

# NewtekOne®

NASDAQ:NEWT

## CORRECTING and REPLACING NewtekOne, Inc. News Release

April 1, 2024

BOCA RATON, Fla., April 01, 2024 (GLOBE NEWSWIRE) -- Today NewtekOne, Inc. ("NewtekOne") timely filed its annual report on Form 10-K for the period ended December 31, 2023. The purpose of this press release is to update and replace NewtekOne's press release dated March 5, 2024, which announced NewtekOne's unaudited fourth quarter and full year 2023 financial results.

### **NewtekOne, Inc. Reports Fourth Quarter and Full Year 2023 Financial Results**

#### **Full Year 2023 Basic Earnings per Share of \$1.89 and Diluted Earnings per Share of \$1.88**

NewtekOne, Inc. (Nasdaq: NEWT), announced today its audited financial and operating results for the three and twelve months ended December 31, 2023.

This is NewtekOne's fourth quarter reporting, and third full quarter reporting, as a financial holding company following the Company's January 6, 2023 completion of the acquisition of National Bank of New York City ("NBNYC") (renamed Newtek Bank, N.A.) and the withdrawal of NewtekOne's BDC election. NewtekOne now consolidates the balance sheets and results of operations of its former portfolio companies (now consolidated subsidiaries) and no longer applies investment company accounting.

Barry Sloane, CEO, President and Chairman commented, "We are pleased to report our first full year as a financial holding company owning Newtek Bank, a nationally chartered bank. We achieved basic earnings per share (EPS) of \$1.89 and diluted EPS of \$1.88. We believe that we can achieve EPS growth in today's environment, given the majority of our net revenue is non-interest-bearing, making our business model unique and valuable. For the full year 2023, Newtek Bank realized return on average assets ("ROAA") of 5.7%, return on tangible common equity ("ROTCE") of 35.7%, and an efficiency ratio of 49.9%. NewtekOne, Newtek Bank's financial holding company, realized ROAA of 3.6%, and ROTCE of 27.6%<sup>1</sup>. We believe these metrics clearly depict a thriving business; one that serves independent business owners in all 50 states and that is well positioned for financial and operational growth in future quarters, demonstrated by our expanding net interest margin. Our operating structure does not use branches, traditional bankers, brokers, or business development officers to source business opportunities, and instead, relies upon the patented NewTracker<sup>(R)</sup> system which generates approximately 1,000 unique business referrals each day. Unlike other financial holding companies, we have been able to expand our business during these difficult times in the banking sector, which we attribute to our unique and time-tested business model that utilizes technology to minimize or eliminate the concept of traditional bankers, brokers, branches and business development officers. With NewtekOne's common equity Tier 1 capital (CET1) ratio of 16.2%, total capital ratio of 19.1%, and 13.6% leverage ratio, we believe we have the equity to continue to grow our business, pay an attractive market dividend and grow retaining earnings."

Mr. Sloane continued, "With 2023 behind us, we can look back with pride over the year's multiple accomplishments and building a strong foundation for our future. The conversion from a BDC to a financial holding company resulted in the Company no longer qualifying as a regulated investment company (RIC) for federal income tax purposes and no longer qualifying for accounting treatment as an investment company. Accordingly, we believe prior year and year-over-year comparisons are difficult and it is important to analyze many of our financial metrics on a quarter-over-quarter sequential basis. Additionally, when analyzing NewtekOne, we also believe it is important to consider our time-tested, differentiated business model which has provided multiple streams of income from its lines of business. These changes came with many operational and accounting challenges. We are on a path to realizing our goal of being recognized as the premier business and financial solutions provider for independent business owners in the U.S. By purchasing a nationally chartered bank, we were able to add depository services to our already-robust menu of high-quality business and financial solutions that we believe can enable our clients to operate at a higher level. Most of our clients go to their depository institutions multiple times per week or month. Extremely important to note is that our conversion to a bank holding company in no way implies that NewtekOne and Newtek Bank will look like or operate like the universe of traditional bank holding companies or banks. As a result, we do not think we should be valued like a traditional bank, as our business model offers our investors more than net interest income, and therefore, we believe should garner distinct valuation compared to the universe of traditional banks. We also value this non-interest income as reoccurring income. We firmly believe that our business model can be executed with prudent risk management practices while servicing our clients with multiple solutions that can enhance their business and commercial endeavors. Our operating metrics are built on growth objectives with respect to ROA, ROE, and efficiency ratios, which we believe is distinct from the asset-growth strategies of the traditional banking industry."

#### **NewtekOne Fourth Quarter 2023 Financial Highlight**

As noted above, we believe it is important to analyze many of our financial metrics on a quarter-over-quarter sequential basis:

- Net income was \$10.8 million, or \$0.43 per basic and diluted common share, for the three months ended December 31, 2023, compared to net income of \$10.9 million, or \$0.43 per basic and diluted common share, for the three months ended September 30, 2023.
- Net interest income was \$8.3 million for the three months ended December 31, 2023; an increase of 2.5% over \$8.1

million for the three months ended September 30, 2023.

