 31, 2022, compared with $349.8 million as at October 31, 2021, as the issuance on March 25, 2022 of $350.0 million of notes maturing in June 2032 was offset by the early redemption on June 22, 2022 of the notes maturing in June 2027. Subordinated debt is an integral part of the Bank's regulatory capital and affords its depositors additional protection, as further detailed in the Capital Management section below. Shareholders' equity and regulatory capital Shareholders' equity amounted to $2,781.1 million as at October 31, 2022, compared with $2,640.9 million as at October 31, 2021. Compared to October 31, 2021, retained earnings increased by $127.1 million, mainly as a result of the net income contribution of $226.6 million, partly offset by dividends. The Bank also repurchased 401,200 common shares under its Normal Course Issuer Bid, which reduced common shares by $10.8 million and retained earnings by $6.4 million in 2022. For additional information, please refer to the Capital Management section of the Bank's MD&A and to the Consolidated Statement of Changes in Shareholders' Equity for the period ended October 31, 2022. The Bank's book value per common share was $58.02 as at October 31, 2022 compared to $53.99 as at October 31, 2021. The Common Equity Tier 1 capital ratio stood at 9.1% as at October 31, 2022, compared with 10.2% as at October 31, 2021, in excess of the minimum regulatory requirement and the Bank's target management levels. The decrease since the beginning of the year mainly results from growth in risk-weighted assets, given the strong growth in commercial loans, partly offset by internal capital generation. This level of capital provides the necessary flexibility to support the Bank's strategic plan. On December 8, 2022, the Board of Directors declared a quarterly dividend of $0.46 per common share, payable on February 1, 2023, to shareholders of record on January 4, 2023. This quarterly dividend increased by 2% compared with the dividend declared in the previous quarter and 15% higher compared with the dividend declared in the previous year. The Board also determined that shares attributed under the Bank's Shareholder Dividend Reinvestment and Share Purchase Plan will be made in common shares issued from Corporate Treasury with a 2% discount. Condensed Interim Consolidated Financial Statements (unaudited) Consolidated Balance Sheet In thousands of dollars (Unaudited) As at October 31 2022 As at October 31 2021 Assets Cash and non-interest bearing deposits with banks $ 79,702 $ 69,002 Interest-bearing deposits with banks 1,811,221 598,121 Securities At amortized cost 3,004,405 3,189,455 At fair value through profit or loss (FVTPL) 2,993,434 3,050,658 At fair value through other comprehensive income (FVOCI) 186,622 259,080 6,184,461 6,499,193 Securities purchased under reverse repurchase agreements 3,727,752 2,764,281 Loans Personal 3,266,635 3,681,341 Residential mortgage 16,157,480 15,856,999 Commercial 18,057,146 14,106,423 Customers' liabilities under acceptances 99,800 — 37,581,061 33,644,763 Allowances for loan losses (193,476) (195,056) 37,387,585 33,449,707 Other Derivatives 312,538 263,014 Premises and equipment 121,227 100,576 Software and other intangible assets 294,438 278,295 Goodwill 83,710 78,429 Deferred tax assets 71,533 58,492 Other assets 642,591 917,914 1,526,037 1,696,720 $ 50,716,758 $ 45,077,024 Liabilities and shareholders' equity Deposits Personal $ 22,234,036 $ 18,151,044 Business, banks and other 4,897,770 4,837,185 27,131,806 22,988,229 Other Obligations related to securities sold short 3,221,358 3,251,682 Obligations related to securities sold under repurchase agreements 2,924,295 2,771,474 Acceptances 99,800 — Derivatives 808,958 153,069 Deferred tax liabilities 54,255 48,244 Other liabilities 1,166,208 1,618,144 8,274,874 7,842,613 Debt related to securitization activities 12,192,422 11,255,530 Subordinated debt 336,553 349,782 Shareholders' equity Preferred shares 122,071 122,071 Limited recourse capital notes 122,332 123,612 Common shares 1,167,549 1,172,722 Retained earnings 1,322,381 1,195,264 Accumulated other comprehensive income 42,045 23,534 Share-based compensation reserve 4,725 3,667 2,781,103 2,640,870 $ 50,716,758 $ 45,077,024 Consolidated Statement of Income For the three months ended For the year ended In thousands of dollars, except per share amounts (Unaudited) October 31 2022 July 31 2022 October 31 2021 October 31 2022 October 31 2021 Interest and dividend income Loans $ 424,369 $347,419 $ 272,606 $ 1,336,332 $ 1,118,161 Securities 21,454 15,925 11,499 60,792 45,661 Deposits with banks 8,582 4,284 425 14,462 1,821 Other, including derivatives 8,775 12,544 19,751 62,772 87,672 463,180 380,172 304,281 1,474,358 1,253,315 Interest expense Deposits 175,283 125,404 82,204 467,810 364,291 Debt related to securitization activities 62,537 54,313 44,366 207,183 175,964 Subordinated debt 4,598 6,751 3,835 20,486 15,208 Other, including derivatives 36,938 5,200 781 45,543 5,511 279,356 191,668 131,186 741,022 560,974 Net interest income 183,824 188,504 173,095 733,336 692,341 Other income Lending fees 17,356 17,087 17,581 69,068 69,446 Fees and securities brokerage commissions 13,105 10,686 16,886 50,652 64,226 Income from mutual funds 11,087 11,408 13,075 48,022 49,088 Income from financial instruments 4,289 9,606 5,502 31,771 29,590 Service charges 7,334 7,364 7,693 29,815 30,746 Card service revenues 8,760 5,821 7,578 28,834 27,342 Fees on investment accounts 3,304 3,251 3,360 14,094 15,509 Insurance income, net 2,094 1,982 2,018 8,978 10,219 Other 5,989 4,243 3,643 19,665 13,950 73,318 71,448 77,336 300,899 310,116 Total revenue 257,142 259,952 250,431 1,034,235 1,002,457 Provision for credit losses 17,849 16,629 24,900 56,878 49,500 Non-interest expenses Salaries and employee benefits 89,595 100,076

