



The financial information reported herein is based on the condensed interim consolidated (unaudited) information for the three-month period ended January 31, 2024 and has been prepared in accordance with International Financial Reporting standards (IFRS), as issued by the International Accounting Standards Board (IASB). All amounts are denominated in Canadian dollars. The Laurentian Bank of Canada and its entities are collectively referred to as "Laurentian Bank" or the "Bank" and provide deposit, investment, loan, securities, trust and other products or services.

Laurentian Bank of Canada reports first quarter 2024 results

Montreal, February 29, 2024 — Laurentian Bank of Canada reported net income of \$37.3 million and diluted earnings per share of \$0.75 for the first quarter of 2024, compared with \$51.9 million and \$1.09 for the first quarter of 2023. Of note, reported and adjusted results for the first quarter of 2024 included a negative pre-tax impact of \$2.3 million (\$1.7 million after income taxes), or \$0.04 per share, from the remediation activities following the mainframe outage that occurred in September 2023. Reported results for the first quarter of 2024 also included restructuring charges of \$6.1 million (\$4.5 million after income taxes), or \$0.10 per share, as further detailed in the Non-GAAP Financial and Other Measures section. Return on common shareholders' equity was 5.0% for the first quarter of 2024, compared with 7.5% for the first quarter of 2023. Adjusted net income was \$44.2 million and adjusted diluted earnings per share were \$0.91 for the first quarter of 2024, compared with \$54.3 million and \$1.15 for the first quarter of 2023. Adjusted return on common shareholders' equity was 6.0% for the first quarter of 2024, compared with 7.8% for the same period a year ago.

"The Bank has a strong level of liquidity and strengthened our capital position in a period of macroeconomic uncertainty," said Éric Provost, President & CEO. "Throughout the quarter we remained focused on delivering against our three priorities – customer-focus, simplification, and strategic investments to improve our technology infrastructure – and we look forward to launching our revamped strategic plan later this year."

In millions of dollars, except per share and percentage amounts (Unaudited)	For the three months ended				
	January 31, 2024	October 31, 2023	Variance	January 31, 2023	Variance
Reported basis					
Net income	\$ 37.3	\$ 30.6	22 %	\$ 51.9	(28)%
Diluted earnings per share	\$ 0.75	\$ 0.67	12 %	\$ 1.09	(31)%
Return on common shareholders' equity ⁽¹⁾⁽²⁾	5.0 %	4.5 %		7.5 %	
Efficiency ratio ⁽³⁾	76.6 %	79.7 %		70.6 %	
Common Equity Tier 1 (CET1) capital ratio ⁽⁴⁾	10.2 %	9.9 %		9.1 %	
Adjusted basis					
Adjusted net income ⁽⁵⁾	\$ 44.2	\$ 44.7	(1)%	\$ 54.3	(19)%
Adjusted diluted earnings per share ⁽¹⁾	\$ 0.91	\$ 1.00	(9)%	\$ 1.15	(21)%
Adjusted return on common shareholders' equity ⁽¹⁾⁽²⁾	6.0 %	6.6 %		7.8 %	
Adjusted efficiency ratio ⁽¹⁾	73.0 %	72.0 %		69.4 %	

(1) This is a non-GAAP ratio. For more information, refer to the Non-GAAP Financial and Other Measures section below and beginning on page 5 of the First Quarter 2024 Report to Shareholders, including the Management's Discussion and Analysis (MD&A) for the period ended January 31, 2024, which pages are incorporated by reference herein. The MD&A is available on SEDAR+ at www.sedarplus.ca

(2) Effective November 1, 2023, the Bank retrospectively adopted IFRS 17, Insurance contracts, which required restatement of the Bank's 2023 comparative information and financial measures. Refer to Note 2 in the Condensed Interim Consolidated Financial Statements for further information.

(3) This is a supplementary financial measure. For more information, refer to the Non-GAAP Financial below and beginning on page 5 of the First Quarter 2024 Report to Shareholders, including the MD&A for the period ended January 31, 2024, which pages are incorporated by reference herein.