- Total assets were \$1.4 billion at December 31, 2023, which remained relatively consistent to the balance at September 30, 2023.
- Total borrowings were \$644.1 million at December 31, 2023; a decrease of 0.7% from \$648.7 million at September 30, 2023.
- Loans held for investment were \$806.1 million at December 31, 2023; an increase of 4.1% over \$774.6 million at September 30, 2023.
- Cash and cash equivalents were \$184.0 million, including \$30.9 million of restricted cash, at December 31, 2023; a decrease of 17.7% from to \$223.7 million, including \$71.7 million of restricted cash, at September 30, 2023.
- Net interest margin<sup>2</sup> was 2.76% for the three months ended December 31, 2023; an increase of 6.2% over 2.60% for the three months ended September 30, 2023.
- ROTCE of 25.7% for the three months ended December 31, 2023; an increase of 23.6% over 20.8% for the three months ended September 30, 2023.
- ROAA<sup>1,2</sup> of 3.1% for the three months ended December 31, 2023; an increase of 3.3% over 3.0% for the three months ended September 30, 2023.
- Efficiency ratio<sup>2</sup> of 66.6% for the three months ended December 31, 2023; an increase of 4.4% compared to 63.8% for the three months ended September 30, 2023.
- Total risk-based capital ratio<sup>2</sup> was 19.1% at December 31, 2023; an increase of 7.9% over 17.7% at September 30, 2023.
- Tier-1 leverage ratio<sup>2</sup> was 13.6% at December 31, 2023; a decrease of 6.8% compared to 14.6% at September 30, 2023.
- On January 12, 2024, the Company paid its fourth quarterly cash dividend as a financial holding company of \$0.18 per share to shareholders of record as of December 29, 2023.
- The Company is forecasting full year 2024 EPS in a range of \$1.80 to \$2.00 per basic and diluted common share and intends to update this forecast when it releases its first quarter 2024 financial results.

#### **NewtekOne Financial Highlights Twelve Months Ended December 31, 2023**

- Net income was \$47.3 million, or \$1.89 per basic common share and \$1.88 per diluted common share, for the twelve months ended December 31, 2023.
- Net interest income was \$26.6 million for the twelve months ended December 31, 2023.

#### **Newtek Bank, N.A.**

- Total deposits were \$463.5 million at December 31, 2023, which represents a 227.3% increase in deposits, compared to \$141.6 million in deposits at NBNYC at December 31, 2022.
- Insured deposits represented approximately 85.8% of total deposits at December 31, 2023.
- Net interest margin<sup>2</sup> was 4.43% for the three months ended December 31, 2023; an increase of 26.9% over 3.49% for the three months ended September 30, 2023.
- ROTCE<sup>1,2</sup> of 66.3% for the three months ended December 31, 2023; an increase of 50.7% over 44.0% for the three months ended September 30, 2023.
- ROAA<sup>1,2</sup> of 9.9% for the three months ended December 31, 2023; an increase of 65.0% over 6.0% for the three months ended September 30, 2023.
- Efficiency ratio<sup>1,2</sup> of 34.4% for the three months ended December 31, 2023; a decrease of 14.6% compared to 40.3% for the three months ended September 30, 2023.
- Total risk-based capital ratio<sup>2</sup> was 22.8% at December 31, 2023, a decrease of 8.8% from 25.0% at September 30, 2023.
- Tier-1 leverage ratio<sup>2</sup> was 16.6% at December 31, 2023; an increase of 11.4% from 14.9% at September 30, 2023.

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<sup>1</sup> Non-GAAP; reconciliations of non-GAAP financial measures to the most comparable GAAP measures are set forth on the last page of the financial information accompanying this press release.

<sup>2</sup> Assets under supervision, capital ratios, risk-weighted assets and supplementary leverage ratio are preliminary data and subject to change prior to any filings with regulatory agencies and the filing of our Form 10-K for the year ended December 31, 2023.

#### **Lending Highlights**

- In April 2023, the Company began funding SBA 7(a) loans out of Newtek Bank with Preferred Lender Program (PLP) status.
- Total SBA 7(a) loan fundings of \$260.7 million for the three months ended December 31, 2023; an increase of 24.2% over \$209.9 million of SBA 7(a) loans funded for the three months ended September 30, 2023.
- Total SBA 7(a) loan fundings of \$815.0 million for the twelve months ended December 31, 2023.
- The Company forecasts \$925.0 million in total SBA 7(a) loan fundings for 2024, which would represent a 13.5% increase

over 2023.

- Newtek Bank closed \$60.5 million of SBA 504 loans for the three months ended December 31, 2023; an increase of 241.8% over \$17.7 million SBA 504 loans closed for the three months ended September 30, 2023.
- Total SBA 504 loan closings of \$142.9 million for the twelve months ended December 31, 2023.
- Newtek Bank and the Company's non-bank subsidiaries closed a record \$1.1 billion of loans, across all loan products, for the twelve months ended December 31, 2023, compared to \$923.8 million of loans closed by NewtekOne, its subsidiaries and portfolio companies for the same period in 2022.

The Company's 2023 prior-period comparative financial statements have been adjusted to correct errors made in the Company's condensed financial statements previously issued in the first, second, and third quarters of 2023. Amounts referenced in this press release refer to results on an "As Adjusted" basis unless otherwise noted. Specifically, as set forth in the "[Summary of Revisions to Prior Period Financial Statements](#)," annexed hereto, which revises certain line items in the Company's condensed financial information for the first, second, and third quarters of 2023 as previously reported, the Company's: (i) year-to-date EPS (basic and diluted) reflects an increase of \$0.36 per share and \$0.36 per share, respectively; (ii) year-to-date Net Income reflects an increase of \$7.9 million; and (iii) Total Assets reflects an increase of \$15.3 million. The increases in Total Assets was primarily driven by the recognition of net deferred tax assets and income tax receivables as well as intangible assets. The increases in Net Income resulted principally from the after-tax impact of the recognition of servicing assets at Newtek Bank, and the recognition of deferred loan origination costs, net, in connection with accounting for loans originated by Newtek Bank. The revised calculations of EPS are attributed to application of the treasury stock and if-converted methods, as well as revisions to the allocation of undistributed earnings to preferred stock under the two class method, in conjunction with other adjustments to net income. The Company's management continues to assess the effectiveness of the Company's internal controls over financial reporting ("ICFR"), including any deficiencies in ICFR which led to these accounting errors.

