



## Supplemental Financial Information

For the quarter ended April 30, 2022  
(unaudited)

### Page

1	Highlights
2	Net Income
3	Net Interest Income, Non-Interest Income and Total Revenue
4	Non-Interest Expenses
5	Operating Segments for the Quarter
6	Operating Segments for the Year to Date
7	Balance Sheet
8	Impaired Loans and Allowance for Credit Losses
9	Allowance for Credit Losses By Lending Assets for the Quarter
10	Allowance for Credit Losses By Lending Assets for the Year to Date
11	Basel III Disclosure
12	Leverage Ratio Disclosure

### Use of this Report

This financial information is supplementary to the Bank's second quarter unaudited interim Consolidated Financial Statements, Management Discussion and Analysis, and its annual 2021 audited Financial Statements 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)**

Page 1

	QUARTER						6 MONTHS ENDED		YEAR ENDED		
	2022		2021				2022	2021	2021	2020	2019
	Q2	Q1	Q4	Q3	Q2	Q1	Q2	Q2			
<b>Results of Operations</b>											
Interest income	\$ 25,848	\$ 24,720	\$ 23,924	\$ 22,400	\$ 21,649	\$ 21,515	\$ 50,568	\$ 43,164	\$ 89,488	\$ 86,094	\$ 88,305
Net interest income	17,242	16,885	16,146	14,542	15,095	14,374	34,127	29,469	60,157	54,125	53,897
Non-interest income (loss) <sup>(1)</sup>	1,393	1,381	2,090	1,187	875	1,048	2,774	1,923	5,200	60	22
Total revenue	18,635	18,266	18,236	15,729	15,970	15,422	36,901	31,392	65,357	54,185	53,919
Provision for (recovery of) credit losses	78	2	(279)	96	(312)	57	80	(255)	(438)	(344)	(298)
Non-interest expenses	11,767	10,636	10,377	8,200	8,342	8,087	22,403	16,429	35,006	27,777	26,396
Net income before income tax	6,790	7,628	8,138	7,433	7,940	7,278	14,418	15,218	30,789	26,752	27,821
Tax provision (recovery)	1,847	2,062	2,228	1,997	2,196	1,988	3,909	4,184	8,409	7,347	7,625
Net income	\$ 4,943	\$ 5,566	\$ 5,910	\$ 5,436	\$ 5,744	\$ 5,290	\$ 10,509	\$ 11,034	\$ 22,380	\$ 19,405	\$ 20,196
<b>Per Common Share (\$'s)</b>											
Basic earnings per share	0.17	0.19	0.24	0.25	0.25	0.22	0.36	0.47	0.96	0.82	0.85
Diluted earnings per share	0.17	0.19	0.24	0.25	0.25	0.22	0.36	0.47	0.96	0.82	0.85
Return on average common equity	5.92%	6.58%	8.07%	8.72%	9.20%	8.26%	6.25%	8.73%	8.45%	7.89%	8.89%
Book value/share	11.94	11.78	11.61	11.29	11.06	10.90	11.94	11.06	11.61	10.70	9.98
Closing market price (common share)	13.02	14.74	14.78	13.30	15.03	10.99	13.02	15.03	14.78	6.59	6.57
Weighted average number of common shares	27,441	27,441	23,621	21,124	21,124	21,124	27,441	21,124	21,753	21,124	21,124
Number of common shares outstanding at period end	27,441	27,441	27,441	21,124	21,124	21,124	27,441	21,124	27,441	21,124	21,124
Total market value of common shares	357,282	404,480	405,578	280,949	317,494	232,153	357,282	317,494	405,578	139,207	138,785
<b>Financial Ratios</b>											
Yield	4.15%	4.06%	4.04%	4.02%	4.24%	4.28%	3.99%	4.26%	4.11%	4.62%	4.91%
Cost of funds	1.38%	1.29%	1.31%	1.41%	1.28%	1.42%	1.30%	1.35%	1.35%	1.71%	1.91%
Net interest income (%)	2.77%	2.77%	2.73%	2.61%	2.96%	2.86%	2.69%	2.91%	2.76%	2.90%	3.00%
Net interest income on loans (%)	3.11%	3.23%	3.31%	3.23%	3.55%	3.44%	3.14%	3.55%	3.35%	3.41%	3.38%
Non-interest expenses to average total assets (annualized)	1.89%	1.75%	1.75%	1.47%	1.64%	1.61%	1.77%	1.64%	1.61%	1.49%	1.47%
Efficiency ratio	63.14%	58.23%	56.90%	52.13%	52.24%	52.44%	60.71%	52.33%	53.56%	51.26%	48.95%
Efficiency ratio - Digital Banking	58.17%	57.80%	56.34%	50.40%	48.77%	51.20%	57.30%	49.99%	51.69%	49.44%	46.67%
Number of full time equivalent staff at period end	152	145	145	145	140	142	152	140	145	98	92
Assets to full time employee	\$ 17,758	\$ 16,704	\$ 16,656	\$ 15,764	\$ 15,284	\$ 14,401	\$ 17,758	\$ 15,284	\$ 16,656	\$ 19,836	\$ 19,385
<b>Credit Quality</b>											
Gross impaired loans	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,282
Gross impaired loans as a % of total loans	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.39%
Net impaired loans	\$ (1,533)	\$ (1,455)	\$ (1,453)	\$ (1,732)	\$ (1,636)	\$ (1,832)	\$ (1,533)	\$ (1,636)	\$ (1,453)	\$ (1,775)	\$ 4,163
Provision (recovery) for credit losses as a % of average loans	0.01%	0.00%	(0.05%)	0.02%	(0.07%)	0.01%	0.01%	0.02%	(0.02%)	(0.02%)	(0.02%)
<b>Financial Position</b>											
Cash and securities	\$ 198,157	\$ 155,239	\$ 271,523	\$ 297,005	\$ 272,428	\$ 212,016	\$ 198,157	\$ 272,428	\$ 271,523	\$ 257,644	\$ 149,206
Cash and securities to total assets (%)	7.36%	6.43%	11.24%	12.99%	12.73%	10.37%	7.36%	12.73%	11.24%	13.25%	8.36%
Total loans	2,450,276	2,215,638	2,103,050	1,952,154	1,829,776	1,793,724	2,450,276	1,829,776	2,103,050	1,654,910	1,594,288
Mortgages and loans to total assets (%)	91.02%	91.73%	87.08%	85.40%	85.51%	87.71%	91.02%	85.51%	87.08%	85.13%	89.30%
Total assets	2,692,146	2,415,346	2,415,086	2,285,771	2,139,757	2,044,976	2,692,146	2,139,757	2,415,086	1,943,885	1,785,381
Average assets	2,553,746	2,415,216	2,350,429	2,212,764	2,092,367	1,994,431	2,553,616	2,041,821	2,179,486	1,864,633	1,797,256
Deposits	2,124,916	1,847,003	1,853,204	1,817,746	1,679,273	1,664,694	2,124,916	1,679,273	1,853,204	1,567,570	1,399,889
Subordinated notes payable	98,410	97,726	95,272	95,683	94,392	4,891	98,410	94,392	95,272	4,889	4,881
Shareholders' equity	341,414	336,951	332,106	252,032	247,366	259,508	341,414	247,366	332,106	255,288	240,163

