

# NewtekOne®

NASDAQ:NEWT

## NewtekOne, Inc. Reports 1Q26 Basic and Diluted EPS of \$0.43

April 30, 2026

### Year-Over-Year Basic and Diluted EPS Growth Were 19% and 23%

BOCA RATON, Fla., April 30, 2026 (GLOBE NEWSWIRE) -- NewtekOne, Inc. (the "Company") (Nasdaq: NEWT) reports its financial and operating results for the three months ended March 31, 2026.

### Financial Highlights for the three months ended March 31, 2026:

- For the three months ended March 31, 2026 ("1Q26"), basic and diluted earnings per share ("EPS") were \$0.43 and \$0.43 vs. \$0.36 and \$0.35, respectively, for the three months ended March 31, 2025 ("1Q25"), which reflect Y/Y increases of 19.4% and 22.9%.
- Book value per common share ended 1Q26 at \$12.36, up Y/Y and Q/Q by 15.2% and 1.4%, respectively.
- Tangible book value per common share<sup>1</sup> ended 1Q26 at \$11.85, up Y/Y and Q/Q by 16.5% and 1.5%, respectively.
- Net interest income for 1Q26 was \$17.2 million, a 23.6% increase from \$13.9 million for 1Q25.
- Net income before taxes for 1Q26 was approximately \$17.1 million, up 46.7% from \$11.6 million for 1Q25.
- The efficiency ratio<sup>1</sup> was 62.4% for 1Q26 compared to 62.1% for 1Q25.
- Newtek Bank, N.A.'s ("Newtek Bank" or the "Bank") efficiency ratio<sup>1</sup> was 40.0% for 1Q26 compared to 48.2% for 1Q25.
- Return on average assets ("ROAA")<sup>1</sup> was 1.96% for 1Q26 compared to 1.81% for 1Q25.
- Return on average equity ("ROAE")<sup>1</sup> was 12.5% for 1Q26 compared to 12.2% for 1Q25.
- Return on average tangible common equity ("ROTCE")<sup>1</sup> was 14.8% for 1Q26 compared to 13.8% for 1Q25.

### Selected Balance Sheet and Other Highlights for 1Q26

- Business deposits at Newtek Bank increased \$37 million, or 9% Q/Q, and \$173 million, or 66% Y/Y, while core consumer deposits grew \$392 million, or 38% Q/Q, and \$668 million, or 88% Y/Y.
- Newtek Bank opened more than 10,000 deposit accounts in 1Q26, which was the second consecutive quarter of record deposit account openings.
- Since the acquisition of Newtek Bank in early 2023, roughly 54% of Newtek Bank's business lending clients have opened a business deposit account. In addition, since February 2024 when we initiated offering life insurance to Newtek Bank business lending clients, 25% of those clients have purchased life insurance policies through Newtek Insurance Agency.
- Insured deposits comprised 78% of deposits.
- Closed a \$295 million securitization backed by \$342 million of Alternative Loan Program ("ALP") loans (also referred to as C&I long amortizing loans ("C&I LA Loans")). The securitization, NALP Business Loan Trust 2026-1, was the Company's fourth asset-backed securitization secured by ALP loans and is the Company's 17th and largest rated securitization. All of the Company's prior securitizations have maintained their initial investment-grade ratings or been upgraded and have never been on credit watch. The securitization was roughly ten times oversubscribed with 32 institutions purchasing the securitization notes.
- Retired \$95 million of fixed rate senior unsecured notes.
- Originated \$86 million of C&I LA Loans in 1Q26 compared to \$69 million in 1Q25.
- Originated \$202 million of SBA 7(a) loans in 1Q26 compared to \$213 million for 1Q25. In addition, the Company sold \$96 million of guaranteed portions of SBA 7(a) loans in 1Q26.
- Originated \$29 million of SBA 504 loans in 1Q26 compared to \$17 million in 1Q25. In addition, the Company sold \$14 million of SBA 504 loans in 1Q26 compared to \$13 million in 1Q25.
- Originated \$36 million and \$26 million of CRE and C&I loans HFI in 1Q26 compared to \$41 million and \$23 million in 1Q25.

