



Supplemental Financial Information

**For the quarter ended October 31, 2021
(unaudited)**

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Use of this Report

This financial information is supplementary to the Bank's 2021 audited Consolidated Financial Statements and Management Discussion and Analysis and should be read in conjunction with those documents.

This report is unaudited and all amounts are in thousands of Canadian dollars, unless indicated otherwise.

**VERSABANK
HIGHLIGHTS
(unaudited)
(\$CAD thousands)**

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	QUARTER								YEAR ENDED			
	2021				2020				2021	2020	2019	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1				
Results of Operations												
Interest income	\$ 23,924	\$ 22,400	\$ 21,649	\$ 21,515	\$ 21,068	\$ 20,172	\$ 22,688	\$ 22,166	\$ 89,488	\$ 86,094	\$ 88,305	
Net interest income	16,146	14,542	15,095	14,374	13,708	12,384	14,476	13,557	60,157	54,125	53,897	
Non-interest income (loss) ⁽¹⁾	2,090	1,187	875	1,048	18	8	9	25	5,200	60	22	
Total revenue	18,236	15,729	15,970	15,422	13,726	12,392	14,485	13,582	65,357	54,185	53,919	
Provision for (recovery of) credit losses ⁽²⁾	(279)	96	(312)	57	(582)	(44)	490	(208)	(438)	(344)	(298)	
Non-interest expenses	10,377	8,200	8,342	8,087	7,763	6,410	6,899	6,705	35,006	27,777	26,396	
Net income before income tax	8,138	7,433	7,940	7,278	6,545	6,026	7,096	7,085	30,789	26,752	27,821	
Tax provision (recovery)	2,228	1,997	2,196	1,988	1,799	1,657	1,947	1,944	8,409	7,347	7,625	
Net income	\$ 5,910	\$ 5,436	\$ 5,744	\$ 5,290	\$ 4,746	\$ 4,369	\$ 5,149	\$ 5,141	\$ 22,380	\$ 19,405	\$ 20,196	
Per Common Share (\$'s)												
Basic earnings per share	0.24	0.25	0.25	0.22	0.20	0.18	0.22	0.22	0.96	0.82	0.85	
Diluted earnings per share	0.24	0.25	0.25	0.22	0.20	0.18	0.22	0.22	0.96	0.82	0.85	
Return on average common equity	8.07%	8.72%	9.20%	8.26%	7.46%	6.90%	8.64%	8.60%	8.45%	7.89%	8.89%	
Book value/share	11.61	11.29	11.06	10.90	10.70	10.52	10.37	10.17	11.61	10.70	9.98	
Closing market price (common share)	14.78	13.30	15.03	10.99	6.59	6.94	5.57	7.44	14.78	6.59	6.57	
Weighted average number of common shares	23,621	21,124	21,124	21,124	21,124	21,124	21,124	21,124	21,753	21,124	21,124	
Number of common shares outstanding at period end	27,441	21,124	21,124	21,124	21,124	21,124	21,124	21,124	27,441	21,124	21,124	
Total market value of common shares	405,578	280,949	317,494	232,153	139,207	146,601	117,661	157,163	405,578	139,207	138,785	
