



Supplemental Financial Information

For the quarter ended July 31, 2022
(unaudited)

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Use of this Report

This financial information is supplementary to the Bank's third 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)**

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	QUARTER								9 MONTHS ENDED		YEAR ENDED		
	2022			2021				2022	2021	2021	2020	2019	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q3	Q3				
Results of Operations													
Interest income	\$ 34,177	\$ 25,848	\$ 24,720	\$ 23,924	\$ 22,400	\$ 21,649	\$ 21,515	\$ 84,745	\$ 65,564	\$ 89,488	\$ 86,094	\$ 88,305	
Net interest income	20,062	17,242	16,885	16,146	14,542	15,095	14,374	54,189	44,011	60,157	54,125	53,897	
Non-interest income (loss) ⁽¹⁾	1,177	1,393	1,381	2,090	1,187	875	1,048	3,951	3,110	5,200	60	22	
Total revenue	21,239	18,635	18,266	18,236	15,729	15,970	15,422	58,140	47,121	65,357	54,185	53,919	
Provision for (recovery of) credit losses	166	78	2	(279)	96	(312)	57	246	(159)	(438)	(344)	(298)	
Non-interest expenses	13,216	11,767	10,636	10,377	8,200	8,342	8,087	35,619	24,629	35,006	27,777	26,396	
Net income before income tax	7,857	6,790	7,628	8,138	7,433	7,940	7,278	22,275	22,651	30,789	26,752	27,821	
Tax provision (recovery)	2,137	1,847	2,062	2,228	1,997	2,196	1,988	6,046	6,181	8,409	7,347	7,625	
Net income	\$ 5,720	\$ 4,943	\$ 5,566	\$ 5,910	\$ 5,436	\$ 5,744	\$ 5,290	\$ 16,229	\$ 16,470	\$ 22,380	\$ 19,405	\$ 20,196	
Per Common Share (\$'s)													
Basic earnings per share	0.20	0.17	0.19	0.24	0.25	0.25	0.22	0.56	0.72	0.96	0.82	0.85	
Diluted earnings per share	0.20	0.17	0.19	0.24	0.25	0.25	0.22	0.56	0.72	0.96	0.82	0.85	
Return on average common equity	6.57%	5.92%	6.58%	8.07%	8.72%	9.20%	8.26%	6.36%	8.72%	8.45%	7.89%	8.89%	
Book value/share	12.14	11.94	11.78	11.61	11.29	11.06	10.90	12.14	11.29	11.61	10.70	9.98	
Closing market price (common share)	9.42	13.02	14.74	14.78	13.30	15.03	10.99	9.42	13.30	14.78	6.59	6.57	
Weighted average number of common shares	27,441	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	27,441	21,124	21,124	21,124	27,441	21,124	27,441	21,124	21,124	
Total market value of common shares	258,494	357,282	404,480	405,578	280,949	317,494	232,153	258,494	280,949	405,578	139,207	138,785	
Financial Ratios													
Yield	4.70%	4.15%	4.06%	4.04%	4.02%	4.24%	4.28%	4.13%	4.14%	4.11%	4.62%	4.91%	
Cost of funds	1.94%	1.38%	1.29%	1.31%	1.41%	1.28%	1.42%	1.49%	1.36%	1.35%	1.71%	1.91%	
Net interest income (%)	2.76%	2.77%	2.77%	2.73%	2.61%	2.96%	2.86%	2.64%	2.78%	2.76%	2.90%	3.00%	
Net interest income on loans (%)	3.07%	3.11%	3.23%	3.31%	3.23%	3.55%	3.44%	3.04%	3.43%	3.35%	3.41%	3.38%	
Non-interest expenses to average total assets (annualized)	1.82%	1.89%	1.75%	1.75%	1.47%	1.64%	1.61%	1.73%	1.56%	1.61%	1.49%	1.47%	
Efficiency ratio	62.23%	63.14%	58.23%	56.90%	52.13%	52.24%	52.44%	61.26%	52.27%	53.56%	51.26%	48.95%	
Efficiency ratio - Digital Banking	57.05%	58.17%	57.80%	56.34%	50.40%	48.77%	51.20%	57.21%	50.11%	51.69%	49.44%	46.67%	
Number of full time equivalent staff at period end	154	152	145	145	145	140	142	154	145	145	98	92	
Assets to full time employee	\$ 19,996	\$ 17,758	\$ 16,704	\$ 16,656	\$ 15,764	\$ 15,284	\$ 14,401	\$ 19,996	\$ 15,764	\$ 16,656	\$ 19,836	\$ 19,385	
Credit Quality													
Gross impaired loans	\$ 1,392	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,392	\$ -	\$ -	\$ -	\$ 6,282	
Gross impaired loans as a % of total loans	0.05%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.05%	0.00%	0.00%	0.00%	0.39%	
Net impaired loans	\$ (307)	\$ (1,533)	\$ (1,455)	\$ (1,453)	\$ (1,732)	\$ (1,636)	\$ (1,832)	\$ (307)	\$ (1,732)	\$ (1,453)	\$ (1,775)	\$ 4,163	
Provision (recovery) for credit losses as a % of average loans	0.03%	0.01%	0.00%	(0.05)%	0.02%	(0.07)%	0.01%	0.01%	(0.01)%	(0.02)%	(0.02)%	(0.02)%	
Financial Position													
Cash and securities	\$ 217,896	\$ 198,157	\$ 155,239	\$ 271,523	\$ 297,005	\$ 272,428	\$ 212,016	\$ 217,896	\$ 297,005	\$ 271,523	\$ 257,644	\$ 149,206	
Cash and securities to total assets (%)	7.09%	7.36%	6.43%	11.24%	12.99%	12.73%	10.37%	7.09%	12.99%	11.24%	13.25%	8.36%	
Total loans	2,814,121	2,450,276	2,215,638	2,103,050	1,952,154	1,829,776	1,793,724	2,814,121	1,952,154	2,103,050	1,654,910	1,594,288	
Mortgages and loans to total assets (%)	91.51%	91.02%	91.73%	87.08%	85.40%	85.51%	87.71%	91.51%	85.40%	87.08%	85.13%	89.30%	
Total assets	3,075,343	2,692,146	2,415,346	2,415,086	2,285,771	2,139,757	2,044,976	3,075,343	2,285,771	2,415,086	1,943,885	1,785,381	
Average assets	2,883,745	2,553,746	2,415,216	2,350,429	2,212,764	2,092,367	1,994,431	2,745,215	2,114,828	2,179,486	1,864,633	1,797,256	
Deposits	2,475,063	2,124,916	1,847,003	1,853,204	1,817,746	1,679,273	1,664,694	2,475,063	1,817,746	1,853,204	1,567,570	1,399,889	
Subordinated notes payable	98,706	98,410	97,726	95,272	95,683	94,392	4,891	98,706	95,683	95,272	4,889	4,881	
Shareholders' equity	346,648	341,414	336,951	332,106	252,032	247,366	259,508	346,648	252,032	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)