## **Post 1Q26 Highlights**

- On April 1, 2026, the Company paid a dividend on the Company's outstanding Series B Preferred in the amount of \$21.25 per Preferred Share, or \$0.53125 per depositary share, which is equivalent to 1/40th of the dividend on the Preferred Shares.
- On April 1, 2026, the Company paid a quarterly cash dividend of \$0.19 per share on its outstanding common shares.
- The Company's subsidiary, Newtek ALP Holdings, paid down to \$0 two credit facilities that it had used to fund originations of C&I LA Loans. Because C&I LA Loans are now being originated by Newtek Bank and funded with deposits, the two credit facilities will no longer be utilized.

Commenting on quarterly results, trends, and activity, Barry Sloane, CEO, President, and Chairman, said, "We are pleased to report basic and diluted EPS of \$0.43 and \$0.43 for 1Q26, which reflect increases of 19% and 23% over 1Q25 basic and diluted EPS of \$0.36 and \$0.35, respectively, and within our 1Q26 EPS guidance range of \$0.37-\$0.47. We remain comfortable with our 2026 EPS guidance range of \$2.15-\$2.55. In addition, we are establishing a target of 10% EPS growth for 2027, which implies an EPS range of \$2.40-\$2.80 for 2027. Even with the first quarter typically being the seasonally weakest of the year, we generated robust 1Q26 profitability with ROAA and ROTCE of 1.96% and 14.8%, respectively, up from 1.81% and 13.8% for 1Q25. From a credit quality perspective, we were encouraged by a second consecutive quarter of stable nonperforming loans ("NPLs") at Newtek Bank, with NPLs of approximately \$53.4 million at the end of 3Q25, \$56.4 million at the end of 4Q25, and \$54.0 million at the end of 1Q26. We are monitoring the trend of stability as the Bank's loan portfolio, with a weighted average life of roughly 18 months, is still climbing the default curve, which typically flattens when the weighted average life of the portfolio reaches 36 months. We are reserving for that climb, and the CECL calculation/allowance for credit losses takes projected seasoning of the loan portfolio into account. In addition, year-over-year balance sheet growth was strong with assets up 35%, loans up 24%, and deposits up a substantial 92%.

"We experienced several positive developments in the first quarter of 2026 starting with the January securitization of C&I LA Loans, which was roughly 10x oversubscribed and distributed across 32 purchasers of the \$295 million of securitized notes. We were also encouraged to see a record 961 loan units originated in 1Q26 despite a slower start to the quarter as we implemented process improvements. Those improvements, which include the use of AI in the origination, underwriting and closing processes, have dramatically reduced the time and cost to close a loan, which benefits borrowers with faster access to capital and lower closing costs, while we gain operating efficiencies and the ability to attract higher-quality credits. We believe these technological advances position us to capture incremental market share, increase loan origination volumes, and further diversify our loan portfolio. We believe that the \$391 million of loan production in 1Q26 is a good first step as we progress toward our objective of originating \$1.8 billion of loans in 2026.

"The third positive development to highlight is the shift from originating C&I LA Loans at the holding company to originating them out of Newtek Bank. We had been funding C&I LA Loans with revolving warehouse credit facilities at the holding company's non-bank subsidiary and, as of 1Q26, are now originating and funding C&I LA Loans at the Bank with deposits. Funding C&I LA Loans at the Bank is logistically and economically more attractive, and I would note does not preclude us from continuing to issue securitizations collateralized by C&I LA Loans. In addition, funding C&I LA Loans at the Bank diversifies the Bank's loan portfolio with higher quality, wider margin loans and decreases the proportion of unguaranteed SBA 7(a) loans within the Bank's loan portfolio, which approximated 32% of total loans for 1Q26 compared to 36% for 4Q25 and 45% for 1Q25. On our conference call later this afternoon, we plan to discuss the multiple benefits of originating and funding C&I LA Loans within Newtek Bank as opposed to using warehouse credit facilities and securitization exits at the holding company non-bank subsidiary.

"On the deposit front, we continue to have great success in attracting deposits. Newtek Bank's deposits nearly doubled on a year-over-year basis, growing \$833 million from \$966 million for 1Q25 to end 1Q26 at almost \$1.9 billion. On a quarter-over-quarter basis, deposits increased \$440 million, or 31%. Both business and consumer deposits are contributing to growth, with business deposits up 9% Q/Q and 66% Y/Y and consumer deposits up 38% Q/Q and 88% Y/Y. We believe our deposits thesis is playing out. Unlike the vast majority of the banking industry, we are paying depositors a market rate of interest and, in addition, for business customers, giving them a valuable tool, the Newtek Advantage<sup>®</sup> business portal, to help them manage their businesses."