Financial Ratios												
Yield	4.04%	4.02%	4.24%	4.28%	4.33%	4.12%	4.83%	4.84%	4.11%	4.62%	4.91%	
Cost of funds	1.31%	1.41%	1.28%	1.42%	1.51%	1.59%	1.75%	1.88%	1.35%	1.71%	1.91%	
Net interest income (%)	2.73%	2.61%	2.96%	2.86%	2.82%	2.53%	3.08%	2.96%	2.76%	2.90%	3.00%	
Non-interest expenses to average total assets (annualized)	1.75%	1.47%	1.64%	1.61%	1.59%	1.31%	1.47%	1.47%	1.61%	1.49%	1.47%	
Efficiency ratio	56.90%	52.13%	52.24%	52.44%	56.56%	51.73%	47.63%	49.37%	53.56%	51.26%	48.95%	
Number of full time equivalent staff at period end	145	145	140	142	98	96	94	93	145	98	92	
Assets to full time employee	\$ 16,656	\$ 15,764	\$ 15,284	\$ 14,401	\$ 19,836	\$ 20,107	\$ 20,852	\$ 19,880	\$ 16,656	\$ 19,836	\$ 19,385	
Credit Quality												
Gross impaired loans	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,678	\$ 6,453	\$ 6,374	\$ -	\$ -	\$ 6,282	
Gross impaired loans as a % of total loans	0.00%	0.00%	0.00%	0.00%	0.00%	0.43%	0.41%	0.38%	0.00%	0.00%	0.39%	
Net impaired loans	\$ (1,453)	\$ (1,732)	\$ (1,636)	\$ (1,832)	\$ (1,775)	\$ 4,321	\$ 4,052	\$ 4,463	\$ (1,453)	\$ (1,775)	\$ 4,163	
Provision (recovery) for credit losses as a % of average loans	(0.05%)	0.02%	(0.07%)	0.01%	(0.14%)	(0.01%)	0.12%	(0.01%)	(0.02%)	(0.02%)	(0.02%)	
Financial Position												
Cash and securities	\$ 271,523	\$ 297,005	\$ 272,428	\$ 212,016	\$ 257,644	\$ 353,794	\$ 340,326	\$ 134,253	\$ 271,523	\$ 257,644	\$ 149,206	
Cash and securities to total assets (%)	11.24%	12.99%	12.73%	10.37%	13.25%	18.33%	17.31%	7.24%	11.24%	13.25%	8.36%	
Total loans	2,103,050	1,952,154	1,829,776	1,793,724	1,654,910	1,547,761	1,594,968	1,668,720	2,103,050	1,654,910	1,594,288	
Mortgages and loans to total assets (%)	87.08%	85.40%	85.51%	87.71%	85.14%	80.18%	81.11%	89.97%	87.08%	85.13%	89.30%	
Total assets	2,415,086	2,285,771	2,139,757	2,044,976	1,943,885	1,930,256	1,966,369	1,854,765	2,415,086	1,943,885	1,785,381	
Average assets	2,350,429	2,212,764	2,092,367	1,994,431	1,937,071	1,948,313	1,910,567	1,820,073	2,179,486	1,864,633	1,797,256	
Deposits	1,853,204	1,817,746	1,679,273	1,664,694	1,567,570	1,565,334	1,591,732	1,454,979	1,853,204	1,567,570	1,399,889	
Subordinated notes payable	95,272	95,683	94,392	4,891	4,889	4,887	4,885	4,883	95,272	4,889	4,881	
Shareholders' equity	332,106	252,032	247,366	259,508	255,288	251,612	248,313	244,234	332,106	255,288	240,163	