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	QUARTER								9 MONTHS ENDED		YEAR ENDED		
	2022			2021			2022	2021	2021	2020	2019		
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q3				Q3	
Interest Income													
Loans	\$ 33,165	\$ 25,472	\$ 24,514	\$ 23,590	\$ 22,078	\$ 21,301	\$ 21,086	\$ 83,151	64,465	\$ 88,055	\$ 83,232	\$ 84,875	
Cash and Securities	1,012	376	206	334	322	348	429	1,594	1,099	1,433	2,862	3,430	
Total interest income	34,177	25,848	24,720	23,924	22,400	21,649	21,515	84,745	65,564	89,488	86,094	88,305	
Yield %	4.70%	4.15%	4.06%	4.04%	4.02%	4.24%	4.28%	4.13%	4.14%	4.11%	4.62%	4.91%	
Interest Expense													
Deposits and other	12,727	7,239	6,469	6,479	6,539	6,414	7,014	26,435	19,967	26,446	31,461	33,653	
Notes	1,388	1,367	1,366	1,299	1,319	140	127	4,121	1,586	2,885	508	755	
Total interest expense	14,115	8,606	7,835	7,778	7,858	6,554	7,141	30,556	21,553	29,331	31,969	34,408	
Cost of funds %	1.94%	1.38%	1.29%	1.31%	1.41%	1.28%	1.42%	1.49%	1.36%	1.35%	1.71%	1.91%	
Net interest income	20,062	17,242	16,885	16,146	14,542	15,095	14,374	54,189	44,011	60,157	54,125	53,897	
Spread %	2.76%	2.77%	2.77%	2.73%	2.61%	2.96%	2.86%	2.64%	2.78%	2.76%	2.90%	3.00%	
Non-interest income (loss)													
IT security services ⁽¹⁾	1,176	1,392	1,380	2,090	1,185	874	1,065	3,948	3,124	5,214	-	-	
Other	1	1	1	0	2	1	(17)	3	(14)	(14)	60	22	
Total non-interest income (loss)	1,177	1,393	1,381	2,090	1,187	875	1,048	3,951	3,110	5,200	60	22	
Total revenue	21,239	18,635	18,266	18,236	15,729	15,970	15,422	58,140	47,121	65,357	54,185	53,919	
Provision for credit losses (recovery)	166	78	2	(279)	96	(312)	57	246	(159)	(438)	(344)	(298)	
	21,073	18,557	18,264	18,515	15,633	16,282	15,365	57,894	47,280	65,795	54,529	54,217	
Non-interest expenses	13,216	11,767	10,636	10,377	8,200	8,342	8,087	35,619	49,258	70,012	27,777	26,396	
Net income before taxes	7,857	6,790	7,628	8,138	7,433	7,940	7,278	22,275	(1,978)	(4,217)	26,752	27,821	
Tax provision (recovery)	2,137	1,847	2,062	2,228	1,997	2,196	1,988	6,046	6,181	8,409	7,347	7,625	
Net income	\$ 5,720	\$ 4,943	\$ 5,566	\$ 5,910	\$ 5,436	\$ 5,744	\$ 5,290	\$ 16,229	\$ (8,159)	\$ (12,626)	\$ 19,405	\$ 20,196	
Earnings per common share:													
Basic	\$ 0.20	\$ 0.17	\$ 0.19	\$ 0.24	\$ 0.25	\$ 0.25	\$ 0.22	\$ 0.56	\$ 0.72	\$ 0.96	\$ 0.82	\$ 0.85	
Diluted	\$ 0.20	\$ 0.17	\$ 0.19	\$ 0.24	\$ 0.25	\$ 0.25	\$ 0.22	\$ 0.56	\$ 0.72	\$ 0.96	\$ 0.82	\$ 0.85	
Comprehensive Income													
Net income	\$ 5,720	\$ 4,943	\$ 5,566	\$ 5,910	\$ 5,436	\$ 5,744	\$ 5,290	\$ 16,229	\$ 16,470	\$ 22,380	\$ 19,405	\$ 20,196	
Other comprehensive income (loss), net of tax													
Net unrealized gains (losses) on fair value through OCI assets	24	26	17	(6)	5	(3)	-	67	2	(4)	-	-	
	24	26	17	(6)	5	(3)	-	67	2	(4)	-	-	
Total comprehensive income	\$ 5,744	\$ 4,969	\$ 5,583	\$ 5,904	\$ 5,441	\$ 5,741	\$ 5,290	\$ 16,296	\$ 16,472	\$ 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)