Continuing, Mr. Sloane said, "The goal of owning a nationally chartered bank was driven by recognizing that our client base communicates with their bank digitally with high frequency, so the opportunity and our ability to communicate with our clients through our Newtek Advantage® platform, and assist them on a daily basis to become part of their operating ecosystem, has been our goal and is now closer to reality. We have witnessed the customer traffic to Newtekone.com and Newtekbank.com increase to approximately 18,000 unique digital visitors per month, providing our customers with the opportunity to access the Newtek Advantage®, communicate with us, and see all we have to offer. We seek to employ the most cutting-edge technology and AI in order to enhance the client experience, improve work flow processes, and acquire clients in an environment that has less friction and higher levels of business satisfaction."

Mr. Sloane concluded, "We spent a good part of 2023 building out our bank infrastructure, continuing to hire top-quality executives and establishing additional policies and procedures, all at a great expense, an investment we believe will provide a great return in the future. Obviously, the investment and upfront expense is to better enable us to safely and soundly grow our business, and develop a lasting infrastructure. Also important to note, is that we have been able to grow our loan-loss reserves dramatically during our first twelve months of operations ending December 31, 2023. We ended 2023 with a 3.7% loan loss reserve to loans held for investment, and we expect to prudently manage credit risk and related reserves as the future conditions of the economy take shape."

This earnings release should be read in conjunction with NewtekOne's annual report on Form 10-K for the period ended December 31, 2023, filed with the SEC on April 1, 2024.

#### **Note Regarding Dividend Payments**

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

NewtekOne®, Your Business Solutions Company®, is a financial holding company, which along with its bank and non-bank consolidated subsidiaries, provides a wide range of business and financial solutions under the Newtek® brand to the small- and medium-sized business ("SMB") market. Since 1999, NewtekOne has provided state-of-the-art, cost-efficient products and services and efficient business strategies to SMB relationships 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, Technology Solutions (Cloud Computing, Data Backup, Storage and Retrieval, IT Consulting), eCommerce, Accounts Receivable Financing & Inventory Financing, Insurance Solutions, Web Services, and Payroll and Benefits Solutions.

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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 prior to any filings with regulatory agencies and filing of the Company's Form 10-K for the period ended December 31, 2023. 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 from those set forth in the forward-looking statements. In addition, earnings per share guidance reflects risks, uncertainties and assumptions with respect to facts and circumstances that are beyond our control, in particular concerning interest rates, monetary policy and prevailing economic conditions (including the impacts from a government shutdown ) during the relevant periods, any of which may differ significantly from our assumptions about the applicable period, causing our actual operating results, including our earnings per share, to differ materially from the stated guidance. See "Note Regarding Forward-Looking Statements" and the sections entitled "Risk Factors" in our filings with the Securities and Exchange Commission 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.

## Investor Relations & Public Relations

Contact: Jayne Cavuoto

Telephone: (212) 273-8179 / [jcavuoto@newtekone.com](mailto:jcavuoto@newtekone.com)

## Summary of Revisions to Prior Period Consolidated Financial Statements

As of January 6, 2023, the Company is no longer subject to Financial Accounting Standard Board Accounting Standards Codification (FASB) Topic (ASC) 946 *Financial Services – Investment Companies*, which resulted in a significant change in the Company's accounting and financial reporting requirements for the year ended December 31, 2023. For example, the Company is required to consolidate the financial statements of what was previously referred to as our controlled or majority-owned investments together with those already consolidated by the Company. In accordance with ASC 946, prior to January 6, 2023, the Company was required to account for investments, loans and other receivables at fair value. For fiscal year ended December 31, 2023, the Company is now required to account for debt securities under ASC 320, loans and other receivables, including modifications and restructurings under ASC 310, and must apply the current expected credit loss model to each of these financial instruments under ASC 326. Additionally, management continues to elect the fair value option of accounting under ASC 825 for certain financial instruments. Finally, as a result of the conversion, the Company no longer qualifies as a RIC for federal income tax purposes, and no longer qualifies for accounting treatment as an investment company, therefore management has been required to expend significant efforts in order to implement these changes in accounting and financial reporting requirements.

The Company's condensed comparative financial statements have been adjusted to correct errors made in the Company's financial statements previously issued for the first, second, and third quarters of 2023. These adjustments include the following adjustments for the year-to-date period ended September 30, 2023:

1. Accounting for deferred loan origination fees and costs, net, under ASC 310 resulting for the year-to-date period ended September 30, 2023, in (a) a \$5.1 million and \$5.7 million decrease in non-interest income and non-interest expense, respectively, and (b) net increases to pretax income of \$0.6 million (the Company was not applying the standard to its SBA 7(a) HFI at amortized cost or to its SBA 504 HFS at LCM portfolios);
2. Calculating EPS under ASC 260 (a) exclude stock compensation awards from average basic shares outstanding and (b) adjust average diluted shares to reflect the (i) treasury stock method for stock compensation awards and warrants and (ii) the if-converted method for preferred stock and (c) adjusting the allocation under the two-class method to align with the contractual limitations for preferred stock, all of which result in quarterly increases per share for both basic and diluted EPS for the first three quarters of 2023;
3. Establishing net deferred net tax assets and income taxes receivable under ASC 740 in conjunction with the common control transaction, as of January 6, 2023, specifically to recognize (a) the book tax differences on the inside basis of the assets and liabilities that were consolidated as of that date (b) net amounts receivable from tax authorities and (c) deferred tax assets arising from a change in taxpayer filing status in conjunction with the Reorganization, all of which resulted in increased net deferred tax assets and income taxes receivable of \$10.0 million and an increase to additional paid in capital of \$2.9 million and an income tax benefit of \$7.1 million. The results of these adjustments impacted period end balances on the statements of financial condition and year-to-date amounts on the statements of income for each period presented;
4. Establishing certain servicing assets under ASC 860 in conjunction with the common control transaction and servicing assets that stemmed from loan originations that occurred following January 6, 2023, resulting in a \$1.0 million increase in non-interest income and a \$1.5 million increase in servicing assets; and
5. An adjusting opening balance sheet entry in conjunction with common control transaction to correct (a) net understatements of goodwill and intangibles and stockholders' equity resulting in respective increases of \$3.9 million and (b) amortization of intangible assets.