87,655 386,157 370,400 Premises and technology 47,008 44,244 45,449 179,946 193,005 Other 37,781 33,159 34,005 133,730 125,113 Impairment and restructuring charges (237) — 189,371 1,828 191,844 174,147 177,479 356,480 701,661 880,362 Income (loss) before income taxes 65,146 65,844 (130,949) 275,696 72,595 Income taxes 9,496 9,978 (28,073) 49,113 15,526 Net income (loss) $ 55,650 $ 55,866 $(102,876) $ 226,583 $ 57,069 Preferred share dividends and limited recourse capital note interest 1,289 4,601 1,355 11,779 12,265 Net income (loss) available to common shareholders $ 54,361 $ 51,265 $(104,231) $ 214,804 $ 44,804 Earnings per share Basic $ 1.26 $ 1.19 $ (2.39) $ 4.96 $ 1.03 Diluted $ 1.26 $ 1.18 $ (2.39) $ 4.95 $ 1.03 Dividends per common share $ 0.45 $ 0.45 $ 0.40 $ 1.78 $ 1.60 Consolidated Statement of Comprehensive Income For the three months ended For the year ended In thousands of dollars (Unaudited) October 31 2022 July 31 2022 October 31 2021 October 31 2022 October 31 2021 Net income (loss) $ 55,650 $55,866 $(102,876) $ 226,583 $ 57,069 Other comprehensive income (loss), net of income taxes Items that may subsequently be reclassified to the Statement of Income Net change in debt securities at FVOCI Unrealized net losses on debt securities at FVOCI (334) (282) (217) (1,432) (1,271) Reclassification of net (gains) losses on debt securities at FVOCI to net income 132 248 (36) 532 (235) (202) (34) (253) (900) (1,506) Net change in value of derivatives designated as cash flow hedges (8,904) 3,890 3,681 (19,488) (1,498) Net foreign currency translation adjustments Net unrealized foreign currency translation gains (losses) on investments in foreign operations 51,301 (2,409) (5,235) 68,662 (35,949) Net gains (losses) on hedges of investments in foreign operations (23,495) 3,049 1,957 (29,763) 10,272 27,806 640 (3,278) 38,899 (25,677) 18,700 4,496 150 18,511 (28,681) Items that may not subsequently be reclassified to the Statement of Income Remeasurement gains on employee benefit plans 5,568 2,143 4,465 16,852 30,877 Net gains (losses) on equity securities designated at FVOCI (8,924) (1,847) 7,277 (20,802) 39,050 (3,356) 296 11,742 (3,950) 69,927 Total other comprehensive income, net of income taxes 15,344 4,792 11,892 14,561 41,246 Comprehensive income (loss) $ 70,994 $60,658 $ (90,984) $ 241,144 $ 98,315 Income Taxes — Other Comprehensive Income The following table shows income tax expense (recovery) for each component of other comprehensive income. For the three months ended For the year ended In thousands of dollars (Unaudited) October 31 2022 July 31 2022 October 31 2021 October 31 2022 October 31 2021 Net change in debt securities at FVOCI Unrealized net losses on debt securities at FVOCI $ (121) $ (101) $ (178) $ (516) $ (558) Reclassification of net (gains) losses on debt securities at FVOCI to net income 48 89 (13) 192 (85) (73) (12) (191) (324) (643) Net change in value of derivatives designated as cash flow hedges (3,207) 1,399 1,324 (7,022) (543) Net foreign currency translation adjustments Net gains (losses) on hedges of investments in foreign operations 230 366 (6) 262 (159) Remeasurement gains on employee benefit plans 2,005 772 1,608 6,068 11,119 Net gains (losses) on equity securities designated at FVOCI (3,218) (666) 2,652 (7,976) 14,108 $ (4,263) $1,859 $ 5,387 $ (8,992) $ 23,882 Consolidated Statement of Changes in Shareholders' Equity For the year ended October 31, 2022Accumulated other comprehensive income Share-based compensation reserve Total shareholders' equityIn thousands of dollars (Unaudited) Preferred shares Limited Recourse Capital Notes Common shares Retained earnings Debt securities at FVOCI Cash flow hedges Translation of foreign operations Total Balance as at October 31, 2021 $122,071$123,612 $1,172,722 $1,195,264 $ 278 $ 42,095 $(18,839) $ 23,534 $ 3,667 $2,640,870 Net income 226,583 226,583 Other comprehensive income, net of income taxes Unrealized net losses on debt securities at FVOCI (1,432) (1,432) (1,432) Reclassification of net losses on debt securities 532 532 532 at FVOCI to net income Net change in value of derivatives designated as cash flow hedges (19,488) (19,488) (19,488) Net unrealized foreign currency translation gains on investments in foreign operations 68,662 68,662 68,662 Net losses on hedges of investments in foreign operations (29,763) (29,763) (29,763) Remeasurement gains on employee benefit plans 16,852 16,852 Net losses on equity securities designated at FVOCI (20,802) (20,802) Comprehensive income 222,633 (900) (19,488) 38,899 18,511 241,144 Net purchase of treasury limited recourse capital notes (1,280) (203) (1,483) Issuance of common shares 5,622 5,622 Repurchase of common shares for cancellation (10,795) (6,419) (17,214) Share-based compensation 1,058 1,058 Dividends and other Preferred shares and limited recourse capital notes (11,779) (11,779) Common shares (77,115) (77,115) Balance as at October 31, 2022 $122,071$122,332 $1,167,549 $1,322,381 $ (622) $ 22,607 $ 20,060 $ 42,045 $ 4,725 $2,781,103 For the year ended October 31, 2021 Accumulated Other Comprehensive Income Share-based compensation reserve Total shareholders' equity In thousands of dollars (Unaudited) Preferred shares Limited recourse capital notes Common shares Retained earnings Debt securities at FVOCI Cash flow hedges Translation of foreign operations Total Balance as at October 31, 2020 $ 244,038 $ —$1,159,488$1,152,973 $ 1,784 $43,593 $ 6,838 $ 52,215 $ 2,527 $2,611,241 Net income 57,069 57,069 Other comprehensive income, net of income taxes Unrealized net losses on debt (1,271) (1,271) (1,271) securities at FVOCI Reclassification of net gains on debt securities at FVOCI to net income (235) (235) (235) Net change in value of derivatives designated as cash flow hedges (1,498) (1,498) (1,498) Net unrealized foreign currency translation losses on investments in foreign operations (35,949) (35,949) (35,949) Net gains on hedges of investments in foreign operations 10,272 10,272 10,272 Remeasurement gains on employee benefit plans 30,877 30,877 Net gains on equity securities designated at FVOCI 39,050 39,050 Comprehensive income 126,996 (1,506) (1,498) (25,677) (28,681) 98,315 Issuance of common shares 13,234 13,234

