



VersaBank

**Q4 2025 Conference Call
December 10, 2025**

NASDAQ: VBNK | TSX: VBNK

Dial-In to Ask Questions

For those wishing to ask questions during the Q&A, please access today's call through the telephone dial-in:

Toll-free: 1-888-699-1199 (Canada/US)
Local: 416-945-7677

Advisory

The Bank occasionally makes forward-looking statements about its objectives, operations and targeted financial results. These statements may be written or verbal and may be included in such things as press releases, corporate presentations, annual reports and other disclosure documents and communications. By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that predictions, forecasts, projections and other forward-looking statements will not be achieved. A number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors include, but are not limited to, the strength of the Canadian economy in general and the strength of the local economies within Canada in which the Bank conducts operations; the effects of changes in monetary and fiscal policy, including changes in interest rate policies of the Bank of Canada; global commodity prices; the effects of competition in the markets in which the Bank operates; inflation; capital market fluctuations; the timely development and introduction of new products in receptive markets; the impact of changes in the laws and regulations regulating financial services; changes in tax laws; technological changes; unexpected judicial or regulatory proceedings; unexpected changes in consumer spending and savings habits; and the Bank's anticipation of and success in managing the risks implicated by the foregoing. When relying on forward-looking statements to make decisions, investors and others should carefully consider these factors and other uncertainties or potential events. For a detailed discussion of certain key factors that may affect our future results, please see our MD&A for the year ended October 31, 2025. The Bank makes no undertaking to update any forward-looking statement that is made from time to time by the Bank.



VersaBank

David Taylor

President

Q4 2025 Financial Highlights



Total Assets	\$5.81 B
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Credit Assets	\$5.07 B
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NIM on Credit Assets	2.65%
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Total Revenue	\$35.1 M
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Adjusted Net Income¹	\$10.5 M
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Adjusted EPS¹	\$0.33
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- Record credit assets, up 20% YoY & 6% sequentially
- Record revenue
- NIM on Credit Assets grew 31 bps year-over-year
- 91% YoY increase in adjusted net income

1. Adjusted net income and adjusted EPS exclude costs associated with the proposed realignment to corporate structure and adjustments

Strong finish to F2025: Momentum in Digital Banking business
with increasing benefit of operating leverage

Increasing Momentum in Receivable Purchase Program



- Q4: Completed US\$200 M in US RPP fundings
- Added 4 new partners since start of Q4
- Added largest US partner to date: ECN Capital (via subsidiary Source One)
 - Completed initial funding of \$61 M
 - Subsequently completed fundings to bring total fundings to date to >\$90 M
- Provided US\$310 M in F2025 US RPP fundings, surpassing first year target of US\$290 M
 - US\$242 M in Core RPP fundings
 - US\$68 M in Securitized RPP fundings

Majority of recent RPP credit asset growth only partially contributed to Q4 results

Enhanced CMHC Program to Generate Incremental Income



- Existing high-ROE CMHC program nearing \$1 B in commitments
- Subsequent to quarter end, initiated Enhanced CMHC Program
 - Utilizing allocated capacity under the Canadian Mortgage Bond (CMB) Program to invest in CMHC-insured multi-unit residential term mortgages
 - Requires de minimis incremental regulatory capital
 - Bank earns a fixed fee on the securitization and sale into the CMB Program
 - Will see initial contribution in Q1

Expected to contribute minimum of \$2 M of incremental revenue in F2026 with de minimis additional operating costs



VersaBank

John Asma

Chief Financial Officer

Q4 2025: Continued Strong Financial Performance

Balance Sheet

	At October 31		YoY Change
	2025	2024	
Total Assets	\$5.81 B	\$4.84B	20%
Credit Asset Portfolio	\$5.07 B	\$4.24 B	20%
Cash and Securities	\$0.66 B	\$0.52 B	28%
Book Value per Common Share	\$16.67	\$15.35	9%
CET1 Ratio	12.92%	11.24%	168 bps
Leverage Ratio	8.47%	7.38%	109 bps