(1) Beginning Q1/21, non-interest income captures contribution from Digital Boundary Group acquired on November 30, 2020.
(2) 2018 has not been restated to reflect IFRS 9 adopted in 2019. The adoption of IFRS 9 has been applied prospectively 2019.

VERSABANK
NET INCOME
(unaudited)
(\$CAD thousands except per share amounts)

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	QUARTER								YEAR ENDED			
	2021				2020				2021	2020	2019	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1				
Interest Income												
Loans	\$ 23,590	\$ 22,078	\$ 21,301	\$ 21,086	\$ 20,536	\$ 19,484	\$ 21,938	\$ 21,274	\$ 88,055	\$ 83,232	\$ 84,875	
Cash and Securities	334	322	348	429	532	688	750	892	1,433	2,862	3,430	
Total interest income	23,924	22,400	21,649	21,515	21,068	20,172	22,688	22,166	89,488	86,094	88,305	
Yield %	4.04%	4.02%	4.24%	4.28%	4.33%	4.12%	4.83%	4.84%	4.11%	4.62%	4.91%	
Interest Expense												
Deposits and other	6,479	6,539	6,414	7,014	7,233	7,661	8,085	8,482	26,446	31,461	33,653	
Notes	1,299	1,319	140	127	127	127	127	127	2,885	508	755	
Total interest expense	7,778	7,858	6,554	7,141	7,360	7,788	8,212	8,609	29,331	31,969	34,408	
Cost of funds %	1.31%	1.41%	1.28%	1.42%	1.51%	1.59%	1.75%	1.88%	1.35%	1.71%	1.91%	
Net interest income	16,146	14,542	15,095	14,374	13,708	12,384	14,476	13,557	60,157	54,125	53,897	
Spread %	2.73%	2.61%	2.96%	2.86%	2.82%	2.53%	3.08%	2.96%	2.76%	2.90%	3.00%	
Non-interest income (loss)												
IT security services ⁽¹⁾	2,090	1,185	874	1,065	-	-	-	-	5,214	-	-	
Other	0	2	1	(17)	18	8	9	25	(14)	60	22	
Total non-interest income (loss)	2,090	1,187	875	1,048	18	8	9	25	5,200	60	22	
Total revenue	18,236	15,729	15,970	15,422	13,726	12,392	14,485	13,582	65,357	54,185	53,919	
Provision for credit losses (recovery) ⁽²⁾	(279)	96	(312)	57	(582)	(44)	490	(208)	(438)	(344)	(298)	
	18,515	15,633	16,282	15,365	14,308	12,436	13,995	13,790	65,795	54,529	54,217	
Non-interest expenses	10,377	8,200	8,342	8,087	7,763	6,410	6,899	6,705	35,006	27,777	26,396	
Net income before taxes	8,138	7,433	7,940	7,278	6,545	6,026	7,096	7,085	30,789	26,752	27,821	
Tax provision (recovery)	2,228	1,997	2,196	1,988	1,799	1,657	1,947	1,944	8,409	7,347	7,625	
Net income	\$ 5,910	\$ 5,436	\$ 5,744	\$ 5,290	\$ 4,746	\$ 4,369	\$ 5,149	\$ 5,141	\$ 22,380	\$ 19,405	\$ 20,196	
Earnings per common share:												
Basic	\$ 0.24	\$ 0.25	\$ 0.25	\$ 0.22	\$ 0.20	\$ 0.18	\$ 0.22	\$ 0.22	\$ 0.96	\$ 0.82	\$ 0.85	
Diluted	\$ 0.24	\$ 0.25	\$ 0.25	\$ 0.22	\$ 0.20	\$ 0.18	\$ 0.22	\$ 0.22	\$ 0.96	\$ 0.82	\$ 0.85	
Comprehensive Income												
Net income	\$ 5,910	\$ 5,436	\$ 5,744	\$ 5,290	\$ 4,746	\$ 4,369	\$ 5,149	\$ 5,141	\$ 22,380	\$ 19,405	\$ 20,196	
Other comprehensive income (loss), net of tax												
Net unrealized gains (losses) on fair value through OCI assets ⁽³⁾	(6)	5	(3)	-	-	-	-	-	(4)	-	-	
	(6)	5	(3)	-	-	-	-	-	(4)	-	-	
Total comprehensive income	\$ 5,904	\$ 5,441	\$ 5,741	\$ 5,290	\$ 4,746	\$ 4,369	\$ 5,149	\$ 5,141	\$ 22,376	\$ 19,405	\$ 20,196	

(1) Beginning Q1/21, non-interest income captures contribution from Digital Boundary Group acquired on November 30, 2020.

(2) 2018 has not been restated to reflect IFRS 9 adopted in 2019. The adoption of IFRS 9 has been applied prospectively 2019.

(3) 2018 net unrealized gains (losses) based on assets held as available-for-sale per IAS 39

VERSABANK
NET INTEREST INCOME, NON-INTEREST INCOME AND TOTAL REVENUES
(unaudited)
(\$CAD thousands)

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	QUARTER								YEAR ENDED		
	2021				2020				2021	2020	2019
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1			
Net Interest Income	\$ 16,146	\$ 14,542	\$ 15,095	\$ 14,374	\$ 13,708	\$ 12,384	\$ 14,476	\$ 13,557	\$ 60,157	\$ 54,125	\$ 53,897
Net Interest Income (NII)	16,146	14,542	15,095	14,374	13,708	12,384	14,476	13,557	60,157	54,125	53,897
Other income	2,090	1,187	875	1,048	18	8	9	25	5,200	60	22
Total non-interest income	2,090	1,187	875	1,048	18	8	9	25	5,200	60	22
Total revenue	\$ 18,236	\$ 15,729	\$ 15,970	\$ 15,422	\$ 13,726	\$ 12,392	\$ 14,485	\$ 13,582	\$ 65,357	\$ 54,185	\$ 53,919
Non-interest income as a % of total revenue	11.46%	7.55%	5.48%	6.80%	0.13%	0.06%	0.06%	0.18%	7.96%	0.11%	0.04%
Net interest income per average assets	2.73%	2.61%	2.96%	2.86%	2.82%	2.53%	3.08%	2.96%	2.76%	2.90%	3.00%