The year-to-date and quarterly impact of these adjustments for the periods presented are outlined in the unaudited tables below.

### NewtekOne, Inc. and Subsidiaries Consolidated Statements of Financial Condition (Unaudited) As of the Period Ended:

| (in thousands)   | September 30, 2023    |                  |                    | June 30, 2023         |                  |                    | March 31, 2023        |                  |                    |
|--|-----------------------|------------------|--------------------|-----------------------|------------------|--------------------|-----------------------|------------------|--------------------|
|  | As                    |                  | As Adjusted        | As                    |                  | As Adjusted        | As                    |                  | As Adjusted        |
|  | Reported <sup>1</sup> | Adjustment       |                    | Reported <sup>1</sup> | Adjustment       |                    | Reported <sup>1</sup> | Adjustment       |                    |
| <b>Assets</b>  |                       |                  |                    |                       |                  |                    |                       |                  |                    |
| Total cash and cash equivalents                                | \$ 223,692            | \$ —             | \$ 223,692         | \$ 256,333            | \$ —             | \$ 256,333         | \$ 197,143            | \$ —             | \$ 197,143         |
| Goodwill & intangibles   | 27,157                | 4,154            | 31,311             | 27,595                | 4,072            | 31,667             | 28,101                | 3,990            | 32,091             |
| Servicing assets   | 36,774                | 1,517            | 38,291             | 35,754                | 484              | 36,238             | 33,351                | 328              | 33,679             |
| Loans held for investment, at amortized cost, net <sup>1</sup> | 272,725               | 653              | 273,378            | 213,501               | 294              | 213,795            | 164,639               | 9                | 164,648            |
| Deferred tax asset, net  | 8,656                 | 7,599            | 16,255             | 4,622                 | 8,005            | 12,627             | 4,706                 | 8,120            | 12,826             |
| Other assets   | 48,430                | 1,418            | 49,848             | 46,670                | 1,541            | 48,211             | 49,850                | 1,629            | 51,479             |
| All other assets   | 760,720               | —                | 760,720            | 852,150               | —                | 852,150            | 767,933               | —                | 767,933            |
| <b>Total assets</b>  | <b>\$1,378,154</b>    | <b>\$ 15,341</b> | <b>\$1,393,495</b> | <b>\$1,436,625</b>    | <b>\$ 14,396</b> | <b>\$1,451,021</b> | <b>\$1,245,723</b>    | <b>\$ 14,076</b> | <b>\$1,259,799</b> |

**Liabilities and Shareholders' Equity**

Liabilities:

|  |                    |               |                    |                    |               |                    |                    |               |                    |
|--|--------------------|---------------|--------------------|--------------------|---------------|--------------------|--------------------|---------------|--------------------|
| Deposits   | 432,559            | —             | 432,559            | 447,357            | —             | 447,357            | 247,574            | —             | 247,574            |
| Accounts payable, accrued expenses and other liabilities | 36,509             | 162           | 36,671             | 37,512             | 162           | 37,674             | 44,912             | —             | 44,912             |
| All other liabilities                                    | 682,063            | —             | 682,063            | 730,541            | —             | 730,541            | 734,727            | —             | 734,727            |
| <b>Total liabilities</b>                                 | <b>\$1,151,131</b> | <b>\$ 162</b> | <b>\$1,151,293</b> | <b>\$1,215,410</b> | <b>\$ 162</b> | <b>\$1,215,572</b> | <b>\$1,027,213</b> | <b>\$ —</b>   | <b>\$1,027,213</b> |
| Total shareholders' equity                               | 227,023            | 15,179        | 242,202            | 221,215            | 14,234        | 235,449            | 218,510            | 14,076        | 232,586            |
| <b>Total Liabilities &amp; Shareholders Equity</b>       | <b>\$1,378,154</b> | <b>15,341</b> | <b>1,393,495</b>   | <b>1,436,625</b>   | <b>14,396</b> | <b>1,451,021</b>   | <b>1,245,723</b>   | <b>14,076</b> | <b>1,259,799</b>   |

<sup>1</sup>Certain amounts labeled "As Reported" have been reclassified to conform to current period presentation.