- Total credit asset portfolio expanded to another record balance
- Book value per share increased as a function of the December 2024 capital raise and higher retained earnings (from net income growth), partially offset by dividends paid

Both CET1 and leverage ratios remain above targets

Q4 2025: Continued Strong Financial Performance

Consolidated

Consolidated Income Statement

	Quarter Ended October 31			
(000's)	2025	2024	YoY Change	Sequential Change
Revenue	35,092	27,285	29%	11%
Non-Interest Expenses	23,871	19,365	23%	10%
Net Income	5,204	5,516	-6%	-21%
Adj Net Income	10,549	5,516	91%	9%
EPS	0.16	0.20	-20%	-20%
Adj EPS	0.33	0.20	65%	10%

- YoY and sequential revenue increase due primarily to growth in assets
- EPS impacted by 25% higher number of weighted-average shares outstanding due to December 2024 capital raise

Q4 2025: Segmented Income Statement

Segmented Income Statement

Revenue

	Quarter Ended October 31			
(000's)	2025	2024	YoY Change	Sequential Change
Revenue	35,092	27,285	29%	11%
Digital Banking Canada	27,649	23,650	17%	4%
Digital Banking USA	5,219	1,393	275%	67%
Digital Meteor	673	285	136%	8%
DRTC	1,898	2,298	-17%	21%

Net Income

	Quarter Ended October 31			
(000's)	2025	2024	YoY Change	Sequential Change
Net Income	5,204	5,516	-6%	-21%
Digital Banking Canada	3,128	5,031	-38%	-52%
Digital Banking USA	1,999	465	330%	357%
Digital Meteor	94	98	-4%	309%
DRTC	(17)	(78)	78%	96%

Net Income for Q4 and 2025 includes \$5.4 M and \$9.9M NIEs related to the proposed realignment to standard US bank framework and adjustments, respectively

Costs for realignment of corporate structure are under Digital Banking Canada

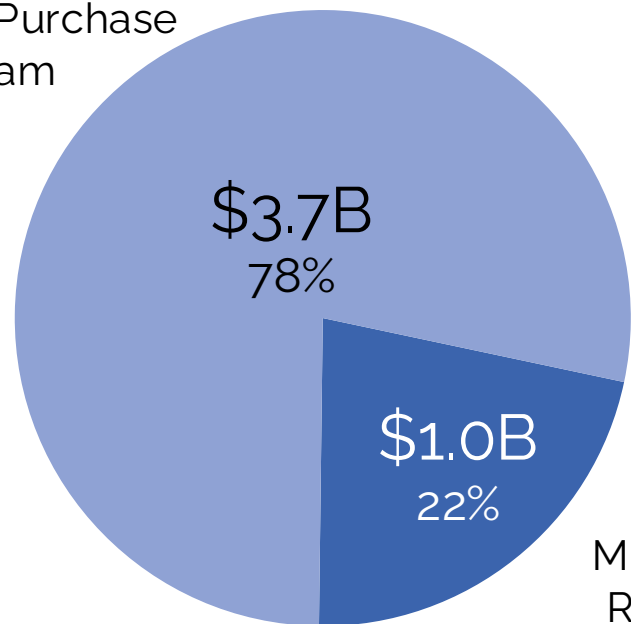
Q4 2025: Continued Strong Financial Performance