(unaudited)
(C\$ thousands)

	QUARTER								YEAR ENDED		
	2021				2020				2021	2020	2019
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1			
Average loans	\$ 2,027,602	\$ 1,890,965	\$ 1,811,750	\$ 1,724,317	\$ 1,601,336	\$ 1,571,365	\$ 1,631,844	\$ 1,631,504	\$ 1,878,980	\$ 1,624,599	\$ 1,612,657
Average total assets	\$ 2,350,429	\$ 2,212,764	\$ 2,092,367	\$ 1,994,431	\$ 1,937,071	\$ 1,948,313	\$ 1,910,567	\$ 1,820,073	\$ 2,179,486	\$ 1,864,633	\$ 1,797,256

VERSABANK
NON-INTEREST EXPENSES
(unaudited)
(\$CAD thousands)

	QUARTER								YEAR ENDED			
	2021				2020				2021	2020	2019	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1				
Salaries and Employee Benefits												
Salaries	\$ 4,081	\$ 3,861	\$ 3,986	\$ 4,182	\$ 3,679	\$ 3,124	\$ 3,086	\$ 3,184	\$ 16,110	\$ 13,073	\$ 12,658	
Employee benefits	1,326	992	967	848	1,489	835	812	755	4,133	3,891	2,516	
Total	5,407	4,853	4,953	5,030	5,168	3,959	3,898	3,939	20,243	16,964	15,174	
Premises												
Rent	169	185	222	189	132	132	131	143	765	538	520	
Depreciation	456	452	494	327	201	193	193	182	1,729	769	721	
Other	371	296	290	202	297	273	309	270	1,159	1,149	1,189	
Total	996	933	1,006	718	630	598	633	595	3,653	2,456	2,430	
General and administrative												
Capital taxes and other assessments	630	832	602	491	372	361	450	462	2,555	1,645	1,933	
Insurance	566	168	175	141	159	119	127	121	1,050	526	494	
Listing, sustaining and annual meeting fees	43	154	112	72	61	68	66	86	381	281	287	
Marketing and business development	133	164	152	121	89	65	76	61	570	291	309	
Professional fees and consulting services	844	476	497	514	620	550	764	492	2,331	2,426	2,013	
Other	1,758	620	845	1,000	664	690	885	949	4,222	3,188	3,756	
Total	3,974	2,414	2,383	2,339	1,965	1,853	2,368	2,171	11,110	8,357	8,792	
Restructuring charges	-	-	-	-	-	-	-	-	-	-	-	
Total non-interest expenses	\$ 10,377	\$ 8,200	\$ 8,342	\$ 8,087	\$ 7,763	\$ 6,410	\$ 6,899	\$ 6,705	\$ 35,006	\$ 27,777	\$ 26,396	

VERSABANK
BALANCE SHEET
(unaudited)
(\$CAD thousands)