**NewtekOne, Inc. and Subsidiaries**  
**Consolidated Statement of Income (Unaudited)**  
(In Thousands, except for Per Share Data)

|                              | For the nine months ended<br>September 30, 2023 |                  |                  | For the six months ended<br>June 30, 2023 |                  |                  | For the three months ended<br>March 31, 2023 |                  |                  |
|------------------------------|---|------------------|------------------|---|------------------|------------------|--|------------------|------------------|
|                              | As<br>Reported <sup>1</sup>                     | As<br>Adjustment | As<br>Adjusted   | As<br>Reported <sup>1</sup>               | As<br>Adjustment | As<br>Adjusted   | As<br>Reported <sup>1</sup>                  | As<br>Adjustment | As<br>Adjusted   |
|                              | Net interest income                             | \$ 18,333        | \$ —             | \$ 18,333                                 | \$ 10,256        | \$ —             | \$ 10,256                                    | \$ 4,583         | \$ —             |
| Provision for credit losses  | 7,339   | —                | 7,339            | 3,893                                     | —                | 3,893            | 1,318  | —                | 1,318            |
| Noninterest income           | 132,113   | (4,448)          | 127,665          | 89,215                                    | (2,574)          | 86,641           | 42,787                                       | (431)            | 42,356           |
| Noninterest expense          | 113,891   | (5,771)          | 108,120          | 79,346                                    | (2,546)          | 76,800           | 39,197                                       | (174)            | 39,023           |
| Income tax expense (benefit) | 671   | (6,612)          | (5,941)          | (2,339)                                   | (7,018)          | (9,357)          | (4,863)                                      | (7,089)          | (11,952)         |
| <b>Net income</b>            | <b>\$ 28,545</b>                                | <b>\$ 7,935</b>  | <b>\$ 36,480</b> | <b>\$ 18,571</b>                          | <b>\$ 6,990</b>  | <b>\$ 25,561</b> | <b>\$ 11,718</b>                             | <b>\$ 6,832</b>  | <b>\$ 18,550</b> |

Weighted average number of shares outstanding

|                                  |         |         |         |         |         |         |         |         |         |
|----------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Basic                            | 24,626  | (371)   | 24,255  | 24,608  | (364)   | 24,244  | 24,609  | (386)   | 24,223  |
| Diluted                          | 24,626  | (290)   | 24,336  | 25,423  | (1,125) | 24,298  | 25,237  | (356)   | 24,881  |
| Earnings (loss) per common share |         |         |         |         |         |         |         |         |         |
| Basic                            | \$ 1.10 | \$ 0.36 | \$ 1.46 | \$ 0.72 | \$ 0.31 | \$ 1.03 | \$ 0.46 | \$ 0.30 | \$ 0.76 |
| Diluted                          | \$ 1.10 | \$ 0.36 | \$ 1.46 | \$ 0.72 | \$ 0.31 | \$ 1.03 | \$ 0.46 | \$ 0.28 | \$ 0.74 |

|                              | For the three months ended<br>September 30, 2023 |                  |                  | For the three months ended<br>June 30, 2023 |                  |                 | For the three months ended<br>March 31, 2023 |                  |                  |
|------------------------------|--|------------------|------------------|---|------------------|-----------------|--|------------------|------------------|
|                              | As<br>Reported <sup>1</sup>                      | As<br>Adjustment | As<br>Adjusted   | As<br>Reported <sup>1</sup>                 | As<br>Adjustment | As<br>Adjusted  | As<br>Reported <sup>1</sup>                  | As<br>Adjustment | As<br>Adjusted   |
|                              | Net interest income                              | \$ 8,077         | \$ —             | \$ 8,077                                    | \$ 5,673         | \$ —            | \$ 5,673                                     | \$ 4,583         | \$ —             |
| Provision for credit losses  | 3,446  | —                | 3,446            | 2,575                                       | —                | 2,575           | 1,318  | —                | 1,318            |
| Noninterest income           | 42,900   | (1,876)          | 41,024           | 46,428                                      | (2,143)          | 44,285          | 42,787                                       | (431)            | 42,356           |
| Noninterest expense          | 34,545   | (3,225)          | 31,320           | 40,149                                      | (2,372)          | 37,777          | 39,197                                       | (174)            | 39,023           |
| Income tax expense (benefit) | 3,011  | 405              | 3,416            | 2,524                                       | 71               | 2,595           | (4,863)                                      | (7,089)          | (11,952)         |
| <b>Net income</b>            | <b>\$ 9,975</b>                                  | <b>\$ 944</b>    | <b>\$ 10,919</b> | <b>\$ 6,853</b>                             | <b>\$ 158</b>    | <b>\$ 7,011</b> | <b>\$ 11,718</b>                             | <b>\$ 6,832</b>  | <b>\$ 18,550</b> |

Weighted average number of shares outstanding

|                                  |         |         |         |         |         |         |         |         |         |
|----------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Basic                            | 24,663  | (386)   | 24,277  | 24,607  | (343)   | 24,264  | 24,609  | (386)   | 24,223  |
| Diluted                          | 24,663  | (250)   | 24,413  | 25,588  | (1,282) | 24,306  | 25,237  | (356)   | 24,881  |
| Earnings (loss) per common share |         |         |         |         |         |         |         |         |         |
| Basic                            | \$ 0.38 | \$ 0.05 | \$ 0.43 | \$ 0.26 | \$ 0.01 | \$ 0.27 | \$ 0.46 | \$ 0.30 | \$ 0.76 |
| Diluted                          | \$ 0.38 | \$ 0.05 | \$ 0.43 | \$ 0.26 | \$ 0.01 | \$ 0.27 | \$ 0.46 | \$ 0.28 | \$ 0.74 |

<sup>1</sup>Certain amounts labeled "As Reported" have been reclassified to conform to current period presentation.