Issuance of limited recourse capital notes 123,612 123,612 Repurchase of share capital (121,967) (3,033) (125,000) Share-based compensation 1,140 1,140 Dividends Preferred shares (12,265) (12,265) Common shares (69,407) (69,407) Balance as at October 31, 2021 $ 122,071 $123,612$1,172,722$1,195,264 $ 278 $42,095 $ (18,839) $ 23,534 $ 3,667 $2,640,870

Caution Regarding Forward-Looking Statements

From time to time, Laurentian Bank of Canada and, as applicable its subsidiaries (collectively referred to as the “Bank”) will make written or oral forward-looking statements within the meaning of applicable Canadian and United States (U.S.) securities legislation, including such as those contained in this document (and in the documents incorporated by reference herein), and in other documents filed with Canadian or U.S. regulatory authorities, in reports to shareholders, and in other written or oral communications. These forward-looking statements are made in accordance with the “safe harbor” provisions of, and are intended to be forward-looking statements in accordance with, applicable Canadian and U.S. securities legislation. They include, but are not limited to, statements regarding the Bank's vision, strategic goals, business plans and strategies, priorities and financial performance objectives; the economic and market review and outlook for Canadian, U.S., European, and global economies; the regulatory environment in which the Bank operates; the risk environment, including, credit risk, liquidity, and funding risks; the impact of COVID-19, the statements under the headings “Outlook”, “Impact of COVID-19” and “Risk Appetite and Risk Management Framework” contained in the 2022 Annual Report for the year ended October 31, 2022 (the “2022 Annual Report”), including the Management’s Discussion and Analysis for the fiscal year ended October 31, 2022; and other statements that are not historical facts. Forward-looking statements typically are identified with words or phrases such as “believe”, “assume”, “estimate”, “forecast”, “outlook”, “project”, “vision”, “expect”, “foresee”, “anticipate”, “intend”, “plan”, “goal”, “aim”, “target”, and expressions of future or conditional verbs such as “may”, “should”, “could”, “would”, “will”, “intend” or the negative of any of these terms, variations thereof or similar terminology. By their very nature, forward-looking statements require the Bank to make assumptions and are subject to inherent risks and uncertainties, both general and specific in nature, which give rise to the possibility that the Bank's predictions, forecasts, projections, expectations, or conclusions may prove to be inaccurate; that the Bank's assumptions may be incorrect (in whole or in part); and that the Bank's financial performance objectives, visions, and strategic goals may not be achieved. Forward-looking statements should not be read as guarantees of future performance or results, or indications of whether or not actual results will be achieved. Material economic assumptions underlying such forward-looking statements are set out in the 2022 Annual Report under the heading “Outlook”, which assumptions are incorporated by reference herein. We caution readers against placing undue reliance on forward-looking statements, as a number of factors, many of which are beyond the Bank's control and the effects of which can be difficult to predict or measure, could influence, individually or collectively, the accuracy of the forward-looking statements and cause the Bank's actual future results to differ significantly from the targets, expectations, estimates or intentions expressed in the forward-looking statements. These factors include, but are not limited to, risks relating to: credit; market; liquidity and funding; insurance; operational; regulatory compliance (which could lead to the Bank being subject to various legal and regulatory proceedings, the potential outcome of which could include regulatory restrictions, penalties, and fines); strategic; reputation; legal and regulatory environment; competitive and systemic risks; supply chain disruptions; geopolitical events and uncertainties; government sanctions; conflict, war, or terrorism; and other significant risks discussed in the risk-related portions of the Bank's 2022 Annual Report, such as those related to: the ongoing and potential impacts of COVID-19 on the Bank's business, financial condition and prospects; Canadian and global economic conditions (including the risk of higher inflation and rising interest rates); geopolitical issues; Canadian housing and household indebtedness; technology, information systems and cybersecurity; technological disruption, privacy, data and third-party related risks; competition and the Bank's ability to execute on its strategic objectives; the economic climate in the U.S. and Canada; digital disruption and innovation (including, emerging fintech competitors); Interbank offered rate (IBOR) transition; changes in currency and interest rates (including the possibility of negative interest rates); accounting policies, estimates and developments; legal and regulatory compliance and changes; changes in government fiscal, monetary and other policies; tax risk and transparency; modernization of Canadian payment systems; fraud and criminal activity; human capital; insurance; business continuity; business infrastructure; emergence of widespread health emergencies or public health crises; emergence of COVID-19 variants; environmental and social risks; including climate change; and the Bank's ability to manage, measure or model operational, regulatory, legal, strategic or reputational risks, all of which are described in more detail in the section titled “Risk Appetite and Risk Management Framework” beginning on page 48 of the 2022 Annual Report, including the Management’s Discussion and Analysis for the fiscal year ended October 31, 2022, which information is incorporated by reference herein. The Bank further cautions that the foregoing list of factors is not exhaustive. When relying on the Bank's forward-looking statements to make decisions involving the Bank, investors and others should carefully consider the foregoing factors, uncertainties, and current and potential events. Any forward-looking statements contained herein or incorporated by reference represent the views of management only as at the date such statements were or are made, are presented for the purposes of assisting investors, financial analysts, and others in understanding certain key elements of the Bank's financial position, current objectives, strategic priorities, expectations and plans, and in obtaining a better understanding of the Bank's business and anticipated financial performance and operating environment and may not be appropriate for other purposes. The Bank does not undertake any obligation to update any forward-looking statements made by the Bank or on its behalf whether as a result of new information, future events or otherwise, except to the extent required by applicable securities regulations and laws. Additional information relating to the Bank can be located on the SEDAR website at www.sedar.com.

