

Laurentian Bank Announces Filing of Circular for Special Meeting of Shareholders

- *The Board of Directors of Laurentian Bank unanimously recommends that Shareholders vote IN FAVOUR of the Transaction Resolution by voting "FOR".*
- *Your vote is important no matter how many shares you own.*
- *Shareholders who have questions or need assistance with voting their shares should contact Laurentian Bank's proxy solicitation agent and shareholder communications advisor, Laurel Hill Advisory Group by telephone at 1-877-452-7184 (toll free calls in North America), 1-416-304-2011 (collect calls outside North America), by texting "INFO" at 1-877-452-7184 or 416-304-0211 or by email at assistance@laurelhill.com.*

MONTREAL, Jan. 12, 2026 /CNW/ - Laurentian Bank of Canada (TSX: LB) ("**Laurentian Bank**") today announced that it has filed its management proxy circular (the "**Circular**") and related materials in connection with its upcoming special meeting (the "**Meeting**") of holders of common shares (the "**Shareholders**") to approve the Acquisition Transaction (as defined below). The Circular is available on Laurentian Bank's profile on the System for Electronic Data Analysis and Retrieval + (SEDAR+) at www.sedarplus.com and on Laurentian Bank's website at <https://www.laurentianbank.ca/en/about-us/investor-relations/special-meeting-of-shareholders>.

Details of the Meeting

The Meeting is scheduled to be held on February 5, 2026 at 9:30 a.m. (Eastern Time) virtually via live webcast online at <https://meetings.lumiconnect.com/400-449-864-676> and in person at LUMI, 1250 René-Lévesque Boulevard West, suite 3610, Montréal, Québec, H3B 4W8. Shareholders of record as of the close of business on December 23, 2025 are entitled to receive notice of and to vote their common shares of Laurentian Bank ("**Common Shares**") at the Meeting. Details of the Meeting and how Shareholders or their duly appointed proxyholders can attend and vote at the Meeting are set out in the Circular. Shareholders are encouraged to vote well in advance of the Meeting.

The Transactions

As previously announced on December 2, 2025, National Bank of Canada (directly or through one or more affiliates) ("**National Bank**") has entered into a definitive agreement to acquire certain assets and assume certain liabilities related to Laurentian Bank's retail and SME banking sectors (the "**Retail/SME Transaction**").

In parallel, Fairstone Bank of Canada ("**Fairstone Bank**"), Canada's leading alternative lender and a Schedule I bank, has entered into a definitive agreement (the "**Transaction Agreement**") to acquire all of the issued and outstanding Common Shares (the "**Acquisition Transaction**" and, collectively with the Retail/SME Transaction, the "**Transactions**"). Under the terms of the Transaction Agreement, immediately following the closing of the Retail/SME Transaction, Fairstone Bank will acquire all of the issued and outstanding Common Shares at a price per share of \$40.50, in cash (the "**Consideration**"), representing a premium of approximately 20% over the closing price of the Common Shares of \$33.76 on the Toronto Stock Exchange on December 1, 2025, the last trading day prior to the announcement of the Acquisition Transaction, and a premium of approximately 22% over the 20-day volume-weighted average trading price of the Common Shares for the period ended on December 1, 2025. The total cash consideration payable under the Acquisition Transaction is approximately \$1.9 billion.

Laurentian Bank's board of directors (the "**Board**"), having taken into account such factors and matters as it considered relevant, including, among other things, the unanimous recommendation of a special committee of independent directors of Laurentian Bank (the "**Special Committee**") (as described in the Circular), and after receiving outside legal and financial advice, unanimously determined that the Transactions are in the best interests of Laurentian Bank and that the Acquisition Transaction is fair to the Shareholders. **After careful consideration of the Transactions, the Board has unanimously approved the Transactions and UNANIMOUSLY recommends that Shareholders vote IN FAVOUR of the Acquisition Transaction by voting FOR the resolution relating to the Acquisition Transaction (the "Transaction Resolution").**

Reasons for the Recommendation

The following is a summary of the principal reasons for the unanimous recommendation of the Special Committee IN FAVOUR of the Acquisition Transaction and the unanimous recommendation of the Board that Shareholders vote FOR the Transaction Resolution.