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

|  | <b>December 31, 2023</b>             | <b>December 31, 2022</b>                  |
|--|--------------------------------------|---|
|  | <b>Financial Holding<br/>Company</b> | <b>Investment<br/>Company<sup>1</sup></b> |
| Cash and due from banks  | \$ 15,398                            | \$ 53,692                                 |
| Restricted cash  | 30,919                               | 71,914                                    |
| Interest bearing deposits in banks   | 137,689                              | —   |
| Total cash and cash equivalents  | 184,006                              | 125,606                                   |
| Debt securities available-for-sale, at fair value                            | 32,171                               | —   |
| Loans held for sale, at fair value   | 118,867                              | 19,171                                    |
| Loans held for sale, at LCM  | 56,607                               | —   |
| Loans held for investment, at fair value                                     | 469,801                              | 505,268                                   |
| Loans held for investment, at amortized cost, net of deferred fees and costs | 336,305                              | —   |
| Allowance for credit losses  | (12,574)                             | —   |
| Loans held for investment, at amortized cost, net                            | 323,731                              | —   |
| Federal Home Loan Bank and Federal Reserve Bank stock                        | 3,635                                | —   |
| Settlement receivable  | 62,230                               | —   |
| Joint ventures, at fair value (cost of \$37,864 and \$23,314), respectively  | 40,859                               | 23,022                                    |
| Controlled investments (cost of \$0 and \$131,495), respectively             | —                                    | 259,217                                   |
| Non-control investments (cost of \$796 and \$1,360), respectively            | 728                                  | 1,360                                     |
| Goodwill and intangibles   | 30,120                               | —   |
| Right of use assets  | 5,701                                | 6,484                                     |
| Deferred tax asset, net  | 5,230                                | —   |
| Servicing assets   | 39,725                               | 30,268                                    |
| Other assets   | 56,102                               | 28,506                                    |
| Total assets   | <u>\$ 1,429,513</u>                  | <u>\$ 998,902</u>                         |

#### LIABILITIES AND NET ASSETS

##### Liabilities:

##### Deposits:

Noninterest-bearing

\$ 10,053      \$ —

Interest-bearing

453,452      —

    Total deposits

463,505      —

Borrowings

644,122      539,326

Dividends payable

4,792      —

Lease liabilities

6,952      7,973

Deferred tax liabilities, net

—      19,194

Due to participants

23,796      35,627

Accounts payable, accrued expenses and other liabilities

37,300      21,424

    Total liabilities

1,180,467      623,544

##### Shareholders' Equity:

Preferred stock (par value \$0.02 per share; authorized 20 shares, 20 and 20 shares issued and outstanding, respectively)

19,738      —

Common stock (par value \$0.02 per share; authorized 200,000 shares, 24,680 and 24,609 issued and outstanding, respectively)

492      492

Additional paid-in capital

200,913      354,243

Retained earnings

28,051      20,623

Accumulated other comprehensive loss, net of income taxes

(148)      —

    Total shareholders' equity

249,046      375,358

    Total liabilities and shareholders' equity

\$ 1,429,513      \$ 998,902

<sup>1</sup>The Company's financial statements as of December 31, 2022, are, and in previous years were, presented and accounted for under the specialized method of accounting applicable to investment companies and excluded many of our consolidated subsidiaries, which were previously treated as portfolio company investments.

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

Year Ended December 31,

|   | <b>2023</b>              | <b>2022</b>                | <b>2021</b>                |
|---|--------------------------|----------------------------|----------------------------|
|   | <b>Financial Holding</b> | <b>Investment</b>          | <b>Investment</b>          |
|   | <b>Company</b>           | <b>Company<sup>1</sup></b> | <b>Company<sup>1</sup></b> |
| <b>Interest income</b>                                |                          |                            |                            |
| Debt securities available-for-sale                    | \$ 1,518                 | \$ —                       | \$ —                       |
| Loans and fees on loans                               | 84,001                   | 35,696                     | 25,951                     |
| Loans and fees on loans - PPP loans                   | —                        | —                          | 49,989                     |
| Interest from affiliates                              | —                        | 2,921                      | 3,026                      |
| Other interest earning assets                         | 8,854                    | —                          | —                          |
| Total interest income                                 | <u>94,373</u>            | <u>38,617</u>              | <u>78,966</u>              |
| <b>Interest expense</b>                               |                          |                            |                            |
| Deposits  | 15,849                   | —                          | —                          |
| Notes and securitizations                             | 40,217                   | 21,780                     | 18,591                     |
| Bank and FHLB borrowings                              | 11,673                   | 3,998                      | 1,536                      |
| Notes payable related party                           | —                        | 547                        | 388                        |
| Total interest expense                                | <u>67,739</u>            | <u>26,325</u>              | <u>20,515</u>              |
| Net interest income                                   | 26,634                   | 12,292                     | 58,451                     |
| Provision for credit losses                           | 11,704                   | —                          | —                          |
| Net interest income after provision for credit losses | <u>14,930</u>            | <u>12,292</u>              | <u>58,451</u>              |
| <b>Noninterest income</b>                             |                          |                            |                            |
| Dividend income                                       | 1,757                    | 24,657                     | 9,896                      |
| Loan servicing asset revaluation                      | (3,549)                  | (10,095)                   | (6,778)                    |
| Servicing income                                      | 18,289                   | 13,698                     | 11,307                     |
| Net gains on sales of loans                           | 50,734                   | 56,901                     | 53,113                     |
| Net gain (loss) on loans under the fair value option  | 18,008                   | (26,504)                   | 11,477                     |
| Technology and IT support income                      | 24,916                   | —                          | —                          |
| Electronic payment processing income                  | 42,855                   | —                          | —                          |
| Other noninterest income                              | 23,762                   | 34,221                     | 10,295                     |
| Total noninterest income                              | <u>176,772</u>           | <u>92,878</u>              | <u>89,310</u>              |
| <b>Noninterest expense</b>                            |                          |                            |                            |
| Salaries and employee benefits expense                | 65,708                   | 20,186                     | 17,866                     |
| Technology services expense                           | 14,272                   | —                          | —                          |
| Electronic payment processing expense                 | 18,327                   | —                          | —                          |
| Professional services expense                         | 13,077                   | 7,134                      | 5,610                      |
| Other loan origination and maintenance expense        | 9,433                    | 30,746                     | 29,506                     |
| Depreciation and amortization                         | 2,884                    | 239                        | 304                        |
| Loss on extinguishment of debt                        | 271                      | 417                        | 1,552                      |
| Other general and administrative costs                | 22,357                   | 7,673                      | 7,454                      |
| Total noninterest expense                             | <u>146,329</u>           | <u>66,395</u>              | <u>62,292</u>              |
| <b>Net income before taxes</b>                        | <u>45,373</u>            | <u>38,775</u>              | <u>85,469</u>              |
| Income tax expense (benefit)                          | (1,956)                  | 6,464                      | 1,327                      |
| <b>Net income</b>                                     | <u>47,329</u>            | <u>32,311</u>              | <u>84,142</u>              |
| Dividends to preferred shareholders                   | (1,454)                  | —                          | —                          |
| Net income available to common shareholders           | <u>\$ 45,875</u>         | <u>\$ 32,311</u>           | <u>\$ 84,142</u>           |
| <b>Earnings per share:</b>                            |                          |                            |                            |
| Basic   | \$ 1.89                  | \$ 1.34                    | \$ 3.69                    |
| Diluted   | \$ 1.88                  | \$ 1.34                    | \$ 3.69                    |