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	QUARTER								YEAR ENDED		
	2021				2020				2021	2020	2019
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1			
Cash and cash equivalents	\$ 271,523	\$ 297,005	\$ 272,428	\$ 212,016	\$ 257,644	\$ 353,794	\$ 340,326	\$ 134,253	\$ 271,523	\$ 257,644	\$ 139,145
Securities	-	-	-	-	-	-	-	-	-	-	10,061
Total	271,523	297,005	272,428	212,016	257,644	353,794	340,326	134,253	271,523	257,644	149,206
Loans											
Commerical real estate mortgages	757,576	738,063	686,909	712,256	606,299	576,390	558,797	539,977	757,576	606,299	528,434
Commerical real estate loans	26,569	30,044	34,897	31,663	25,574	19,466	18,645	22,830	26,569	25,574	25,433
Point of sale loans and leases	1,279,576	1,144,902	1,067,135	1,008,029	980,677	909,804	973,572	1,061,207	1,279,576	980,677	994,842
Public sector and other financing	32,587	33,201	35,362	36,612	37,596	38,424	40,036	39,894	32,587	37,596	40,975
Allowance for credit losses ⁽¹⁾	(1,453)	(1,732)	(1,636)	(1,832)	(1,775)	(2,357)	(2,401)	(1,911)	(1,453)	(1,775)	(2,119)
Accrued interest	8,195	7,676	7,109	6,996	6,539	6,034	6,319	6,723	8,195	6,539	6,723
Total	2,103,050	1,952,154	1,829,776	1,793,724	1,654,910	1,547,761	1,594,968	1,668,720	2,103,050	1,654,910	1,594,288
Other assets											
Capital assets	7,075	7,272	7,462	7,643	7,431	7,608	7,717	7,765	7,075	7,431	7,911
Goodwill ⁽²⁾	5,754	5,754	5,754	5,754	-	-	-	-	5,754	-	-
Intangible assets ⁽²⁾	3,641	3,722	3,804	3,886	-	-	-	-	3,641	-	-
Other assets	24,043	19,864	20,533	21,953	23,900	21,093	23,358	44,027	24,043	23,900	33,976
Total	40,513	36,612	37,553	39,236	31,331	28,701	31,075	51,792	40,513	31,331	41,887
Total assets	\$ 2,415,086	\$ 2,285,771	\$ 2,139,757	\$ 2,044,976	\$ 1,943,885	\$ 1,930,256	\$ 1,966,369	\$ 1,854,765	\$ 2,415,086	\$ 1,943,885	\$ 1,785,381
Deposits											
Demand	\$ 14,989	\$ 15,661	\$ 14,908	\$ 14,813	\$ 13,796	\$ 14,019	\$ 13,329	\$ 13,579	\$ 14,989	\$ 13,796	\$ 12,925
Trustee chequing accounts	480,562	497,621	461,108	449,475	440,219	418,198	398,233	387,201	480,562	440,219	386,052
Term (including accrued interest)	1,357,653	1,304,464	1,203,257	1,200,406	1,113,555	1,133,117	1,180,170	1,054,199	1,357,653	1,113,555	1,000,912
Total	1,853,204	1,817,746	1,679,273	1,664,694	1,567,570	1,565,334	1,591,732	1,454,979	1,853,204	1,567,570	1,399,889
Securitization liabilities	-	-	-	-	8,745	9,053	9,032	33,388	-	8,745	33,366
Other liabilities	134,504	120,310	118,726	115,883	107,393	99,370	112,407	117,281	134,504	107,393	107,082
Subordinated notes payable	95,272	95,683	94,392	4,891	4,889	4,887	4,885	4,883	95,272	4,889	4,881
Shareholders' equity											
Share capital	241,466	166,404	166,404	182,094	182,094	182,094	182,094	182,094	241,466	182,094	182,094
Retained earnings	90,644	85,626	80,965	77,414	73,194	69,518	66,219	62,140	90,644	73,194	58,069
Accumulated other comprehensive income	(4)	2	(3)	-	-	-	-	-	(4)	-	-
Total	332,106	252,032	247,366	259,508	255,288	251,612	248,313	244,234	332,106	255,288	240,163
Total liabilities and shareholders' equity	\$ 2,415,086	\$ 2,285,771	\$ 2,139,757	\$ 2,044,976	\$ 1,943,885	\$ 1,930,256	\$ 1,966,369	\$ 1,854,765	\$ 2,415,086	\$ 1,943,885	\$ 1,785,381

(1) 2018 has not been restated to reflect IFRS 9 adopted in 2019. The adoption of IFRS 9 has been applied prospectively 2019.

(2) Goodwill and intangible assets relate to the acquisition of Digital Boundary Group on November 30, 2020. See the Bank's Q1/21 interim Consolidated Financial Statements and Q1/21 Management Discussion & Analysis for additional detail.

VERSABANK
IMPAIRED LOANS AND ALLOWANCE FOR CREDIT LOSSES
(unaudited)
(\$CAD thousands)