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

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

	QUARTER						6 MONTHS ENDED		YEAR ENDED		
	2022		2021				2022	2021	2021	2020	2019
	Q2	Q1	Q4	Q3	Q2	Q1	Q2	Q2			
<b>Interest Income</b>											
Loans	\$ 25,472	\$ 24,514	\$ 23,590	\$ 22,078	\$ 21,301	\$ 21,086	\$ 49,986	42,387	\$ 88,055	\$ 83,232	\$ 84,875
Cash and Securities	376	206	334	322	348	429	582	777	1,433	2,862	3,430
Total interest income	25,848	24,720	23,924	22,400	21,649	21,515	50,568	43,164	89,488	86,094	88,305
Yield %	4.15%	4.06%	4.04%	4.02%	4.24%	4.28%	3.99%	4.26%	4.11%	4.62%	4.91%
<b>Interest Expense</b>											
Deposits and other	7,239	6,469	6,479	6,539	6,414	7,014	13,708	13,428	26,446	31,461	33,653
Notes	1,367	1,366	1,299	1,319	140	127	2,733	267	2,885	508	755
Total interest expense	8,606	7,835	7,778	7,858	6,554	7,141	16,441	13,695	29,331	31,969	34,408
Cost of funds %	1.38%	1.29%	1.31%	1.41%	1.28%	1.42%	1.30%	1.35%	1.35%	1.71%	1.91%
Net interest income	17,242	16,885	16,146	14,542	15,095	14,374	34,127	29,469	60,157	54,125	53,897
Spread %	2.77%	2.77%	2.73%	2.61%	2.96%	2.86%	2.69%	2.91%	2.76%	2.90%	3.00%
<b>Non-interest income (loss)</b>											
IT security services <sup>(1)</sup>	1,392	1,380	2,090	1,185	874	1,065	2,772	1,939	5,214	-	-
Other	1	1	0	2	1	(17)	2	(16)	(14)	60	22
Total non-interest income (loss)	1,393	1,381	2,090	1,187	875	1,048	2,774	1,923	5,200	60	22
Total revenue	18,635	18,266	18,236	15,729	15,970	15,422	36,901	31,392	65,357	54,185	53,919
Provision for credit losses (recovery)	78	2	(279)	96	(312)	57	80	(255)	(438)	(344)	(298)
	18,557	18,264	18,515	15,633	16,282	15,365	36,821	31,647	65,795	54,529	54,217
Non-interest expenses	11,767	10,636	10,377	8,200	8,342	8,087	22,403	16,429	70,012	27,777	26,396
Net income before taxes	6,790	7,628	8,138	7,433	7,940	7,278	14,418	15,218	(4,217)	26,752	27,821
Tax provision (recovery)	1,847	2,062	2,228	1,997	2,196	1,988	3,909	4,184	8,409	7,347	7,625
<b>Net income</b>	\$ 4,943	\$ 5,566	\$ 5,910	\$ 5,436	\$ 5,744	\$ 5,290	\$ 10,509	\$ 11,034	\$ (12,626)	\$ 19,405	\$ 20,196
<b>Earnings per common share:</b>											
Basic	\$ 0.17	\$ 0.19	\$ 0.24	\$ 0.25	\$ 0.25	\$ 0.22	\$ 0.36	\$ 0.47	\$ 0.96	\$ 0.82	\$ 0.85
Diluted	\$ 0.17	\$ 0.19	\$ 0.24	\$ 0.25	\$ 0.25	\$ 0.22	\$ 0.36	\$ 0.47	\$ 0.96	\$ 0.82	\$ 0.85
<b>Comprehensive Income</b>											
Net income	\$ 4,943	\$ 5,566	\$ 5,910	\$ 5,436	\$ 5,744	\$ 5,290	\$ 10,509	\$ 11,034	\$ 22,380	\$ 19,405	\$ 20,196
Other comprehensive income (loss), net of tax											
Net unrealized gains (losses) on fair value through OCI assets	26	17	(6)	5	(3)	-	43	(3)	(4)	-	-
	26	17	(6)	5	(3)	-	43	(3)	(4)	-	-
<b>Total comprehensive income</b>	\$ 4,969	\$ 5,583	\$ 5,904	\$ 5,441	\$ 5,741	\$ 5,290	\$ 10,552	\$ 11,031	\$ 22,376	\$ 19,405	\$ 20,196