- **All Cash Consideration and Immediate Liquidity to Shareholders.** The Consideration will be paid to the Shareholders entirely in cash, which provides Shareholders with certainty of value and immediate liquidity (and without incurring brokerage and other costs typically associated with market sales).
- **Fairness Opinions.** The Special Committee and the Board took into account fairness opinions provided by each of J.P. Morgan, as lead financial advisor to Laurentian Bank, and Blair Franklin Capital Partners Inc., as independent financial advisor to the Special Committee, to the effect that, as of December 2, 2025, and based upon and subject to the various assumptions, limitations, and qualifications set forth therein, the Consideration to be paid to the Shareholders for their Common Shares under the Acquisition Transaction is fair, from a financial point of view, to the Shareholders.
- **Support for the Acquisition Transaction.** La Caisse, which holds approximately 8% of the Common Shares, has entered into a voting and support agreement under which it has agreed, subject to the terms thereof, to vote all of its Common Shares in favour of the Acquisition Transaction. In addition, each of the directors and Executive Office members of Laurentian Bank, who collectively hold less than 1% of the outstanding Common Shares, have entered into customary voting agreements pursuant to which they have agreed, subject to the terms thereof, to vote all of their Common Shares in favour of the Acquisition Transaction.
- **Head Office Commitments.** Fairstone Bank has agreed under the Transaction Agreement to (i) maintain the head office of Laurentian Bank in the Province of Québec, and (ii) move the head office of Fairstone Bank to the Province of Québec on or prior to the closing of the Transactions.
- **Benefits of the Acquisition Transaction and Retail/SME Transaction.** Joining forces with Fairstone Bank will allow Laurentian Bank to grow its specialized commercial business, while maintaining its brand identity and head office in Montréal, where it was founded over 175 years ago. The Retail/SME Transaction will mitigate the effect of Laurentian Bank's unilateral decision to exit from the retail and SME sectors on its clients, who will experience no disruption of services and who are expected to benefit from National Bank's enhanced offering of retail and business banking solutions, including deposits, loans and investments. They will also be served through National Bank's leading digital services, expanded product and service offerings, and a broader branch network and business banking teams.
- **Alternatives to the Acquisition Transaction.** The Special Committee and the Board, after consultation with outside financial and legal advisors, determined that it was unlikely that any person or group would be willing and able to propose a transaction that offered consideration, timeline to announcement, and other terms more favourable to Laurentian Bank, Shareholders and other Laurentian Bank stakeholders than those of the Acquisition Transaction. The Special Committee and the Board also considered the publicly disclosed 2023 strategic review, which concluded in late 2023 and failed to result in an executable transaction.
- **Continued Payment of Regular Dividends.** The Transaction Agreement allows Laurentian Bank to, and Laurentian Bank expects to continue to, declare and pay its regular quarterly cash dividend prior to the closing of the Transactions, if, as and when declared by the Board.

A full description of the information and factors considered by the Special Committee and the Board are included in the Circular under the heading "Reasons for the Recommendation".

Shareholder Questions and Voting Assistance

If you have any questions about the information contained in this press release or in the Circular, or if you require assistance with the procedure for voting or in completing the form of proxy or voting instruction form mailed with the Circular, please contact Laurentian Bank's proxy solicitation agent and shareholder communications advisor, Laurel Hill Advisory Group, by: (a) toll free calls in North America at 1-877-452-7184, (b) collect calls outside of North America at 1-416-304-2011, (c) text message by texting "INFO" at 1-877-452-7184 or 416-304-0211, or (d) email at assistance@laurelhill.com.

About Laurentian Bank

Founded in Montreal in 1846, Laurentian Bank is committed to serving its customers and fostering deep relationships with specialized groups. Laurentian Bank runs operations across Canada— primarily in Québec and Ontario— as well as in the United States and competes where it sees market opportunity and has an edge, while harnessing the power of partnerships and collaboration.

Caution Regarding Forward-Looking Statements

From time to time, Laurentian Bank makes written and verbal forward-looking statements. Statements of this type are included in this press release and may be included in filings with Canadian securities regulators or in other communications such as media releases and corporate presentations. Forward-looking statements in this press release may include, but are not limited to, statements regarding the anticipated timing for the Meeting and anticipated benefits of the Transactions. In some cases, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "targets", "expects", "is expected", "an opportunity exists", "budget", "scheduled", "estimates", "outlook", "forecasts", "projects", "projection", "prospects", "strategy", "intends", "anticipates", "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will", "occur" or "be achieved", and similar words or the negative of these terms and similar terminology. In addition, any statements that refer to expectations, intentions, projections or other characterizations of future events or circumstances contain forward-looking information.

Statements containing forward-looking information are not historical facts but instead represent expectations, estimates and projections of management of Laurentian Bank regarding future events or circumstances. This forward-looking information is based on opinions, estimates and assumptions that, while considered by Laurentian Bank to be appropriate and reasonable as of the date of this press release, are subject to known and unknown risks, uncertainties, and other factors that may cause the actual results, levels of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information, including but not limited to: the risk that the Transactions will not be completed on the terms and conditions, or on the timing, currently contemplated, or at all; and those other risks discussed in greater detail under the "Risk Factors" section of Laurentian Bank's most recent annual information form and in the Circular and in other filings that Laurentian Bank has made or may make with securities regulatory authorities in the future, which are available under Laurentian Bank's profile on SEDAR+ at www.sedarplus.ca. If any of these risks or uncertainties materialize, or if the opinions, estimates or assumptions underlying the forward-looking information prove incorrect, actual results or future events might vary materially from those anticipated in the forward-looking information.

There can be no assurance that forward-looking statements will prove to be accurate as actual outcomes and results may differ materially from those expressed in forward-looking statements included herein. Readers, therefore, should not place undue reliance on any such forward-looking statements. Further, any forward-looking statements included herein are made as of the date of this press release and, except as expressly required by applicable law, Laurentian Bank assumes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. All of the forward-looking information contained in this press release is expressly qualified by the foregoing cautionary statements.

SOURCE Laurentian Bank of Canada