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	QUARTER								9 MONTHS ENDED		YEAR ENDED		
	2022			2021				2022	2021	2021			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q3	Q3	2021	2020	2019	
Net Interest Income	\$ 20,062	\$ 17,242	\$ 16,885	\$ 16,146	\$ 14,542	\$ 15,095	\$ 14,374	\$ 54,189	\$ 44,011	\$ 60,157	\$ 54,125	\$ 53,897	
Net Interest Income (NII)	20,062	17,242	16,885	16,146	14,542	15,095	14,374	54,189	44,011	60,157	54,125	53,897	
Other income	1,177	1,393	1,381	2,090	1,187	875	1,048	3,951	3,110	5,200	60	22	
Total non-interest income	1,177	1,393	1,381	2,090	1,187	875	1,048	3,951	3,110	5,200	60	22	
Total revenue	\$ 21,239	\$ 18,635	\$ 18,266	\$ 18,236	\$ 15,729	\$ 15,970	\$ 15,422	\$ 58,140	\$ 47,121	\$ 65,357	\$ 54,185	\$ 53,919	
Non-interest income as a % of total revenue	5.54%	7.48%	7.56%	11.46%	7.55%	5.48%	6.80%	6.80%	6.60%	7.96%	0.11%	0.04%	
Net interest income per average assets	2.76%	2.77%	2.77%	2.73%	2.61%	2.96%	2.86%	2.64%	2.78%	2.76%	2.90%	3.00%	