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

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

Page 3

	QUARTER						6 MONTHS ENDED		YEAR ENDED		
	2022		2021				2022	2021	2021	2020	2019
	Q2	Q1	Q4	Q3	Q2	Q1	Q2	Q2			
Net Interest Income	\$ 17,242	\$ 16,885	\$ 16,146	\$ 14,542	\$ 15,095	\$ 14,374	\$ 34,127	\$ 29,469	\$ 60,157	\$ 54,125	\$ 53,897
<b>Net Interest Income (NII)</b>	17,242	16,885	16,146	14,542	15,095	14,374	34,127	29,469	60,157	54,125	53,897
Other income	1,393	1,381	2,090	1,187	875	1,048	2,774	1,923	5,200	60	22
<b>Total non-interest income</b>	1,393	1,381	2,090	1,187	875	1,048	2,774	1,923	5,200	60	22
<b>Total revenue</b>	\$ 18,635	\$ 18,266	\$ 18,236	\$ 15,729	\$ 15,970	\$ 15,422	\$ 36,901	\$ 31,392	\$ 65,357	\$ 54,185	\$ 53,919
Non-interest income as a % of total revenue	7.48%	7.56%	11.46%	7.55%	5.48%	6.80%	7.52%	6.13%	7.96%	0.11%	0.04%
Net interest income per average assets	2.77%	2.77%	2.73%	2.61%	2.96%	2.86%	2.69%	2.91%	2.76%	2.90%	3.00%

(unaudited)  
(\$CAD thousands)

	QUARTER						6 MONTHS ENDED		YEAR ENDED		
	2022		2021				2022	2021	2021	2020	2019
	Q2	Q1	Q4	Q3	Q2	Q1	Q2	Q2			
Average loans	\$ 2,332,957	\$ 2,159,344	\$ 2,027,602	\$ 1,890,965	\$ 1,811,750	\$ 1,724,317	\$ 2,276,663	\$ 1,742,343	\$ 1,878,980	\$ 1,624,599	\$ 1,612,657
Average total assets	\$ 2,553,746	\$ 2,415,216	\$ 2,350,429	\$ 2,212,764	\$ 2,092,367	\$ 1,994,431	\$ 2,553,616	\$ 2,041,821	\$ 2,179,486	\$ 1,864,633	\$ 1,797,256