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	QUARTER								YEAR ENDED			
	2021				2020				2021	2020	2019	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1				
Gross impaired loans												
Commercial real estate mortgages	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,678	\$ 6,453	\$ 6,374	\$ -	\$ -	\$ 6,282	
Commercial real estate loans	-	-	-	-	-	-	-	-	-	-	-	
Point of sale loans and leases	-	-	-	-	-	-	-	-	-	-	-	
Public sector and other financing	-	-	-	-	-	-	-	-	-	-	-	
Total gross impaired loans	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,678	\$ 6,453	\$ 6,374	\$ -	\$ -	\$ 6,282	
Allowance for credit losses												
Individual allowance - based on IAS 39	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Collective allowance - based on IAS 39	-	-	-	-	-	-	-	-	-	-	-	
Allowance for credit losses under IFRS 9	1,453	1,732	1,636	1,832	1,775	2,357	2,401	1,911	1,453	1,775	2,119	
Total allowance for credit losses	\$ 1,453	\$ 1,732	\$ 1,636	\$ 1,832	\$ 1,775	\$ 2,357	\$ 2,401	\$ 1,911	\$ 1,453	\$ 1,775	\$ 2,119	
Reconciliation of allowance for credit losses												
Balance, beginning of period	\$ 1,732	\$ 1,636	\$ 1,832	\$ 1,775	\$ 2,357	\$ 2,401	\$ 1,911	\$ 2,119	\$ 1,775	\$ 2,119	\$ 2,759	
IFRS 9 transition	-	-	-	-	-	-	-	-	-	-	(106)	
Provision (recoveries) for credit losses	(279)	96	(312)	57	(582)	(44)	490	(208)	(438)	(344)	(298)	
Recoveries (write-offs)	-	-	116	-	-	-	-	-	116	-	(236)	
Balance, end of period	\$ 1,453	\$ 1,732	\$ 1,636	\$ 1,832	\$ 1,775	\$ 2,357	\$ 2,401	\$ 1,911	\$ 1,453	\$ 1,775	\$ 2,119	
Total net impaired loans	\$ (1,453)	\$ (1,732)	\$ (1,636)	\$ (1,832)	\$ (1,775)	\$ 4,321	\$ 4,052	\$ 4,463	\$ (1,453)	\$ (1,775)	\$ 4,163	
Total loans	\$ 2,103,050	\$ 1,829,776	\$ 1,829,776	\$ 1,793,724	\$ 1,654,910	\$ 1,547,761	\$ 1,594,968	\$ 1,668,720	\$ 2,103,050	\$ 1,654,910	\$ 1,594,288	
Gross impaired loans as a % of total loans	0.00%	0.00%	0.00%	0.00%	0.00%	0.43%	0.41%	0.38%	0.00%	0.00%	0.39%	
Provision (recovery) for credit losses as a % of average loans	(0.05%)	(0.07%)	(0.07%)	0.01%	(0.14%)	(0.01%)	0.12%	(0.01%)	(0.02%)	(0.02%)	(0.02%)	

VERSABANK
ALLOWANCE FOR CREDIT LOSSES BY LENDING ASSET
Quarter ended October 31, 2021
(unaudited)
(\$CAD thousands)