(unaudited)
(\$CAD thousands)

	QUARTER								9 MONTHS ENDED		YEAR ENDED		
	2022			2021				2022	2021	2021			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q3	Q3	2021	2020	2019	
Average loans	\$ 2,632,199	\$ 2,332,957	\$ 2,159,344	\$ 2,027,602	\$ 1,890,965	\$ 1,811,750	\$ 1,724,317	\$ 2,458,586	\$ 1,803,532	\$ 1,878,980	\$ 1,624,599	\$ 1,612,657	
Average total assets	\$ 2,883,745	\$ 2,553,746	\$ 2,415,216	\$ 2,350,429	\$ 2,212,764	\$ 2,092,367	\$ 1,994,431	\$ 2,745,215	\$ 2,114,828	\$ 2,179,486	\$ 1,864,633	\$ 1,797,256	

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

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	QUARTER								9 MONTHS ENDED		YEAR ENDED		
	2022			2021				2022	2021				
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q3	Q3	2021	2020	2019	
Salaries and Employee Benefits													
Salaries	\$ 4,397	\$ 5,571	\$ 4,757	\$ 4,081	\$ 3,861	\$ 3,986	\$ 4,182	\$ 14,725	\$ 12,029	\$ 16,110	\$ 13,073	\$ 12,658	
Employee benefits	2,371	1,155	1,326	1,326	992	967	848	4,852	2,807	4,133	3,891	2,516	
Total	6,768	6,726	6,083	5,407	4,853	4,953	5,030	19,577	14,836	20,243	16,964	15,174	
General and administrative													
Capital taxes and other assessments	667	640	640	630	832	602	491	1,947	1,925	2,555	1,645	1,933	
Insurance	1,067	1,075	1,061	566	168	175	141	3,203	484	1,050	526	494	
Listing, sustaining and annual meeting fees	102	67	111	43	154	112	72	280	338	381	281	287	
Marketing and business development	224	242	138	133	164	152	121	604	437	570	291	309	
Professional fees and consulting services	2,239	868	494	844	476	497	514	3,601	1,487	2,331	2,426	2,013	
Other	1,220	1,127	1,180	1,758	620	845	1,000	3,527	2,465	4,222	3,188	3,756	
Total	5,519	4,019	3,624	3,974	2,414	2,383	2,339	13,162	7,136	11,110	8,357	8,792	
Premises													
Rent	176	177	178	169	185	222	189	531	596	765	538	520	
Depreciation	368	393	400	456	452	494	327	1,161	1,273	1,729	769	721	
Other	385	452	351	371	296	290	202	1,188	788	1,159	1,149	1,189	
Total	929	1,022	929	996	933	1,006	718	2,880	2,657	3,653	2,456	2,430	
Total non-interest expenses	\$ 13,216	\$ 11,767	\$ 10,636	\$ 10,377	\$ 8,200	\$ 8,342	\$ 8,087	\$ 35,619	\$ 24,629	\$ 35,006	\$ 27,777	\$ 26,396	

VERSABANK
OPERATING SEGMENTS
Quarter ended July 31, 2022
(unaudited)
(\$CAD thousands)

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	July 31, 2022				July 31, 2021			
	Digital Banking	DRTC	Eliminations/ Adjustments	Consolidated	Digital Banking	DRTC	Eliminations/ Adjustments	Consolidated
Net interest income	\$ 20,062	\$ -	\$ -	\$ 20,062	\$ 14,542	\$ -	\$ -	\$ 14,542
Non-interest income	12	1,206	(41)	1,177	2	1,226	(41)	1,187
Total revenue	20,074	1,206	(41)	21,239	14,544	1,226	(41)	15,729
Provision for (recovery of) credit losses	166	-	-	166	96	-	-	96
	19,908	1,206	(41)	21,073	14,448	1,226	(41)	15,633
Non-interest expenses								
Salaries and benefits	5,600	1,168	-	6,768	4,411	442	-	4,853
General and administrative	5,217	343	(41)	5,519	2,286	169	(41)	2,414
Premises and equipment	610	319	-	929	607	326	-	933
	11,427	1,830	(41)	13,216	7,304	937	(41)	8,200
Income before income taxes	8,481	(624)	-	7,857	7,144	289	-	7,433
Income tax provision	2,099	38	-	2,137	1,904	93	-	1,997
Net income	\$ 6,382	\$ (662)	\$ -	\$ 5,720	\$ 5,240	\$ 196	\$ -	\$ 5,436
Total assets	\$ 3,076,611	\$ 21,796	\$ (23,064)	\$ 3,075,343	\$ 2,285,882	\$ 18,323	\$ (18,434)	\$ 2,285,771
Total liabilities	\$ 2,725,820	\$ 24,794	\$ (21,919)	\$ 2,728,695	\$ 2,030,180	\$ 20,848	\$ (17,289)	\$ 2,033,739