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

	QUARTER						6 MONTHS ENDED		YEAR ENDED		
	2022		2021				2022	2021			
	Q2	Q1	Q4	Q3	Q2	Q1	Q2	Q2	2021	2020	2019
<b>Salaries and Employee Benefits</b>											
Salaries	\$ 5,571	\$ 4,757	\$ 4,081	\$ 3,861	\$ 3,986	\$ 4,182	\$ 10,328	\$ 8,168	\$ 16,110	\$ 13,073	\$ 12,658
Employee benefits	1,155	1,326	1,326	992	967	848	2,481	1,815	4,133	3,891	2,516
Total	6,726	6,083	5,407	4,853	4,953	5,030	12,809	9,983	20,243	16,964	15,174
<b>General and administrative</b>											
Capital taxes and other assessments	640	640	630	832	602	491	1,281	1,093	2,555	1,645	1,933
Insurance	1,075	1,061	566	168	175	141	2,136	316	1,050	526	494
Listing, sustaining and annual meeting fees	67	111	43	154	112	72	178	184	381	281	287
Marketing and business development	242	138	133	164	152	121	380	273	570	291	309
Professional fees and consulting services	868	494	844	476	497	514	1,362	1,011	2,331	2,426	2,013
Other	1,127	1,180	1,758	620	845	1,000	2,306	1,845	4,222	3,188	3,756
Total	4,019	3,624	3,974	2,414	2,383	2,339	7,643	4,722	11,110	8,357	8,792
<b>Premises</b>											
Rent	177	178	169	185	222	189	355	411	765	538	520
Depreciation	393	400	456	452	494	327	793	821	1,729	769	721
Other	452	351	371	296	290	202	803	492	1,159	1,149	1,189
Total	1,022	929	996	933	1,006	718	1,951	1,724	3,653	2,456	2,430
<b>Total non-interest expenses</b>	<b>\$ 11,767</b>	<b>\$ 10,636</b>	<b>\$ 10,377</b>	<b>\$ 8,200</b>	<b>\$ 8,342</b>	<b>\$ 8,087</b>	<b>\$ 22,403</b>	<b>\$ 16,429</b>	<b>\$ 35,006</b>	<b>\$ 27,777</b>	<b>\$ 26,396</b>

**VERSABANK**  
**OPERATING SEGMENTS**  
**Quarter ended April 30, 2022**  
(unaudited)  
(\$CAD thousands)

Page 5

	April 30, 2022				April 30, 2021			
	Digital Banking	DRTC	Eliminations/ Adjustments	Consolidated	Digital Banking	DRTC	Eliminations/ Adjustments	Consolidated
Net interest income	\$ 17,242	\$ -	\$ -	\$ 17,242	\$ 15,095	\$ -	\$ -	\$ 15,095
Non-interest income	1	1,434	(42)	1,393	1	915	(41)	875
Total revenue	17,243	1,434	(42)	18,635	15,096	915	(41)	15,970
Provision for (recovery of) credit losses	78	-	-	78	(312)	-	-	(312)
	17,165	1,434	(42)	18,557	15,408	915	(41)	16,282
Non-interest expenses								
Salaries and benefits	5,586	1,140	-	6,726	4,525	428	-	4,953
General and administrative	3,761	300	(42)	4,019	2,237	187	(41)	2,383
Premises and equipment	659	363	-	1,022	598	408	-	1,006
	10,006	1,803	(42)	11,767	7,360	1,023	(41)	8,342
Income before income taxes	7,159	(369)	-	6,790	8,048	(108)	-	7,940
Income tax provision	1,744	103	-	1,847	2,153	43	-	2,196
<b>Net income</b>	<b>\$ 5,415</b>	<b>\$ (472)</b>	<b>\$ -</b>	<b>\$ 4,943</b>	<b>\$ 5,895</b>	<b>\$ (151)</b>	<b>\$ -</b>	<b>\$ 5,744</b>
<b>Total assets</b>	<b>\$ 2,692,510</b>	<b>\$ 21,386</b>	<b>\$ (21,750)</b>	<b>\$ 2,692,146</b>	<b>\$ 2,139,974</b>	<b>\$ 17,777</b>	<b>\$ (17,994)</b>	<b>\$ 2,139,757</b>
<b>Total liabilities</b>	<b>\$ 2,347,610</b>	<b>\$ 23,727</b>	<b>\$ (20,605)</b>	<b>\$ 2,350,732</b>	<b>\$ 1,888,732</b>	<b>\$ 20,508</b>	<b>\$ (16,849)</b>	<b>\$ 1,892,391</b>