Digital Banking Operations - Record Credit Asset: \$5.05 B

Q3 2025

Total: \$4.78 B

Receivable Purchase
Program

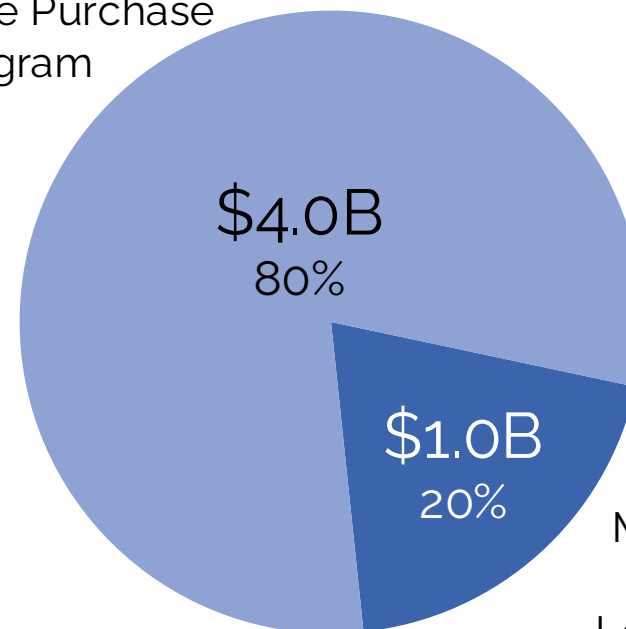


Multi-Family
Residential
Loans & Other

Q4 2025

Total: \$5.05 B

Receivable Purchase
Program



Multi-Family
Residential
Loans & Other

Receivable Purchase Program Portfolio: Up 22% YoY & Up 9% sequentially
Multi-Family Residential Loans & Other: Up 11% YoY & Down 3% sequentially

Q4 2025: Continued Strong Financial Performance

Digital Banking Operations

Digital Banking Operations: Income Statement

	Quarter Ended July 31			
	2025	2024	YoY Change	Sequential Change
Cost of Funds	3.15%	4.11%	-96 bps	-18 bps
Non-Interest Expenses	23,871	19,365	23%	24%
Net Interest Income	32,633	24,901	31%	10%
Net Interest Margin on Credit Assets	2.65%	2.34%	31 bps	10 bps
Net Interest Margin	2.29%	2.12%	17 bps	4 bps

- YoY increase in NIE reflects build out of US RPP business ahead of revenue
- NIE included \$4.3 million related to costs associated with the Bank's proposed realignment of corporate structure a standard US bank framework
- NII increased 31% YoY
- NIM on credit assets increased 31 bps YoY

NIM remained among the highest of the publicly traded Canadian Schedule I (federally licensed) banks

Continued de minimis Credit Losses

Average Provision for Credit Losses as
a % of Average Credit Assets

0.03%

(Trailing 12-Quarters)





VersaBank

David Taylor

President

Momentum Moving into F2026

Net Interest Expense

- Expected to be relatively flat to this year, with some opportunities for YoY cost savings

Revenue

- Multiple drivers of credit asset growth
 - Canada RPP growth steady
 - US RPP growth accelerating
 - F2026 target: +US\$1 billion – Significantly greater operating leverage
 - Continued growth in CMHC loan book in Canada
- Incremental contribution of new revenue stream generated by our CMHC allocation fees

Net Interest Margin

- Expect YoY stability with upside potential

Proposed reorganization to US bank framework moving forward

Divestiture of Cybersecurity business advancing

Real Bank Deposit Tokens™ (RBDTs™)

A Market Ready
Solution to Address
the Digital Asset
Revolution

A Superior, Bank-Issued Alternative to Stablecoins

- Highly encrypted digital assets that represent actual 1:1 deposits with the Bank – seamless conversion to/from other digital currencies
- Legally entitled to bear interest and expected to be eligible for conventional deposit insurance¹
- Reside on the balance sheet to fund lending activities
- SOC 2 Type I certification for the underlying VersaVault® technology
- New opportunity to leverage VersaVault® and federal bank status in both Canada and US for custody solutions that are consistent with stablecoin regulations

1. Subject to confirmation by regulators.

Represent significant potential source of ultra-low-cost deposits to fund growth, as well as opportunity to license technology



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Q&A Session

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Versa**Bank**

Banking on the Future!