VERSABANK
OPERATING SEGMENTS
Year to Date ended July 31, 2022
(unaudited)
(\$CAD thousands)

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	July 31, 2022				July 31, 2021			
	Digital Banking	DRTC	Eliminations/ Adjustments	Consolidated	Digital Banking	DRTC	Eliminations/ Adjustments	Consolidated
Net interest income	\$ 54,189	\$ -	\$ -	\$ 54,189	\$ 44,011	\$ -	\$ -	\$ 44,011
Non-interest income	14	4,061	(124)	3,951	(14)	3,234	(110)	3,110
Total revenue	54,203	4,061	(124)	58,140	43,997	3,234	(110)	47,121
Provision for (recovery of) credit losses	246	-	-	246	(159)	-	-	(159)
	53,957	4,061	(124)	57,894	44,156	3,234	(110)	47,280
Non-interest expenses								
Salaries and benefits	16,625	2,952	-	19,577	13,634	1,202	-	14,836
General and administrative	12,460	826	(124)	13,162	6,585	661	(110)	7,136
Premises and equipment	1,851	1,029	-	2,880	1,775	882	-	2,657
	30,936	4,807	(124)	35,619	21,994	2,745	(110)	24,629
Income before income taxes	23,021	(746)	-	22,275	22,162	489	-	22,651
Income tax provision	5,805	241	-	6,046	5,910	271	-	6,181
Net income	\$ 17,216	\$ (987)	\$ -	\$ 16,229	\$ 16,252	\$ 218	\$ -	\$ 16,470
Total assets	\$ 3,076,611	\$ 21,796	\$ (23,064)	\$ 3,075,343	\$ 2,285,882	\$ 18,323	\$ (18,434)	\$ 2,285,771
Total liabilities	\$ 2,725,820	\$ 24,794	\$ (21,919)	\$ 2,728,695	\$ 2,030,180	\$ 20,848	\$ (17,289)	\$ 2,033,739