Mr. Sloane added, "In January, we celebrated our three-year anniversary of converting to a technology-enabled financial holding company, which improved our ability to deliver our value proposition to our independent business owner clients while allowing us to diversify our funding sources, reduce our funding costs, and generate value for our investors. NewtekOne is more than just an SBA lender; Newtek Bank intends to continue diversifying its loan portfolio in 2026 and beyond offering C&I LA Loans, SBA 504 loans, CRE and C&I loans and SBA 7(a) loans. With our technology-enabled platform, we believe that NewtekOne looks different than the vast majority of our competitors. We believe we have created meaningful franchise value in transforming a sixty year old single-branch bank in Flushing, New York, with an antiquated operating model, into a branchless digital bank. We believe that NewtekOne has demonstrated, in a relatively short period of time, the ability to raise deposits and make loans digitally and to provide value-added payroll, insurance, and real-time payment solutions to its clients. We have spent the past two-plus decades developing our strategy and business and financial solution product offerings and believe financial institutions should be providing the helpful and necessary technologies like we offer to the independent business owner universe in the United States."

## **First Quarter 2026 Conference Call and Webcast**

A conference call to discuss the first quarter 2026 financial and operating results will be hosted by Barry Sloane, Chief Executive Officer, President and Chairman, and Frank M. DeMaria, Chief Financial Officer, today, Thursday, April 30, 2026, at 4:30 p.m. ET.

Please note, to attend the conference call or webcast, participants should register online at NewtekOne, Inc. First Quarter 2026 [Financial Results Conference Call](#). To receive a dial-in number, participants are requested to register at a minimum 15 minutes before the start of the call. The corresponding presentation will be available in the 'Events & Presentations' section of the Investor Relations portion of NewtekOne's website at [NewtekOne, Inc. First Quarter 2026 Financial Results Conference Call](#). A replay of the call with the corresponding presentation will be available on NewtekOne's website shortly following the live presentation and will be available for a period of one year.

## **Note Regarding Dividend Payments**

Amount and timing of dividends, if any, remain subject to the discretion of the Company's Board of Directors.

### **About NewtekOne, Inc.**

**NewtekOne®**, Your Business Solutions Company®, is a financial holding company, which along with its bank and non-bank consolidated subsidiaries (collectively, "NewtekOne"), provides a wide range of business and financial solutions under the Newtek® brand to independent business owners. Since 1999, NewtekOne has provided state-of-the-art, cost-efficient products and services and efficient business strategies to independent business owners across all 50 states to help them grow their sales, control their expenses, and reduce their risk.

NewtekOne's and its subsidiaries' business and financial solutions include: [Banking \(Newtek Bank, N.A.\)](#), [Business Lending](#), [SBA Lending Solutions](#), [Electronic Payment Processing](#), [Accounts Receivable Financing & Inventory Financing](#), [Insurance Solutions](#) and [Payroll and Benefits Solutions](#). In addition, NewtekOne offers its clients the [Technology Solutions](#) (Cloud Computing, Data Backup, Storage and Retrieval, IT Consulting and Web Services) provided by Intelligent Protection Management Corp. (IPM.com)

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### **Note Regarding Forward-Looking Statements**

*Certain statements in this press release are "forward-looking statements" within the meaning of the rules and regulations of the Private Securities Litigation and Reform Act of 1995. Information regarding the Company's assets under supervision, capital ratios, risk-weighted assets, supplementary leverage ratio and balance sheet data consists of preliminary estimates and are subject to change with our filings with regulatory agencies and the filing of the Company's Form 10-Q for the period ended March 31, 2026. These statements and other forward-looking statements herein are based on the current beliefs and expectations of NewtekOne's management and are subject to significant risks and uncertainties. Actual results may differ materially from those set forth in the forward-looking statements. See "Note Regarding Forward-Looking Statements" and the sections entitled "Risk Factors" in our filings with the Securities and Exchange Commission which are available on NewtekOne's website (<https://investor.newtekbusinessservices.com/sec-filings>) and on the Securities and Exchange Commission's website ([www.sec.gov](http://www.sec.gov)). Any forward-looking statements made by or on behalf of NewtekOne speak only as to the date they are made, and NewtekOne does not undertake to update forward-looking statements to reflect the impact of circumstances or events that arise after the date the forward-looking statements were made.*

SOURCE: NewtekOne, Inc.