(4) In accordance with the Office of the Superintendent of Financial Institutions' (OSFI) "Capital Adequacy Requirements" guideline.

(5) This is a non-GAAP financial measure. For more information, refer to the Non-GAAP Financial and Other Measures below and beginning on page 5 of the First Quarter 2024 Report to Shareholders, including the MD&A for the period ended January 31, 2024, which pages are incorporated by reference herein.

Financial Reporting Changes

Adoption of IFRS 17, Insurance Contracts

Effective November 1, 2023, the Bank retrospectively adopted IFRS 17, *Insurance contracts* (IFRS 17), which replaces the IFRS 4 standard addressing insurance contracts. The adoption of IFRS 17 required a restatement of the Bank's 2023 comparative information and financial measures and resulted in an increase in other assets and a decrease in retained earnings of \$0.7 million as at November 1, 2022 and October 31, 2023 respectively. The adoption of IFRS 17 had no material

impact on the consolidated statement of income, consolidated statement of comprehensive income and consolidated statement of cash flows for the fiscal year ended October 31, 2023, as well as on financial measures previously disclosed. For additional details on this accounting policy change, refer to Note 2 to the Condensed Interim Consolidated Financial Statements.

Non-GAAP Financial and Other Measures

In addition to financial measures based on generally accepted accounting principles (GAAP), management uses non-GAAP financial measures to assess the Bank's underlying ongoing business performance. Non-GAAP financial measures presented throughout this document are referred to as "adjusted" measures and exclude amounts designated as adjusting items. Adjusting items include the amortization of acquisition-related intangible assets, and certain items of significance that arise from time to time which management believes are not reflective of underlying business performance. Non-GAAP financial measures are not standardized financial measures under the financial reporting framework used to prepare the financial statements of the Bank and might not be comparable to similar financial measures disclosed by other issuers. The Bank believes non-GAAP financial measures are useful to readers in obtaining a better understanding of how management assesses the Bank's performance and in analyzing trends.

The following tables show a reconciliation of the non-GAAP financial measures to their most directly comparable financial measure that is disclosed in the primary financial statements of the Bank.

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES — CONSOLIDATED STATEMENT OF INCOME

In thousands of dollars (Unaudited)	For the three months ended		
	January 31 2024	October 31 2023	January 31 2023
Non-interest expenses	\$ 197,834	\$ 197,281	\$ 183,675
Less: Adjusting items, before income taxes			
Amortization of acquisition-related intangible assets ⁽¹⁾	3,217	3,230	3,210
Restructuring charges ⁽²⁾	6,076	12,544	—
Strategic review-related charges ⁽³⁾	—	3,362	—
	9,293	19,136	3,210
Adjusted non-interest expenses	\$ 188,541	\$ 178,145	\$ 180,465
Income before income taxes	\$ 43,609	\$ 33,495	\$ 60,961
Adjusting items, before income taxes (detailed above)	9,293	19,136	3,210
Adjusted income before income taxes	\$ 52,902	\$ 52,631	\$ 64,171
Reported net income	\$ 37,283	\$ 30,623	\$ 51,910
Adjusting items, net of income taxes			
Amortization of acquisition-related intangible assets ⁽¹⁾	2,402	2,401	2,386
Restructuring charges ⁽²⁾	4,468	9,223	—
Strategic review-related charges ⁽³⁾	—	2,472	—
	6,870	14,096	2,386
Adjusted net income	\$ 44,153	\$ 44,719	\$ 54,296
Net income available to common shareholders	\$ 32,682	\$ 29,334	\$ 47,309
Adjusting items, net of income taxes (detailed above)	6,870	14,096	2,386
Adjusted net income available to common shareholders	\$ 39,552	\$ 43,430	\$ 49,695

(1) Amortization of acquisition-related intangible assets results from business acquisitions and is included in the Non-interest expenses line item.

(2) Restructuring charges resulted from the simplification of the Bank's organizational structure and headcount reduction in 2024, and from changes in the management structure and the right-sizing of the Bank's Capital Markets franchise in 2023. Restructuring charges were mainly comprised of severance charges and impairment charges of software and other intangible assets and were included in the Impairment and restructuring charges line-item.