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

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	QUARTER								YEAR ENDED		
	2022			2021				2021	2020	2019	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1				
Cash and cash equivalents	\$ 84,214	\$ 198,157	\$ 155,239	\$ 271,523	\$ 297,005	\$ 272,428	\$ 212,016	\$ 271,523	\$ 257,644	\$ 139,145	
Securities	133,682	-	-	-	-	-	-	-	-	10,061	
Total	217,896	198,157	155,239	271,523	297,005	272,428	212,016	271,523	257,644	149,206	
Loans											
Point-of-sale loans and leases	1,998,993	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	755,042	782,274	722,829	757,576	738,063	686,909	712,256	757,576	606,299	528,434	
Commerical real estate loans	13,510	14,065	14,600	26,569	30,044	34,897	31,663	26,569	25,574	25,433	
Public sector and other financing	35,605	35,529	31,247	32,587	33,201	35,362	36,612	32,587	37,596	40,975	
Allowance for credit losses	(1,699)	(1,533)	(1,455)	(1,453)	(1,732)	(1,636)	(1,832)	(1,453)	(1,775)	(2,119)	
Accrued interest	12,670	9,605	8,636	8,195	7,676	7,109	6,996	8,195	6,539	6,723	
Total	2,814,121	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	
Other assets											
Capital assets	6,965	6,872	6,905	7,075	7,272	7,462	7,643	7,075	7,431	7,911	
Goodwill ⁽¹⁾	5,754	5,754	5,754	5,754	5,754	5,754	5,754	5,754	-	-	
Intangible assets ⁽¹⁾	3,299	3,413	3,527	3,641	3,722	3,804	3,886	3,641	-	-	
Other assets	27,308	27,674	28,283	24,043	19,864	20,533	21,953	24,043	23,900	33,976	
Total	43,326	43,713	44,469	40,513	36,612	37,553	39,236	40,513	31,331	41,887	
Total assets	\$ 3,075,343	\$ 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	
Deposits											
Demand	\$ 10,732	\$ 12,380	\$ 13,643	\$ 14,989	\$ 15,661	\$ 14,908	\$ 14,813	\$ 14,989	\$ 13,796	\$ 12,925	
Trustee chequing accounts	499,124	484,261	473,369	480,562	497,621	461,108	449,475	480,562	440,219	386,052	
Term (including accrued interest)	1,965,207	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	2,475,063	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	
Securitization liabilities	-	-	-	-	-	-	-	-	8,745	33,366	
Other liabilities	154,926	127,406	133,666	134,504	120,310	118,726	115,883	134,504	107,393	107,082	
Subordinated notes payable	98,706	98,410	97,726	95,272	95,683	94,392	4,891	95,272	4,889	4,881	
Shareholders' equity											
Share capital	242,510	242,086	241,662	241,466	166,404	166,404	182,094	241,466	182,094	182,094	
Retained earnings	104,071	99,285	95,276	90,644	85,626	80,965	77,414	90,644	73,194	58,069	
Accumulated other comprehensive income	67	43	13	(4)	2	(3)	-	(4)	-	-	
Total	346,648	341,414	336,951	332,106	252,032	247,366	259,508	332,106	255,288	240,163	
Total liabilities and shareholders' equity	\$ 3,075,343	\$ 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)

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	QUARTER								YEAR ENDED		
	2022			2021					2021	2020	2019
	Q3	Q2	Q1	Q4	Q3	Q2	Q1				
Gross impaired loans											
Point-of-sale loans and leases	\$ 1,392	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commercial real estate mortgages	-	-	-	-	-	-	-	-	-	-	6,282
Commercial real estate loans	-	-	-	-	-	-	-	-	-	-	-
Public sector and other financing	-	-	-	-	-	-	-	-	-	-	-
Total gross impaired loans	\$ 1,392	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,282
Allowance for credit losses											
Allowance for credit losses under IFRS 9	\$ 1,699	\$ 1,533	\$ 1,455	\$ 1,453	\$ 1,732	\$ 1,636	\$ 1,832	\$ 1,453	\$ 1,775	\$ 2,119	
Total allowance for credit losses	\$ 1,699	\$ 1,533	\$ 1,455	\$ 1,453	\$ 1,732	\$ 1,636	\$ 1,832	\$ 1,453	\$ 1,775	\$ 2,119	
Reconciliation of allowance for credit losses											
Balance, beginning of period	\$ 1,533	\$ 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	166	78	2	(279)	96	(312)	57	(438)	(344)	(298)	
Recoveries (write-offs)	-	-	-	-	-	116	-	116	-	(236)	
Balance, end of period	\$ 1,699	\$ 1,533	\$ 1,455	\$ 1,453	\$ 1,732	\$ 1,636	\$ 1,832	\$ 1,453	\$ 1,775	\$ 2,119	
Total net impaired loans	\$ (307)	\$ (1,533)	\$ (1,455)	\$ (1,453)	\$ (1,732)	\$ (1,636)	\$ (1,832)	\$ (1,453)	\$ (1,775)	\$ 4,163	
Total loans	\$ 2,814,121	\$ 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	
Gross impaired loans as a % of total loans	0.05%	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	0.03%	0.01%	0.00%	(0.05%)	0.02%	(0.07%)	0.01%	(0.02%)	(0.02%)	(0.02%)	

VERSABANK
ALLOWANCE FOR CREDIT LOSSES BY LENDING ASSET
Quarter ended July 31, 2022
(unaudited)
(\$CAD thousands)