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## **NEWTEKONE, INC. AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION (In Thousands, except for Per Share Data)**

	<u>March 31, 2026</u>	<u>December 31, 2025</u>
	(unaudited)	
<b>ASSETS</b>		
Cash and due from banks	\$ 5,222	\$ 4,196
Restricted cash (amounts related to VIEs of \$6.3 million and \$6.3 million, respectively)	22,195	26,477
Interest bearing deposits in banks	375,599	279,618
Total cash and cash equivalents	403,016	310,291
Debt securities available-for-sale, at fair value	15,843	16,829
Loans held for sale, at fair value	769,225	971,837
Loans held for sale, at LCM	20,395	26,532
Loans held for investment, at fair value (amounts related to VIEs of \$187.0 million and \$198.4 million, respectively)	264,011	281,198
Loans held for investment, at amortized cost, net of deferred fees and costs	988,269	896,689
Allowance for credit losses	(46,721)	(45,226)
Loans held for investment, at amortized cost, net	941,548	851,463
Federal Home Loan Bank and Federal Reserve Bank stock	4,572	4,234
Settlement receivable	51,512	438
Residuals in securitizations, at fair value	197,501	76,701
Joint ventures and other non-control investments, at fair value (cost of \$36,294 and \$36,692), respectively	43,213	47,719
Goodwill and intangibles	14,561	14,597
Right of use assets	2,683	2,790
Deferred tax asset, net	6,270	—
Servicing assets, at fair value	13,622	15,358
Servicing assets, at LCM	41,698	29,564
Other assets	97,097	95,268
Total assets	<u>\$ 2,886,767</u>	<u>\$ 2,744,819</u>

## LIABILITIES AND SHAREHOLDERS' EQUITY

### Liabilities:

#### Deposits:

Noninterest-bearing	\$ 71,629	\$ 53,873
Interest-bearing	1,787,244	1,364,535
<b>Total deposits</b>	<b>1,858,873</b>	<b>1,418,408</b>

Borrowings (including borrowings of VIEs of \$113.9 million and \$127.1 million, respectively)	550,471	819,888
Lease liabilities	2,760	2,874
Deferred tax liabilities, net	—	10,728
Due to participants	27,455	52,389
Accounts payable, accrued expenses and other liabilities	42,517	42,962
<b>Total liabilities</b>	<b>2,482,076</b>	<b>2,347,249</b>

#### Shareholders' Equity:

Series B Preferred stock (par value \$0.02 per share; 54 authorized, 50 issued and outstanding)	48,181	48,181
Common stock (par value \$0.02 per share; authorized 199,980 shares, 28,846 and 28,658 issued and outstanding, respectively)	577	573
Retained earnings	101,838	94,990
Additional paid-in capital	254,101	253,830
Accumulated other comprehensive loss, net of income taxes	(6)	(4)
<b>Total shareholders' equity</b>	<b>404,691</b>	<b>397,570</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 2,886,767</b>	<b>\$ 2,744,819</b>

## NEWTEKONE, INC. AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF INCOME (In Thousands, except for Per Share Data)

### Three Months Ended

	March 31, 2026	December 31, 2025	March 31, 2025
	(unaudited)	(unaudited)	(unaudited)
<b>Interest income</b>			
Debt securities available-for-sale	\$ 216	\$ 234	\$ 276
Loans and fees on loans	37,702	42,061	34,483
Other interest earning assets	8,323	2,618	3,131
<b>Total interest income</b>	<b>46,241</b>	<b>44,913</b>	<b>37,890</b>
<b>Interest expense</b>			
Deposits	15,270	11,813	9,845
Notes and securitizations	9,402	10,254	10,974
Bank and FHLB borrowings	4,343	5,366	3,138
<b>Total interest expense</b>	<b>29,015</b>	<b>27,433</b>	<b>23,957</b>
Net interest income	17,226	17,480	13,933
Provision for credit losses	9,608	8,395	13,505
Net interest income after provision for credit losses	7,618	9,085	428
<b>Noninterest income</b>			
Dividend income	450	500	1,686
Net loss on loan servicing assets	(6,197)	(4,192)	(3,652)
Servicing income	6,385	5,195	5,525
Net gains on sales of loans	26,682	9,505	12,961
Net gain on residuals in securitizations	56,144	—	—
Net (loss) gain on loans under the fair value option	(49,578)	25,591	18,077
Electronic payment processing income	10,404	10,448	10,609
Other noninterest income	9,441	8,806	7,192
<b>Total noninterest income</b>	<b>53,731</b>	<b>55,853</b>	<b>52,398</b>
<b>Noninterest expense</b>			
Salaries and employee benefits expense	23,096	20,346	21,316
Electronic payment processing expense	4,121	4,505	4,447
Professional services expense	2,603	3,929	3,435
Other loan origination and maintenance expense	6,227	4,097	4,417
Technology expense	2,953	3,052	2,728