Access to Quarterly Results Materials

This press release can be found on the Bank's website at www.lbcfg.ca, under the Press Room tab, and the Bank's Report to Shareholders, Investor Presentation and Supplementary Financial Information under the Investor Centre tab, Financial Results.

Conference Call

Laurentian Bank of Canada invites media representatives and the public to listen to the conference call to be held at 9:00 a.m. (ET) on December 9, 2022. The live, listen-only, toll-free, call-in number is 1-888-664-6392, code 67702055. A live webcast will also be available on the Group's website under the Investor Centre tab, Financial Results. The conference call playback will be available on a delayed basis from 12:00 p.m. (ET) on December 9, 2022, until 12:00 p.m. (ET) on January 8, 2023, on our website under the Investor Centre tab, Financial Results. The presentation material referenced during the call will be available on our website under the Investor Centre tab, Financial Results.

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About Laurentian Bank

At Laurentian Bank, we believe we can change banking for the better. By seeing beyond numbers. Founded in Montréal in 1846, Laurentian Bank helps families, businesses and communities thrive. Today, we have approximately 3,000 employees working together as one team, to provide a broad range of financial services and advice-based solutions for customers across Canada and the United States. We protect, manage and grow $50.7 billion in balance sheet assets and $27.2 billion in assets under administration. We drive results by placing our customers first, making the better choice, acting courageously, and believing everyone belongs.

https://news.laurentianbank.ca/2022-12-09-Laurentian-Bank-of-Canada-reports-2022-results