<sup>1</sup>The Company's financial statements as of December 31, 2022, are, and in previous years were, presented and accounted for under the specialized method of accounting applicable to investment companies and excluded many of our consolidated subsidiaries, which were previously treated as portfolio company investments.

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

| <b>Three Months Ended December 31,</b> |                            |                            |
|--|----------------------------|----------------------------|
| <b>2023</b>                            | <b>2022</b>                | <b>2021</b>                |
| <b>Financial Holding</b>               | <b>Investment</b>          | <b>Investment</b>          |
| <b>Company</b>                         | <b>Company<sup>1</sup></b> | <b>Company<sup>1</sup></b> |

|   |           |            |           |
|---|-----------|------------|-----------|
| <b>Interest income</b>                                |           |            |           |
| Debt securities available-for-sale                    | \$ 435    | \$ —       | \$ —      |
| Loans and fees on loans                               | 23,660    | 11,781     | 6,623     |
| Loans and fees on loans - PPP loans                   | —         | —          | —         |
| Interest from affiliates                              | —         | 834        | 895       |
| Other interest earning assets                         | 2,274     | —          | 54        |
| Total interest income                                 | 26,369    | 12,615     | 7,572     |
| <b>Interest expense</b>                               |           |            |           |
| Deposits  | 5,111     | —          | —         |
| Notes and securitizations                             | 11,411    | 7,348      | 4,791     |
| Bank and FHLB borrowings                              | 1,546     | 1,303      | 394       |
| Notes payable related party                           | —         | 262        | 112       |
| Total interest expense                                | 18,068    | 8,913      | 5,297     |
| Net interest income                                   | 8,301     | 3,702      | 2,275     |
| Provision for credit losses                           | 4,365     | —          | —         |
| Net interest income after provision for credit losses | 3,936     | 3,702      | 2,275     |
| <b>Noninterest income</b>                             |           |            |           |
| Dividend income                                       | 360       | 4,606      | 9,775     |
| Loan servicing asset revaluation                      | (1,983)   | (6,131)    | (3,456)   |
| Servicing income                                      | 4,985     | 3,767      | 2,961     |
| Net gains on sales of loans                           | 17,252    | 6,948      | 15,034    |
| Net gain (loss) on loans under the fair value option  | 5,420     | (14,089)   | 6,361     |
| Technology and IT support income                      | 6,460     | —          | —         |
| Electronic payment processing income                  | 10,659    | —          | —         |
| Other noninterest income                              | 5,954     | 24,840     | 4,149     |
| Total noninterest income                              | 49,107    | 19,941     | 34,824    |
| <b>Noninterest expense</b>                            |           |            |           |
| Salaries and employee benefits expense                | 14,535    | 5,806      | 5,139     |
| Technology services expense                           | 4,265     | —          | —         |
| Electronic payment processing expense                 | 4,168     | —          | —         |
| Professional services expense                         | 3,311     | 2,812      | 2,145     |
| Other loan origination and maintenance expense        | 2,503     | 8,846      | 8,122     |
| Depreciation and amortization                         | 613       | 58         | 68        |
| Loss on extinguishment of debt                        | 271       | —          | 597       |
| Other general and administrative costs                | 8,543     | 2,054      | 1,791     |
| Total noninterest expense                             | 38,209    | 19,576     | 17,862    |
| <b>Net income before taxes</b>                        | 14,834    | 4,067      | 19,237    |
| Income tax expense (benefit)                          | 3,985     | 6,289      | (793)     |
| <b>Net income</b>                                     | 10,849    | (2,222)    | 20,030    |
| Dividends to preferred shareholders                   | (405)     | —          | —         |
| Net income available to common shareholders           | \$ 10,444 | \$ (2,222) | \$ 20,030 |
| <b>Earnings per share:</b>                            |           |            |           |
| Basic   | \$ 0.43   | \$ (0.09)  | \$ 0.84   |
| Diluted   | \$ 0.43   | \$ (0.09)  | \$ 0.84   |

<sup>1</sup>The Company's financial statements as of December 31, 2022, are, and in previous years were, presented and accounted for under the specialized method of accounting applicable to investment companies and excluded many of our consolidated subsidiaries, which were previously treated as portfolio company investments.