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	As at October 31, 2021				As at October 31, 2020			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Commercial real estate mortgages								
Balance at beginning of period	\$ 1,213	\$ 188	\$ -	\$ 1,401	\$ 1,569	\$ 297	\$ -	\$ 1,866
Transfer in (out) to Stage 1	46	(46)	-	-	16	(16)	-	-
Transfer in (out) to Stage 2	(43)	43	-	-	(175)	175	-	-
Transfer in (out) to Stage 3	-	-	-	-	-	-	-	-
Net remeasurement of loss allowance	(256)	(51)	-	(307)	(379)	(264)	-	(643)
Loan originations	77	-	-	77	158	-	-	158
Derecognitions and maturities	(57)	-	-	(57)	(15)	-	-	(15)
Provision for (recovery of) credit losses	(233)	(54)	-	(287)	(395)	(105)	-	(500)
Write-offs	-	-	-	-	-	-	-	-
Recoveries	-	-	-	-	-	-	-	-
Balance at end of period	\$ 980	\$ 134	\$ -	\$ 1,114	\$ 1,174	\$ 192	\$ -	\$ 1,366
Commercial real estate loans								
Balance at beginning of period	\$ 52	\$ -	\$ -	\$ 52	\$ 172	\$ -	\$ -	\$ 172
Transfer in (out) to Stage 1	-	-	-	-	-	-	-	-
Transfer in (out) to Stage 2	-	-	-	-	-	-	-	-
Transfer in (out) to Stage 3	-	-	-	-	-	-	-	-
Net remeasurement of loss allowance	(7)	-	-	(7)	(36)	-	-	(36)
Loan originations	-	-	-	-	-	-	-	-
Derecognitions and maturities	-	-	-	-	-	-	-	-
Provision for (recovery of) credit losses	(7)	-	-	(7)	(36)	-	-	(36)
Write-offs	-	-	-	-	-	-	-	-
Recoveries	-	-	-	-	-	-	-	-
Balance at end of period	\$ 45	\$ -	\$ -	\$ 45	\$ 136	\$ -	\$ -	\$ 136
Point of sale loans and leases								
Balance at beginning of period	\$ 259	\$ -	\$ -	\$ 259	\$ 221	\$ -	\$ -	\$ 221
Transfer in (out) to Stage 1	14	(14)	-	-	32	(32)	-	-
Transfer in (out) to Stage 2	(59)	59	-	-	(66)	66	-	-
Transfer in (out) to Stage 3	-	-	-	-	8	-	(8)	-
Net remeasurement of loss allowance	(2,088)	(39)	-	(2,127)	(775)	(21)	10	(786)
Loan originations	2,705	-	-	2,705	1,300	-	-	1,300
Derecognitions and maturities	(556)	(6)	-	(562)	(505)	(13)	(2)	(520)
Provision for (recovery of) credit losses	16	-	-	16	(6)	-	-	(6)
Write-offs	-	-	-	-	-	-	-	-
Recoveries	-	-	-	-	-	-	-	-
Balance at end of period	\$ 275	\$ -	\$ -	\$ 275	\$ 215	\$ -	\$ -	\$ 215
Public sector and other financing								
Balance at beginning of period	\$ 20	\$ -	\$ -	\$ 20	\$ 98	\$ -	\$ -	\$ 98
Transfer in (out) to Stage 1	-	-	-	-	-	-	-	-
Transfer in (out) to Stage 2	-	-	-	-	-	-	-	-
Transfer in (out) to Stage 3	-	-	-	-	-	-	-	-
Net remeasurement of loss allowance	(4)	-	-	(4)	(40)	-	-	(40)
Loan originations	-	3	-	3	-	-	-	-
Derecognitions and maturities	-	-	-	-	-	-	-	-
Provision for (recovery of) credit losses	(4)	3	-	(1)	(40)	-	-	(40)
Write-offs	-	-	-	-	-	-	-	-
Recoveries	-	-	-	-	-	-	-	-
Balance at end of period	\$ 16	\$ 3	\$ -	\$ 19	\$ 58	\$ -	\$ -	\$ 58
Total balance at end of period	\$ 1,316	\$ 137	\$ -	\$ 1,453	\$ 1,583	\$ 192	\$ -	\$ 1,775

VERSABANK
ALLOWANCE FOR CREDIT LOSSES BY LENDING ASSET
Year to Date ended October 31, 2021
(unaudited)
(\$CAD thousands)