**VERSABANK**  
**OPERATING SEGMENTS**  
Year to Date ended April 30, 2022  
(unaudited)  
(\$CAD thousands)

Page 6

	April 30, 2022				April 30, 2021			
	Digital Banking	DRTC	Eliminations/ Adjustments	Consolidated	Digital Banking	DRTC	Eliminations/ Adjustments	Consolidated
Net interest income	\$ 34,127	\$ -	\$ -	\$ 34,127	\$ 29,469	\$ -	\$ -	\$ 29,469
Non-interest income	2	2,855	(83)	2,774	(16)	2,008	(69)	1,923
Total revenue	34,129	2,855	(83)	36,901	29,453	2,008	(69)	31,392
Provision for (recovery of) credit losses	80	-	-	80	(255)	-	-	(255)
	34,049	2,855	(83)	36,821	29,708	2,008	(69)	31,647
Non-interest expenses								
Salaries and benefits	11,025	1,784	-	12,809	9,223	760	-	9,983
General and administrative	7,243	483	(83)	7,643	4,299	492	(69)	4,722
Premises and equipment	1,241	710	-	1,951	1,168	556	-	1,724
	19,509	2,977	(83)	22,403	14,690	1,808	(69)	16,429
Income before income taxes	14,540	(122)	-	14,418	15,018	200	-	15,218
Income tax provision	3,706	203	-	3,909	4,006	178	-	4,184
<b>Net income</b>	<b>\$ 10,834</b>	<b>\$ (325)</b>	<b>\$ -</b>	<b>\$ 10,509</b>	<b>\$ 11,012</b>	<b>\$ 22</b>	<b>\$ -</b>	<b>\$ 11,034</b>
<b>Total assets</b>	<b>\$ 2,692,510</b>	<b>\$ 21,386</b>	<b>\$ (21,750)</b>	<b>\$ 2,692,146</b>	<b>\$ 2,139,974</b>	<b>\$ 17,777</b>	<b>\$ (17,994)</b>	<b>\$ 2,139,757</b>
<b>Total liabilities</b>	<b>\$ 2,347,610</b>	<b>\$ 23,727</b>	<b>\$ (20,605)</b>	<b>\$ 2,350,732</b>	<b>\$ 1,888,732</b>	<b>\$ 20,508</b>	<b>\$ (16,849)</b>	<b>\$ 1,892,391</b>

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

Page 7

	QUARTER						YEAR ENDED		
	2022		2021				2021	2020	2019
	Q2	Q1	Q4	Q3	Q2	Q1			
<b>Cash and cash equivalents</b>	\$ 198,157	\$ 155,239	\$ 271,523	\$ 297,005	\$ 272,428	\$ 212,016	\$ 271,523	\$ 257,644	\$ 139,145
<b>Securities</b>	-	-	-	-	-	-	-	-	10,061
Total	198,157	155,239	271,523	297,005	272,428	212,016	271,523	257,644	149,206
<b>Loans</b>									
Point-of-sale loans and leases	1,610,336	1,439,781	1,279,576	1,144,902	1,067,135	1,008,029	1,279,576	980,677	994,842
Commerical real estate mortgages	782,274	722,829	757,576	738,063	686,909	712,256	757,576	606,299	528,434
Commerical real estate loans	14,065	14,600	26,569	30,044	34,897	31,663	26,569	25,574	25,433
Public sector and other financing	35,529	31,247	32,587	33,201	35,362	36,612	32,587	37,596	40,975
Allowance for credit losses	(1,533)	(1,455)	(1,453)	(1,732)	(1,636)	(1,832)	(1,453)	(1,775)	(2,119)
Accrued interest	9,605	8,636	8,195	7,676	7,109	6,996	8,195	6,539	6,723
Total	2,450,276	2,215,638	2,103,050	1,952,154	1,829,776	1,793,724	2,103,050	1,654,910	1,594,288
<b>Other assets</b>									
Capital assets	6,872	6,905	7,075	7,272	7,462	7,643	7,075	7,431	7,911
Goodwill <sup>(1)</sup>	5,754	5,754	5,754	5,754	5,754	5,754	5,754	-	-
Intangible assets <sup>(1)</sup>	3,413	3,527	3,641	3,722	3,804	3,886	3,641	-	-
Other assets	27,674	28,283	24,043	19,864	20,533	21,953	24,043	23,900	33,976
Total	43,713	44,469	40,513	36,612	37,553	39,236	40,513	31,331	41,887
<b>Total assets</b>	\$ 2,692,146	\$ 2,415,346	\$ 2,415,086	\$ 2,285,771	\$ 2,139,757	\$ 2,044,976	\$ 2,415,086	\$ 1,943,885	\$ 1,785,381
<b>Deposits</b>									
Demand	\$ 12,380	\$ 13,643	\$ 14,989	\$ 15,661	\$ 14,908	\$ 14,813	\$ 14,989	\$ 13,796	\$ 12,925
Trustee chequing accounts	484,261	473,369	480,562	497,621	461,108	449,475	480,562	440,219	386,052
Term (including accrued interest)	1,628,275	1,359,991	1,357,653	1,304,464	1,203,257	1,200,406	1,357,653	1,113,555	1,000,912
Total	2,124,916	1,847,003	1,853,204	1,817,746	1,679,273	1,664,694	1,853,204	1,567,570	1,399,889
<b>Securitization liabilities</b>	-	-	-	-	-	-	-	8,745	33,366
<b>Other liabilities</b>	127,406	133,666	134,504	120,310	118,726	115,883	134,504	107,393	107,082
<b>Subordinated notes payable</b>	98,410	97,726	95,272	95,683	94,392	4,891	95,272	4,889	4,881
<b>Shareholders' equity</b>									
Share capital	242,086	241,662	241,466	166,404	166,404	182,094	241,466	182,094	182,094
Retained earnings	99,285	95,276	90,644	85,626	80,965	77,414	90,644	73,194	58,069
Accumulated other comprehensive income	43	13	(4)	2	(3)	-	(4)	-	-
Total	341,414	336,951	332,106	252,032	247,366	259,508	332,106	255,288	240,163
<b>Total liabilities and shareholders' equity</b>	\$ 2,692,146	\$ 2,415,346	\$ 2,415,086	\$ 2,285,771	\$ 2,139,757	\$ 2,044,976	\$ 2,415,086	\$ 1,943,885	\$ 1,785,381