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	As at July 31, 2022				As at July 31, 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Point-of-sale loans and leases								
Balance at beginning of period	\$ 419	\$ -	\$ -	\$ 419	\$ 238	\$ -	\$ -	\$ 238
Transfer in (out) to Stage 1	16	(16)	-	-	34	(34)	-	-
Transfer in (out) to Stage 2	(45)	45	-	-	(29)	29	-	-
Transfer in (out) to Stage 3	-	-	-	-	-	-	-	-
Net remeasurement of loss allowance	138	(29)	-	109	16	5	-	21
Loan originations	-	-	-	-	-	-	-	-
Derecognitions and maturities	-	-	-	-	-	-	-	-
Provision for (recovery of) credit losses	109	-	-	109	21	-	-	21
Write-offs	-	-	-	-	-	-	-	-
Recoveries	-	-	-	-	-	-	-	-
Balance at end of period	\$ 528	\$ -	\$ -	\$ 528	\$ 259	\$ -	\$ -	\$ 259
Commercial real estate mortgages								
Balance at beginning of period	\$ 948	\$ 101	\$ -	\$ 1,049	\$ 1,079	\$ 229	\$ -	\$ 1,308
Transfer in (out) to Stage 1	16	(16)	-	-	47	(47)	-	-
Transfer in (out) to Stage 2	(88)	88	-	-	(23)	23	-	-
Transfer in (out) to Stage 3	-	-	-	-	-	-	-	-
Net remeasurement of loss allowance	49	(38)	-	11	20	(17)	-	3
Loan originations	64	-	-	64	120	-	-	120
Derecognitions and maturities	(10)	(18)	-	(28)	(30)	-	-	(30)
Provision for (recovery of) credit losses	31	16	-	47	134	(41)	-	93
Write-offs	-	-	-	-	-	-	-	-
Recoveries	-	-	-	-	-	-	-	-
Balance at end of period	\$ 979	\$ 117	\$ -	\$ 1,096	\$ 1,213	\$ 188	\$ -	\$ 1,401
Commercial real estate loans								
Balance at beginning of period	\$ 40	\$ -	\$ -	\$ 40	\$ 49	\$ -	\$ -	\$ 49
Transfer in (out) to Stage 1	-	-	-	-	-	-	-	-
Transfer in (out) to Stage 2	-	-	-	-	-	-	-	-
Transfer in (out) to Stage 3	-	-	-	-	-	-	-	-
Net remeasurement of loss allowance	9	-	-	9	3	-	-	3
Loan originations	-	-	-	-	-	-	-	-
Derecognitions and maturities	-	-	-	-	-	-	-	-
Provision for (recovery of) credit losses	9	-	-	9	3	-	-	3
Write-offs	-	-	-	-	-	-	-	-
Recoveries	-	-	-	-	-	-	-	-
Balance at end of period	\$ 49	\$ -	\$ -	\$ 49	\$ 52	\$ -	\$ -	\$ 52
Public sector and other financing								
Balance at beginning of period	\$ 24	\$ 1	\$ -	\$ 25	\$ 41	\$ -	\$ -	\$ 41
Transfer in (out) to Stage 1	-	-	-	-	-	-	-	-
Transfer in (out) to Stage 2	-	-	-	-	-	-	-	-
Transfer in (out) to Stage 3	-	-	-	-	-	-	-	-
Net remeasurement of loss allowance	1	-	-	1	(16)	-	-	(16)
Loan originations	-	-	-	-	-	-	-	-
Derecognitions and maturities	-	-	-	-	(5)	-	-	(5)
Provision for (recovery of) credit losses	1	-	-	1	(21)	-	-	(21)
Write-offs	-	-	-	-	-	-	-	-
Recoveries	-	-	-	-	-	-	-	-
Balance at end of period	\$ 25	\$ 1	\$ -	\$ 26	\$ 20	\$ -	\$ -	\$ 20
Total balance at end of period	\$ 1,581	\$ 118	\$ -	\$ 1,699	\$ 1,544	\$ 188	\$ -	\$ 1,732

VERSABANK
ALLOWANCE FOR CREDIT LOSSES BY LENDING ASSET
Year to Date ended July 31 2022
(unaudited)
(\$CAD thousands)