(3) In 2023, strategic review-related charges resulted from the Bank's review of strategic options aimed at maximizing shareholder and stakeholder value and mainly included professional and other fees. Strategic review-related charges were included in the Impairment and restructuring charges line-item.

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES — CONSOLIDATED BALANCE SHEET

In thousands of dollars (Unaudited)	For the three months ended		
	January 31 2024	October 31 2023	January 31 2023
Shareholders' equity⁽¹⁾	\$ 2,886,490	\$ 2,858,105	\$ 2,808,217
Plus (less):			
Preferred shares	(122,071)	(122,071)	(122,071)
Limited recourse capital notes	(123,487)	(123,487)	(123,282)
Cash flow hedge reserve ⁽²⁾	(25,535)	3,680	(33,323)
Common shareholders' equity⁽¹⁾	\$ 2,615,397	\$ 2,616,227	\$ 2,529,541
Impact of averaging month-end balances⁽³⁾	(7,616)	(21,997)	(11,057)
Average common shareholders' equity⁽¹⁾	\$ 2,607,781	\$ 2,594,230	\$ 2,518,484

(1) Effective November 1, 2023, the Bank retrospectively adopted IFRS 17, Insurance contracts, which required restatement of the Bank's 2023 comparative information and financial measures. Refer to Note 2 in the Condensed Interim Consolidated Financial Statements for further information.

(2) The cash flow hedge reserve is presented in the Accumulated other comprehensive income (loss) line item.

(3) Based on the month-end balances for the period.

Consolidated Results

Three months ended January 31, 2024 financial performance

Net income was \$37.3 million and diluted earnings per share were \$0.75 for the first quarter of 2024, compared with \$51.9 million and \$1.09 for the first quarter of 2023. Of note, reported and adjusted results for the first quarter of 2024 included a negative pre-tax impact of \$2.3 million (\$1.7 million after income taxes), or \$0.04 per share, from the remediation activities following the mainframe outage that occurred in September 2023. Reported results for the first quarter of 2024 also included restructuring charges of \$6.1 million (\$4.5 million after income taxes), or \$0.10 per share, as further detailed in the Non-GAAP Financial and Other Measures section. Adjusted net income was \$44.2 million and adjusted diluted earnings per share were \$0.91 for the first quarter of 2024, compared with \$54.3 million and \$1.15 for the first quarter of 2023.

Total revenue

Total revenue decreased by \$1.7 million to \$258.3 million for the first quarter of 2024, compared with \$260.1 million for the first quarter of 2023.

Net interest income decreased by \$1.9 million to \$185.3 million for the first quarter of 2024, compared with \$187.1 million for the first quarter of 2023. The decrease was mainly due to lower interest income from lower loan volumes. The net interest margin was 1.80% for the first quarter of 2024, an increase of 3 basis points compared with the first quarter of 2023, mainly due to more interest rate stability contributing to improved product margins, partly offset by higher liquidity levels.

Other income was \$73.1 million for the first quarter of 2024, mainly unchanged compared with first quarter of 2023. Higher income from financial instruments in the first quarter of 2024 was mostly offset by lower lending fees due to tempered commercial real estate activity and lower income from mutual funds.

Provision for credit losses

The provision for credit losses was \$16.9 million for the first quarter of 2024, compared with \$15.4 million for the first quarter of 2023, an increase of \$1.5 million mainly as a result of higher provisions on performing loans due to credit migration. The provision for credit losses as a percentage of average loans and acceptances was 18 basis points for the quarter, compared with 16 basis points for the same quarter a year ago. Refer to the "Credit risk management" section on pages 13 to 15 of the Bank's MD&A for the first quarter of 2024 and to Note 5 to the Condensed Interim Consolidated Financial Statements for more information on provision for credit losses and allowances for credit losses.