(1) Goodwill and intangible assets relate to the acquisition of Digital Boundary Group on November 30, 2020. See the Bank's annual 2021 audited Financial Statements and Management Discussion & Analysis for additional detail.



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

Page 8

	QUARTER						YEAR ENDED			
	2022		2021				2021	2020	2019	
	Q2	Q1	Q4	Q3	Q2	Q1				
<b>Gross impaired loans</b>										
Point-of-sale loans and leases	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commercial real estate mortgages	-	-	-	-	-	-	-	-	-	6,282
Commercial real estate loans	-	-	-	-	-	-	-	-	-	-
Public sector and other financing	-	-	-	-	-	-	-	-	-	-
Total gross impaired loans	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,282
<b>Allowance for credit losses</b>										
Allowance for credit losses under IFRS 9	\$ 1,533	\$ 1,455	\$ 1,453	\$ 1,732	\$ 1,636	\$ 1,832	\$ 1,453	\$ 1,775	\$ 2,119	
Total allowance for credit losses	\$ 1,533	\$ 1,455	\$ 1,453	\$ 1,732	\$ 1,636	\$ 1,832	\$ 1,453	\$ 1,775	\$ 2,119	
<b>Reconciliation of allowance for credit losses</b>										
Balance, beginning of period	\$ 1,455	\$ 1,453	\$ 1,732	\$ 1,636	\$ 1,832	\$ 1,775	\$ 1,775	\$ 2,119	\$ 2,759	
IFRS 9 transition	-	-	-	-	-	-	-	-	(106)	
Provision (recoveries) for credit losses	78	2	(279)	96	(312)	57	(438)	(344)	(298)	
Recoveries (write-offs)	-	-	-	-	116	-	116	-	(236)	
Balance, end of period	\$ 1,533	\$ 1,455	\$ 1,453	\$ 1,732	\$ 1,636	\$ 1,832	\$ 1,453	\$ 1,775	\$ 2,119	
Total net impaired loans	\$ (1,533)	\$ (1,455)	\$ (1,453)	\$ (1,732)	\$ (1,636)	\$ (1,832)	\$ (1,453)	\$ (1,775)	\$ 4,163	
Total loans	\$ 2,450,276	\$ 2,215,638	\$ 2,103,050	\$ 1,829,776	\$ 1,829,776	\$ 1,793,724	\$ 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%	0.00%	0.00%	0.00%	0.39%	
Provision (recovery) for credit losses as a % of average loans	0.01%	0.00%	(0.05%)	(0.07%)	(0.07%)	0.01%	(0.02%)	(0.02%)	(0.02%)	

**VERSABANK**  
**ALLOWANCE FOR CREDIT LOSSES BY LENDING ASSET**  
**Quarter ended April 30, 2022**  
(unaudited)  
(\$CAD thousands)