	As at July 31, 2022				As at July 31, 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Point-of-sale loans and leases								
Balance at beginning of period	\$ 275	\$ -	\$ -	\$ 275	\$ 215	\$ -	\$ -	\$ 215
Transfer in (out) to Stage 1	68	(68)	-	-	75	(75)	-	-
Transfer in (out) to Stage 2	(130)	130	-	-	(119)	119	-	-
Transfer in (out) to Stage 3	-	-	-	-	-	-	-	-
Net remeasurement of loss allowance	315	(62)	-	253	88	(44)	-	44
Loan originations	-	-	-	-	-	-	-	-
Derecognitions and maturities	-	-	-	-	-	-	-	-
Provision for (recovery of) credit losses	253	-	-	253	44	-	-	44
Write-offs	-	-	-	-	-	-	-	-
Recoveries	-	-	-	-	-	-	-	-
Balance at end of period	\$ 528	\$ -	\$ -	\$ 528	\$ 259	\$ -	\$ -	\$ 259
Commercial real estate mortgages								
Balance at beginning of period	\$ 980	\$ 134	\$ -	\$ 1,114	\$ 1,174	\$ 192	\$ -	\$ 1,366
Transfer in (out) to Stage 1	38	(38)	-	-	47	(47)	-	-
Transfer in (out) to Stage 2	(92)	92	-	-	(81)	81	-	-
Transfer in (out) to Stage 3	-	-	-	-	-	-	-	-
Net remeasurement of loss allowance	(48)	(49)	-	(97)	(169)	29	-	(140)
Loan originations	224	-	-	224	344	-	-	344
Derecognitions and maturities	(123)	(22)	-	(145)	(102)	(67)	-	(169)
Provision for (recovery of) credit losses	(1)	(17)	-	(18)	39	(4)	-	35
Write-offs	-	-	-	-	-	-	-	-
Recoveries	-	-	-	-	-	-	-	-
Balance at end of period	\$ 979	\$ 117	\$ -	\$ 1,096	\$ 1,213	\$ 188	\$ -	\$ 1,401
Commercial real estate loans								
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	4	-	-	4	(85)	-	-	(85)
Loan originations	-	-	-	-	-	-	-	-
Derecognitions and maturities	-	-	-	-	-	-	-	-
Provision for (recovery of) credit losses	4	-	-	4	(85)	-	-	(85)
Write-offs	-	-	-	-	-	-	-	-
Recoveries	-	-	-	-	-	-	-	-
Balance at end of period	\$ 49	\$ -	\$ -	\$ 49	\$ 52	\$ -	\$ -	\$ 52
Public sector and other financing								
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	10	(2)	-	8	(31)	-	-	(31)
Loan originations	-	-	-	-	-	-	-	-
Derecognitions and maturities	(1)	-	-	(1)	(6)	-	(116)	(122)
Provision for (recovery of) credit losses	9	(2)	-	7	(37)	-	(116)	(153)
Write-offs	-	-	-	-	-	-	-	-
Recoveries	-	-	-	-	-	-	116	116
Balance at end of period	\$ 25	\$ 1	\$ -	\$ 26	\$ 20	\$ -	\$ -	\$ 20
Total balance at end of period	\$ 1,581	\$ 118	\$ -	\$ 1,699	\$ 1,544	\$ 188	\$ -	\$ 1,732

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

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	2022			2021			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1
On-Balance Sheet Exposures							
On-balance sheet assets	\$ 3,075,343	\$ 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	(11,615)	(11,804)	(12,479)	(12,751)	(11,869)	(12,979)	(15,320)
Adjustment under transitional basis	-	-	-	-	-	-	-
Total on-balance sheet exposures	3,063,728	2,680,342	2,402,867	2,402,335	2,273,902	2,126,778	2,029,656
Other Off-Balance Sheet Exposures							
Off-balance sheet exposure at gross notional amount	\$ 374,489	\$ 366,780	\$ 366,895	\$ 342,710	\$ 331,504	\$ 309,763	\$ 318,977
Adjustments for conversion to credit equivalent amounts	(210,567)	(212,907)	(212,919)	(210,065)	(200,446)	(196,623)	(207,253)
Off-balance sheet items	163,922	153,873	153,976	132,645	131,058	113,140	111,724
Capital and Total Exposures							
Tier 1 capital	335,033	329,610	324,472	319,355	240,163	234,388	244,188
Total exposures	3,227,650	2,834,215	2,556,843	2,534,980	2,404,960	2,239,918	2,141,380
Leverage Ratios							
Basel III leverage ratio	10.38%	11.63%	12.69%	12.60%	9.99%	10.46%	11.40%