Non-interest expenses

Non-interest expenses amounted to \$197.8 million for the first quarter of 2024, an increase of \$14.2 million compared with the first quarter of 2023. In the first quarter of 2024, non-interest expenses included restructuring charges of \$6.1 million; refer to the Non-GAAP Financial and Other Measures section for further details. Adjusted non-interest expenses increased by \$8.1 million or 4% to \$188.5 million for the first quarter of 2024, compared with \$180.5 million for the first quarter of 2023.

Salaries and employee benefits amounted to \$102.5 million for the first quarter of 2024, a decrease of \$1.4 million compared with the first quarter of 2023, mostly due to efficiency gains resulting from the reduced headcount and lower performance-based compensation, partly offset by higher employee benefits.

Premises and technology costs were \$52.1 million for the first quarter of 2024, an increase of \$5.0 million compared with the first quarter of 2023. The increase year-over-year is mainly due to higher technology costs as the Bank is investing in its infrastructure, as well as increased amortization charges resulting from recently completed projects.

Other non-interest expenses were \$37.2 million for the first quarter of 2024, an increase of \$4.5 million compared with the first quarter of 2023 mainly resulting from higher professional and advisory services fees. Other non-interest expenses for the first quarter of 2024 also included \$2.3 million of professional fees and other expenses related to the mainframe outage that occurred in September 2023.

Impairment and restructuring charges were \$6.1 million for the first quarter of 2024, compared with nil for the first quarter of 2023, and included restructuring charges of \$6.1 million resulting from the simplification of the Bank's organizational structure and headcount reduction.

Efficiency ratio

The efficiency ratio on a reported basis increased to 76.6% for the first quarter of 2024, compared with 70.6% for the first quarter of 2023, as a result of higher non-interest expenses, including restructuring charges of \$6.1 million. The adjusted efficiency ratio increased to 73.0% for the first quarter of 2024, compared to 69.4% for the first quarter of 2023 as a result of higher adjusted non-interest expenses.

Income taxes

For the first quarter of 2024, the income tax expense was \$6.3 million, and the effective income tax rate was 14.5%, compared with an income tax expense of \$9.1 million, and an effective income tax rate of 14.8% for the first quarter of 2023. For both quarters, the lower effective income tax rate compared to the statutory income tax rate was mainly attributed to the lower taxation level of income from foreign operations. The lower effective income tax rate for the first quarter of 2024 compared with the first quarter of 2023 mainly resulted from the lower proportion of income from domestic operations.

Financial Condition

As at January 31, 2024, total assets amounted to \$48.1 billion, a 4% decrease compared with \$49.9 billion as at October 31, 2023, mainly due to the lower level of liquid assets.

Liquid assets

As at January 31, 2024, liquid assets as presented on the balance sheet amounted to \$10.1 billion, a decrease of \$1.3 billion compared with \$11.4 billion as at October 31, 2023. The Bank continues to prudently manage its level of liquid assets. The Bank's funding sources remain well diversified and sufficient to meet all liquidity requirements. Liquid assets represented 21% of total assets as at January 31, 2024, compared with 23% as at October 31, 2023.

Loans

Loans and bankers' acceptances, net of allowances, stood at \$36.5 billion as at January 31, 2024, a decrease of \$0.4 billion since October 31, 2023. During the first quarter of 2024, the decrease in commercial and personal loans was partly offset by an increase in residential mortgage loans. Commercial loans and acceptances amounted to \$17.3 billion as at January 31, 2024, a decrease of \$0.5 billion or 3% since October 31, 2023 mainly resulting from lower real estate commercial loans. Personal loans of \$2.4 billion as at January 31, 2024 decreased by \$0.2 billion from October 31, 2023, mainly as a result of a decline in the investment loan portfolio driven by volatile market conditions and higher interest rates. Residential mortgage loans of \$17.0 billion as at January 31, 2024 increased by \$0.3 billion or 2% from October 31, 2023.