Page 9

	As at April 30, 2022				As at April 30, 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Point-of-sale loans and leases</b>								
Balance at beginning of period	\$ 370	\$ -	\$ -	\$ 370	\$ 207	\$ -	\$ -	\$ 207
Transfer in (out) to Stage 1	14	(14)	-	-	21	(21)	-	-
Transfer in (out) to Stage 2	(27)	27	-	-	(46)	46	-	-
Transfer in (out) to Stage 3	-	-	-	-	-	-	-	-
Net remeasurement of loss allowance	62	(13)	-	49	56	(25)	-	31
Loan originations	-	-	-	-	-	-	-	-
Derecognitions and maturities	-	-	-	-	-	-	-	-
Provision for (recovery of) credit losses	49	-	-	49	31	-	-	31
Write-offs	-	-	-	-	-	-	-	-
Recoveries	-	-	-	-	-	-	-	-
<b>Balance at end of period</b>	<b>\$ 419</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 419</b>	<b>\$ 238</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 238</b>
<b>Commercial real estate mortgages</b>								
Balance at beginning of period	\$ 949	\$ 96	\$ -	\$ 1,045	\$ 1,346	\$ 167	\$ -	\$ 1,513
Transfer in (out) to Stage 1	8	(8)	-	-	-	-	-	-
Transfer in (out) to Stage 2	-	-	-	-	(56)	56	-	-
Transfer in (out) to Stage 3	-	-	-	-	-	-	-	-
Net remeasurement of loss allowance	(69)	13	-	(56)	(256)	36	-	(220)
Loan originations	80	-	-	80	78	-	-	78
Derecognitions and maturities	(20)	-	-	(20)	(33)	(30)	-	(63)
Provision for (recovery of) credit losses	(1)	5	-	4	(267)	62	-	(205)
Write-offs	-	-	-	-	-	-	-	-
Recoveries	-	-	-	-	-	-	-	-
<b>Balance at end of period</b>	<b>\$ 948</b>	<b>\$ 101</b>	<b>\$ -</b>	<b>\$ 1,049</b>	<b>\$ 1,079</b>	<b>\$ 229</b>	<b>\$ -</b>	<b>\$ 1,308</b>
<b>Commercial real estate loans</b>								
Balance at beginning of period	\$ 36	\$ -	\$ -	\$ 36	\$ 72	\$ -	\$ -	\$ 72
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	(23)	-	-	(23)
Loan originations	-	-	-	-	-	-	-	-
Derecognitions and maturities	-	-	-	-	-	-	-	-
Provision for (recovery of) credit losses	4	-	-	4	(23)	-	-	(23)
Write-offs	-	-	-	-	-	-	-	-
Recoveries	-	-	-	-	-	-	-	-
<b>Balance at end of period</b>	<b>\$ 40</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 40</b>	<b>\$ 49</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 49</b>
<b>Public sector and other financing</b>								
Balance at beginning of period	\$ 4	\$ -	\$ -	\$ 4	\$ 40	\$ -	\$ -	\$ 40
Transfer in (out) to Stage 1	-	-	-	-	-	-	-	-
Transfer in (out) to Stage 2	-	-	-	-	-	-	-	-
Transfer in (out) to Stage 3	-	-	-	-	-	-	-	-
Net remeasurement of loss allowance	20	1	-	21	2	-	-	2
Loan originations	-	-	-	-	-	-	-	-
Derecognitions and maturities	-	-	-	-	(1)	-	(116)	(117)
Provision for (recovery of) credit losses	20	1	-	21	1	-	(116)	(115)
Write-offs	-	-	-	-	-	-	-	-
Recoveries	-	-	-	-	-	-	116	116
<b>Balance at end of period</b>	<b>\$ 24</b>	<b>\$ 1</b>	<b>\$ -</b>	<b>\$ 25</b>	<b>\$ 41</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 41</b>
<b>Total balance at end of period</b>	<b>\$ 1,431</b>	<b>\$ 102</b>	<b>\$ -</b>	<b>\$ 1,533</b>	<b>\$ 1,407</b>	<b>\$ 229</b>	<b>\$ -</b>	<b>\$ 1,636</b>

**VERSABANK**  
**ALLOWANCE FOR CREDIT LOSSES BY LENDING ASSET**  
Year to Date ended April 30, 2022  
(unaudited)  
(\$CAD thousands)