Other general and administrative costs	5,263	4,519	4,834
Total noninterest expense	44,263	40,448	41,177
<b>Net income before taxes</b>	17,086	24,490	11,649
Income tax expense	3,685	4,949	2,282
<b>Net income</b>	13,401	19,541	9,367
Dividends to preferred shareholders	(1,063)	(1,063)	(400)
Net income available to common shareholders	\$ 12,338	\$ 18,478	\$ 8,967
<b>Earnings per Common Share:</b>			
Basic	\$ 0.43	\$ 0.65	\$ 0.36
Diluted	\$ 0.43	\$ 0.65	\$ 0.35

#### **Reconciliation of GAAP to Non-GAAP Financial Measures (unaudited)**

The information provided below presents a reconciliation of each of our non-GAAP financial measures to the most directly comparable GAAP financial measure. Ratios for three month periods ended have been annualized based on calendar days.

#### **NewtekOne, Inc.**

(dollars and number of shares in thousands)

	<b>As of and for the three months ended</b>		
	<b>March 31, 2026</b>	<b>December 31, 2025</b>	<b>March 31, 2025</b>
<b>Return on Average Equity and Tangible Common Equity</b>			
Numerator: Net Income (GAAP)	\$13,401	\$19,541	\$9,367
Dividend on preferred equity	(1,063)	(1,063)	(400)
Numerator: Adjusted net income	12,338	18,478	8,967
Average Total Shareholders' Equity <sup>1</sup>	401,018	392,139	299,308
<i>Return on Average Equity<sup>1</sup></i>	12.5%	18.7%	12.2%
Deduct: Preferred Stock (GAAP)	48,181	48,181	19,738
Average Common Shareholders' Equity <sup>1</sup>	352,837	343,958	279,570
<i>Return on Average Common Equity</i>	13.6%	19.8%	12.7%
Deduct: Average Goodwill and Intangibles <sup>1</sup>	14,579	14,615	15,130
Denominator: Average Tangible Common Equity <sup>1</sup>	\$338,258	\$329,343	\$264,440
<i>Return on Average Tangible Common Equity<sup>1</sup></i>	14.8%	22.3%	13.8%
<b>Return on Average Assets</b>			
Numerator: Net Income (GAAP)	\$13,401	\$19,541	\$9,367
Denominator: Average Assets <sup>1</sup>	2,778,792	2,423,378	2,098,325
<i>Return on Average Assets<sup>1</sup></i>	1.96%	3.20%	1.81%
<b>Efficiency Ratio</b>			
Numerator: Non-Interest Expense (GAAP)	\$44,263	\$40,448	\$41,177
Net Interest Income (GAAP)	17,226	17,480	13,933
Non-Interest Income (GAAP)	53,731	55,853	52,398
Denominator: Total Income	\$70,957	\$73,333	\$66,331
<i>Efficiency Ratio<sup>1</sup></i>	62.4%	55.2%	62.1%
<b>Tangible Book Value Per Share</b>			
Total Shareholders' Equity (GAAP)	\$404,691	\$397,570	\$302,334
Deduct: Goodwill and Intangibles (GAAP)	14,561	14,597	14,711
Numerator: Total Tangible Book Value <sup>1</sup>	\$390,130	\$382,973	\$287,623
Denominator: Total Number of Shares Outstanding	28,846	28,658	26,343
<i>Tangible Book Value Per Share<sup>1</sup></i>	\$13.52	\$13.36	\$10.92
<b>Tangible Book Value Per Common Share</b>			
Total Tangible Book Value <sup>1</sup>	\$390,130	\$382,973	\$287,623
Deduct: Preferred Stock (GAAP)	48,181	48,181	19,738
Numerator: Tangible Common Book Value <sup>1</sup>	\$341,949	\$334,792	\$267,885
Denominator: Total Number of Shares Outstanding	28,846	28,658	26,343
<i>Tangible Book Value Per Common Share<sup>1</sup></i>	\$11.85	\$11.68	\$10.17

<sup>1</sup>Non-GAAP financial measure