Deposits

Deposits decreased by \$1.0 billion to \$25.1 billion as at January 31, 2024 compared with \$26.0 billion as at October 31, 2023, as we gradually reduced our deposit basis considering loan volume reductions and our liquidity position. Personal deposits stood at \$21.5 billion as at January 31, 2024, a decrease of \$0.8 billion compared with \$22.3 billion as at October 31, 2023. Of note, personal deposits sourced through the retail channel were stable compared with October 31, 2023. Personal notice and demand deposits from partnerships decreased by \$0.5 billion since October 31, 2023, and deposits from advisors and brokers decreased by \$0.3 billion. Personal deposits represented 86% of total deposits as at January 31, 2024, unchanged since October 31, 2023, and contributed to the Bank's sound liquidity position. Business and other deposits decreased by \$0.2 billion over the same period to \$3.6 billion.

Debt related to securitization activities

Debt related to securitization activities stood at \$12.8 billion, unchanged since October 31, 2023.

Shareholders' equity and regulatory capital

Shareholders' equity stood at \$2.9 billion as at January 31, 2024 and increased by \$28.4 million compared with October 31, 2023. Retained earnings increased by \$11.8 million compared to October 31, 2023, mainly as a result of the net income contribution of \$37.3 million, partly offset by dividends. Accumulated other comprehensive income increased by \$13.9 million compared to October 31, 2023. For additional information, please refer to the Capital Management section of the Bank's MD&A and to the Consolidated Statement of Changes in Shareholders' Equity for the period ended January 31, 2024.

The Bank's book value per common share was \$59.80 as at January 31, 2024 compared to \$59.96 as at October 31, 2023.

The CET1 capital ratio was 10.2% as at January 31, 2024, in excess of the minimum regulatory requirement and the Bank's target management levels. The CET1 capital ratio increased by 30 basis points compared with October 31, 2023, mainly due to the risk-weighted assets reduction. The Bank met OSFI's capital and leverage requirements throughout the quarter.

On February 28, 2024, the Board of Directors declared a quarterly dividend of \$0.47 per common share, payable on May 1, 2024, to shareholders of record on April 1, 2024. This quarterly dividend is equal to the dividend declared in the previous quarter and is 2% higher than the dividend declared in the previous year. The Board also determined that shares attributed under the Bank's Shareholder Dividend Reinvestment and Share Purchase Plan will be made in common shares issued from Corporate Treasury with a 2% discount.

Caution Regarding Forward-Looking Statements

From time to time, Laurentian Bank of Canada and, as applicable its subsidiaries (collectively referred to as the **Bank**) will make written or oral forward-looking statements within the meaning of applicable Canadian and United States (**U.S.**) securities legislation, including, forward-looking statements contained in this document (and in the documents incorporated by reference herein), as well as in other documents filed with Canadian and U.S. regulatory authorities, in reports to shareholders, and in other written or oral communications. These forward-looking statements are made in accordance with the "safe harbor" provisions of, and are intended to be forward-looking statements in accordance with, applicable Canadian and U.S. securities legislation. They include, but are not limited to, statements regarding the Bank's vision, strategic goals, business plans and strategies, priorities and financial performance objectives; the economic, market, and regulatory review and outlook for Canadian, U.S. and global economies; the regulatory environment in which the Bank operates; the risk environment, including, credit risk, liquidity, and funding risks; the statements under the heading "Risk Appetite and Risk Management Framework" contained in the 2023 Annual Report, including, the MD&A for the fiscal year ended October 31, 2023, and other statements that are not historical facts .

Forward-looking statements typically are identified with words or phrases such as "believe", "assume", "estimate", "forecast", "outlook", "project", "vision", "expect", "foresee", "anticipate", "intend", "plan", "goal", "aim", "target", and expressions of future or conditional verbs such as "may", "should", "could", "would", "will", "intend" or the negative of any of these terms, variations thereof or similar terminology.

By their very nature, forward-looking statements require the Bank to make assumptions and are subject to inherent risks and uncertainties, both general and specific in nature, which give rise to the possibility that the Bank's predictions, forecasts, projections, expectations, or conclusions may prove to be inaccurate; that the Bank's assumptions may be incorrect (in whole or in part); and that the Bank's financial performance objectives, visions, and strategic goals may not be achieved. Forward-looking statements should not be read as guarantees of future performance or results, or indications of whether or not actual results will be achieved. Material economic assumptions underlying such forward-looking statements are set out in the 2023 Annual Report under the heading "Outlook", which assumptions are incorporated by reference herein.