Page 10

	As at April 30, 2022				As at April 30, 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Point-of-sale loans and leases</b>								
Balance at beginning of period	\$ 275	\$ -	\$ -	\$ 275	\$ 215	\$ -	\$ -	\$ 215
Transfer in (out) to Stage 1	52	(52)	-	-	41	(41)	-	-
Transfer in (out) to Stage 2	(85)	85	-	-	(90)	90	-	-
Transfer in (out) to Stage 3	-	-	-	-	-	-	-	-
Net remeasurement of loss allowance	177	(33)	-	144	72	(49)	-	23
Loan originations	-	-	-	-	-	-	-	-
Derecognitions and maturities	-	-	-	-	-	-	-	-
Provision for (recovery of) credit losses	144	-	-	144	23	-	-	23
Write-offs	-	-	-	-	-	-	-	-
Recoveries	-	-	-	-	-	-	-	-
<b>Balance at end of period</b>	<b>\$ 419</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 419</b>	<b>\$ 238</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 238</b>
<b>Commercial real estate mortgages</b>								
Balance at beginning of period	\$ 980	\$ 134	\$ -	\$ 1,114	\$ 1,174	\$ 192	\$ -	\$ 1,366
Transfer in (out) to Stage 1	22	(22)	-	-	-	-	-	-
Transfer in (out) to Stage 2	(4)	4	-	-	(58)	58	-	-
Transfer in (out) to Stage 3	-	-	-	-	-	-	-	-
Net remeasurement of loss allowance	(97)	(11)	-	(108)	(189)	46	-	(143)
Loan originations	160	-	-	160	224	-	-	224
Derecognitions and maturities	(113)	(4)	-	(117)	(72)	(67)	-	(139)
Provision for (recovery of) credit losses	(32)	(33)	-	(65)	(95)	37	-	(58)
Write-offs	-	-	-	-	-	-	-	-
Recoveries	-	-	-	-	-	-	-	-
<b>Balance at end of period</b>	<b>\$ 948</b>	<b>\$ 101</b>	<b>\$ -</b>	<b>\$ 1,049</b>	<b>\$ 1,079</b>	<b>\$ 229</b>	<b>\$ -</b>	<b>\$ 1,308</b>
<b>Commercial real estate loans</b>								
Balance at beginning of period	\$ 45	\$ -	\$ -	\$ 45	\$ 137	\$ -	\$ -	\$ 137
Transfer in (out) to Stage 1	-	-	-	-	-	-	-	-
Transfer in (out) to Stage 2	-	-	-	-	-	-	-	-
Transfer in (out) to Stage 3	-	-	-	-	-	-	-	-
Net remeasurement of loss allowance	(5)	-	-	(5)	(88)	-	-	(88)
Loan originations	-	-	-	-	-	-	-	-
Derecognitions and maturities	-	-	-	-	-	-	-	-
Provision for (recovery of) credit losses	(5)	-	-	(5)	(88)	-	-	(88)
Write-offs	-	-	-	-	-	-	-	-
Recoveries	-	-	-	-	-	-	-	-
<b>Balance at end of period</b>	<b>\$ 40</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 40</b>	<b>\$ 49</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 49</b>
<b>Public sector and other financing</b>								
Balance at beginning of period	\$ 16	\$ 3	\$ -	\$ 19	\$ 57	\$ -	\$ -	\$ 57
Transfer in (out) to Stage 1	-	-	-	-	-	-	-	-
Transfer in (out) to Stage 2	-	-	-	-	-	-	-	-
Transfer in (out) to Stage 3	-	-	-	-	-	-	-	-
Net remeasurement of loss allowance	9	(2)	-	7	(15)	-	-	(15)
Loan originations	-	-	-	-	-	-	-	-
Derecognitions and maturities	(1)	-	-	(1)	(1)	-	(116)	(117)
Provision for (recovery of) credit losses	8	(2)	-	6	(16)	-	(116)	(132)
Write-offs	-	-	-	-	-	-	-	-
Recoveries	-	-	-	-	-	-	116	116
<b>Balance at end of period</b>	<b>\$ 24</b>	<b>\$ 1</b>	<b>\$ -</b>	<b>\$ 25</b>	<b>\$ 41</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 41</b>
<b>Total balance at end of period</b>	<b>\$ 1,431</b>	<b>\$ 102</b>	<b>\$ -</b>	<b>\$ 1,533</b>	<b>\$ 1,407</b>	<b>\$ 229</b>	<b>\$ -</b>	<b>\$ 1,636</b>



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

Page 12

	2022		2021			
	Q2	Q1	Q4	Q3	Q2	Q1
<b>On-Balance Sheet Exposures</b>						
On-balance sheet assets	\$ 2,692,146	\$ 2,415,346	\$ 2,415,086	\$ 2,285,771	\$ 2,139,757	\$ 2,044,976
Asset amounts adjusted in determining Basel III Tier 1 Capital	(11,804)	(12,479)	(12,751)	(11,869)	(12,979)	(15,320)
Adjustment under transitional basis	-	-	-	-	-	-
Total on-balance sheet exposures	2,680,342	2,402,867	2,402,335	2,273,902	2,126,778	2,029,656
<b>Other Off-Balance Sheet Exposures</b>						
Off-balance sheet exposure at gross notional amount	\$ 366,780	\$ 366,895	\$ 342,710	\$ 331,504	\$ 309,763	\$ 318,977
Adjustments for conversion to credit equivalent amounts	(212,907)	(212,919)	(210,065)	(200,446)	(196,623)	(207,253)
Off-balance sheet items	153,873	153,976	132,645	131,058	113,140	111,724
<b>Capital and Total Exposures</b>						
Tier 1 capital	329,610	324,472	319,355	240,163	234,388	244,188
Total exposures	2,834,215	2,556,843	2,534,980	2,404,960	2,239,918	2,141,380
<b>Leverage Ratios</b>						
Basel III leverage ratio	11.63%	12.69%	12.60%	9.99%	10.46%	11.40%