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	As at October 31, 2021				As at October 31, 2020			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Commercial real estate mortgages								
Balance at beginning of period	\$ 1,174	\$ 192	\$ -	\$ 1,366	\$ 1,563	\$ 209	\$ -	\$ 1,772
Transfer in (out) to Stage 1	93	(93)	-	-	26	(26)	-	-
Transfer in (out) to Stage 2	(124)	124	-	-	(262)	262	-	-
Transfer in (out) to Stage 3	-	-	-	-	-	-	-	-
Net remeasurement of loss allowance	(425)	(22)	-	(447)	(515)	(253)	-	(768)
Loan originations	421	-	-	421	399	-	-	399
Derecognitions and maturities	(159)	(67)	-	(226)	(37)	-	-	(37)
Provision for (recovery of) credit losses	(194)	(58)	-	(252)	(389)	(17)	-	(406)
Write-offs	-	-	-	-	-	-	-	-
Recoveries	-	-	-	-	-	-	-	-
Balance at end of period	\$ 980	\$ 134	\$ -	\$ 1,114	\$ 1,174	\$ 192	\$ -	\$ 1,366
Commercial real estate loans								
Balance at beginning of period	\$ 137	\$ -	\$ -	\$ 137	\$ 78	\$ -	\$ -	\$ 78
Transfer in (out) to Stage 1	-	-	-	-	-	-	-	-
Transfer in (out) to Stage 2	-	-	-	-	-	-	-	-
Transfer in (out) to Stage 3	-	-	-	-	-	-	-	-
Net remeasurement of loss allowance	(92)	-	-	(92)	56	-	-	56
Loan originations	-	-	-	-	3	-	-	3
Derecognitions and maturities	-	-	-	-	-	-	-	-
Provision for (recovery of) credit losses	(92)	-	-	(92)	59	-	-	59
Write-offs	-	-	-	-	-	-	-	-
Recoveries	-	-	-	-	-	-	-	-
Balance at end of period	\$ 45	\$ -	\$ -	\$ 45	\$ 137	\$ -	\$ -	\$ 137
Point of sale loans and leases								
Balance at beginning of period	\$ 215	\$ -	\$ -	\$ 215	\$ 229	\$ -	\$ -	\$ 229
Transfer in (out) to Stage 1	89	(89)	-	-	119	(119)	-	-
Transfer in (out) to Stage 2	(178)	178	-	-	(230)	230	-	-
Transfer in (out) to Stage 3	-	-	-	-	3	-	(3)	-
Net remeasurement of loss allowance	(6,914)	(41)	-	(6,955)	(5,441)	(58)	5	(5,494)
Loan originations	9,116	-	-	9,116	7,528	-	-	7,528
Derecognitions and maturities	(2,053)	(48)	-	(2,101)	(1,993)	(53)	(2)	(2,048)
Provision for (recovery of) credit losses	60	-	-	60	(14)	-	-	(14)
Write-offs	-	-	-	-	-	-	-	-
Recoveries	-	-	-	-	-	-	-	-
Balance at end of period	\$ 275	\$ -	\$ -	\$ 275	\$ 215	\$ -	\$ -	\$ 215
Public sector and other financing								
Balance at beginning of period	\$ 57	\$ -	\$ -	\$ 57	\$ 40	\$ -	\$ -	\$ 40
Transfer in (out) to Stage 1	-	-	-	-	1	(1)	-	-
Transfer in (out) to Stage 2	-	-	-	-	-	-	-	-
Transfer in (out) to Stage 3	-	-	-	-	-	-	-	-
Net remeasurement of loss allowance	(35)	-	-	(35)	(21)	1	-	(20)
Loan originations	-	3	-	3	42	-	-	42
Derecognitions and maturities	(6)	-	(116)	(122)	(5)	-	-	(5)
Provision for (recovery of) credit losses	(41)	3	(116)	(154)	17	-	-	17
Write-offs	-	-	-	-	-	-	-	-
Recoveries	-	-	116	116	-	-	-	-
Balance at end of period	\$ 16	\$ 3	\$ -	\$ 19	\$ 57	\$ -	\$ -	\$ 57
Total balance at end of period	\$ 1,316	\$ 137	\$ -	\$ 1,453	\$ 1,583	\$ 192	\$ -	\$ 1,775

VERSABANK
LEVERAGE RATIO DISCLOSURE
(unaudited)
(\$CAD thousands)

	2021				2020			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
On-Balance Sheet Exposures								
On-balance sheet assets	\$ 2,415,086	\$ 2,285,771	\$ 2,139,757	\$ 2,044,976	\$ 1,943,885	\$ 1,930,256	\$ 1,966,369	\$ 1,854,765
Asset amounts adjusted in determining Basel III Tier 1 Capital	(12,751)	(11,869)	(12,979)	(15,320)	(6,592)	(8,003)	(9,481)	(11,498)
Adjustment under transitional basis	-	-	-	-	-	227	249	-
Total on-balance sheet exposures	2,402,335	2,273,902	2,126,778	2,029,656	1,937,293	1,922,480	1,956,888	1,843,267
Other Off-Balance Sheet Exposures								
Off-balance sheet exposure at gross notional amount	\$ 342,710	\$ 331,504	\$ 309,763	\$ 318,977	\$ 289,008	\$ 308,061	\$ 332,385	\$ 312,160
Adjustments for conversion to credit equivalent amounts	(210,065)	(200,446)	(196,623)	(207,253)	(186,524)	(197,874)	(209,104)	(192,338)
Off-balance sheet items	132,645	131,058	113,140	111,724	102,484	110,187	123,281	119,822
Capital and Total Exposures								
Tier 1 capital	319,355	240,163	234,388	244,188	248,696	243,609	238,832	232,736
Total exposures	2,534,980	2,404,960	2,239,918	2,141,380	2,039,777	2,032,440	2,080,169	1,963,089
Leverage Ratios								
Basel III leverage ratio	12.60%	9.99%	10.46%	11.40%	12.19%	11.99%	11.48%	11.86%