The Bank cautions readers against placing undue reliance on forward-looking statements, as a number of factors, many of which are beyond the Bank's control and the effects of which can be difficult to predict or measure, could influence, individually or collectively, the accuracy of the forward-looking statements and cause the Bank's actual future results to differ significantly from the targets, expectations, estimates or intentions expressed in the forward-looking statements. These factors include, but are not limited to general and market economic conditions; inflationary pressures; the dynamic nature of the financial services industry in Canada, the U.S., and globally; risks relating to credit, market, liquidity, funding, insurance, operational and regulatory compliance (which could lead to the Bank being subject to various legal and regulatory proceedings, the potential outcome of which could include regulatory restrictions, penalties, and fines); reputational risks; legal and regulatory risks; competitive and systemic risks; supply chain disruptions; geopolitical events and uncertainties; government sanctions; conflict, war, or terrorism; and various other significant risks discussed in the risk-related portions of the Bank's 2023 Annual Report, such as those related to: Canadian and global economic conditions (including the risk of higher inflation and rising interest rates); Canadian housing and household indebtedness; technology, information systems and cybersecurity; technological disruption, privacy, data and third party related risks; competition; the Bank's ability to execute on its strategic objectives; digital disruption and innovation (including, emerging fintech competitors); changes in government fiscal, monetary and other policies; tax risk and transparency; fraud and criminal activity; human capital; business continuity; emergence of widespread health emergencies or public health crises; environmental and social risks including, climate change; and various other significant

risks, as described beginning on page 38 of the 2023 Annual Report, including the MD&A, which information is incorporated by reference herein. The Bank further cautions that the foregoing list of factors is not exhaustive. When relying on the Bank's forward-looking statements to make decisions involving the Bank, investors, financial analysts, and others should carefully consider the foregoing factors, uncertainties, and current and potential events.

Any forward-looking statements contained herein or incorporated by reference represent the views of management of the Bank only as at the date such statements were or are made, are presented for the purposes of assisting investors, financial analysts, and others in understanding certain key elements of the Bank's financial position, current objectives, strategic priorities, expectations and plans, and in obtaining a better understanding of the Bank's business and anticipated financial performance and operating environment and may not be appropriate for other purposes. The Bank does not undertake any obligation to update any forward-looking statements made by the Bank or on its behalf whether as a result of new information, future events or otherwise, except to the extent required by applicable securities legislation. Additional information relating to the Bank can be located on SEDAR+ at www.sedarplus.ca.

Access to Quarterly Results Materials

This press release can be found on the Bank's website at www.lbcfg.ca, under the Press Room tab, and the Bank's Report to Shareholders, Investor Presentation and Supplementary Financial Information under the Investor Centre tab, Financial Results.

Conference Call

Laurentian Bank of Canada invites media representatives and the public to listen to the conference call to be held at 11:00 a.m. (ET) on February 29, 2024. The live, listen-only, toll-free, call-in number is 1-888-664-6392, code 59050634. A live webcast will also be available on the Bank's website under the Investor Centre tab, Financial Results.

The conference call playback will be available on a delayed basis from 2:00 p.m. (ET) on February 29, 2024, until 12:00 p.m. (ET) on April 1, 2024, on our website under the Investor Centre tab, Financial Results.

The presentation material referenced during the call will be available on our website under the Investor Centre tab, Financial Results.

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About Laurentian Bank of Canada

At Laurentian Bank, we believe we can change banking for the better. By seeing beyond numbers.

Founded in Montréal in 1846, Laurentian Bank helps families, businesses and communities thrive. Today, we have approximately 3,000 employees working together as one team, to provide a broad range of financial services and advice-based solutions for customers across Canada and the United States. We protect, manage and grow \$48.1 billion in balance sheet assets and \$26.5 billion in assets under administration.

We drive results by placing our customers first, making the better choice, acting courageously, and believing everyone belongs.