#### **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 period ended have been annualized based on calendar days.

| <b>Newtek Bank, NA</b><br><i>(in thousands)</i>        | <b>As of and for the</b>  | <b>As of and for the</b> |
|--|---------------------------|--------------------------|
|  | <b>three months ended</b> | <b>year ended</b>        |
|  | <b>December 31, 2023</b>  | <b>December 31, 2023</b> |
| <b>Return on Average Tangible Common Equity</b>        |                           |                          |
| Numerator: Net Income (Loss) (GAAP)                    | \$15,064                  | \$28,127                 |
| Average Total Shareholders' Equity (non-GAAP)          | 92,201                    | 81,043                   |
| Deduct: Average Goodwill and Intangibles (non-GAAP)    | 2,099                     | 2,157                    |
| Denominator: Tangible Average Common Equity (non-GAAP) | \$90,102                  | \$78,886                 |



Return on Average Tangible Common Equity (non-GAAP) 66.3% 35.7%

### Return on Average Assets

|  |          |          |
|--|----------|----------|
| Numerator: Net Income (GAAP)           | \$15,064 | \$28,127 |
| Denominator: Average Assets (non-GAAP) | 601,130  | 490,604  |
| Return on Average Assets (non-GAAP)    | 9.9%     | 5.7%     |

### Efficiency Ratio

|  |          |           |
|--|----------|-----------|
| Numerator: Non-Interest Expense (GAAP) | \$12,796 | \$51,378  |
| Net Interest Income (GAAP)             | 6,589    | 17,461    |
| Non-Interest Income (GAAP)             | 30,621   | 85,580    |
| Denominator: Total Income              | \$37,210 | \$103,041 |
| Efficiency Ratio (non-GAAP)            | 34.4%    | 49.9%     |

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

Newtek Bank's comparative financial measures have been adjusted to correct errors made in the Company's financial statements previously-issued in the first, second and third quarters of 2023. The amounts presented below are as of and for the periods ended (in thousands). Ratios for three-month period ended have been annualized based on calendar days.

### Newtek Bank, NA

(in thousands)

### As of and for the three months ended

|  | September 30, 2023       |            |             | June 30, 2023            |            |             | March 31, 2023           |            |             |
|--|--------------------------|------------|-------------|--------------------------|------------|-------------|--------------------------|------------|-------------|
|  | As Reported <sup>1</sup> | Adjustment | As Adjusted | As Reported <sup>1</sup> | Adjustment | As Adjusted | As Reported <sup>1</sup> | Adjustment | As Adjusted |
| <b>Return on Average Tangible Common Equity</b>        |                          |            |             |                          |            |             |                          |            |             |
| Numerator: Net Income (Loss) (GAAP)                    | \$7,831                  | \$974      | \$8,805     | \$5,974                  | \$205      | \$6,179     | \$(1,817)                | \$(104)    | \$(1,921)   |
| Average Total Shareholders' Equity (non-GAAP)          | 81,043                   | 558        | 81,601      | 76,838                   | 338        | 77,176      | 75,813                   | 405        | 76,218      |
| Deduct: Average Goodwill and Intangibles (non-GAAP)    | 2,146                    | —          | 2,146       | 2,195                    | —          | 2,195       | 2,190                    | —          | 2,190       |
| Denominator: Tangible Average Common Equity (non-GAAP) | \$78,897                 | \$558      | \$79,455    | \$74,643                 | \$338      | \$74,981    | \$73,623                 | \$405      | \$74,028    |
| Return on Average Tangible Common Equity (non-GAAP)    | 39.4%                    |            | 44.0%       | 32.1%                    |            | 33.1%       | (10.0)%                  |            | (10.5)%     |
| <b>Return on Average Assets</b>                        |                          |            |             |                          |            |             |                          |            |             |
| Numerator: Net Income (GAAP)                           | \$7,831                  | \$974      | \$8,805     | \$5,974                  | \$205      | \$6,179     | \$(1,817)                | \$(104)    | \$(1,921)   |
| Denominator: Average Assets (non-GAAP)                 | 584,182                  | 705        | 584,887     | 485,633                  | 330        | 485,963     | 285,455                  | 459        | 285,914     |
| Return on Average Assets (non-GAAP)                    | 5.3%                     |            | 6.0%        | 4.9%                     |            | 5.1%        | (2.6)%                   |            | (2.7)%      |
| <b>Efficiency Ratio</b>                                |                          |            |             |                          |            |             |                          |            |             |
| Numerator: Non-Interest Expense (GAAP)                 | \$14,759                 | \$(3,243)  | \$11,516    | \$16,243                 | \$(2,399)  | \$13,844    | \$13,314                 | \$(92)     | \$13,222    |
| Net Interest Income (GAAP)                             | 5,089                    | 279        | 5,368       | 3,771                    | 445        | 4,216       | 2,011                    | (329)      | 1,682       |
| Non-Interest Income (GAAP)                             | 24,984                   | (1,751)    | 23,233      | 23,920                   | (2,055)    | 21,865      | 10,101                   | (241)      | 9,860       |
| Denominator: Total Income                              | \$30,073                 | \$(1,472)  | \$28,601    | \$27,691                 | \$(1,610)  | \$26,081    | \$12,112                 | \$(570)    | \$11,542    |
| Efficiency Ratio (non-GAAP)                            | 49.1%                    |            | 40.3%       | 58.7%                    |            | 53.1%       | 109.9%                   |            | 114.6%      |

<sup>1</sup>Certain amounts labeled "As Reported" have been reclassified to conform to current period presentation.

### NewtekOne Inc.

(dollars and number of shares in thousands)

### Return on Average Tangible Common Equity

|   | As of and for the three months ended December 31, 2023 | As of and for the year ended December 31, 2023 |
|---|--|--|
| Numerator: Net Income (GAAP)                        | \$10,849   | \$47,329                                       |
| Average Total Shareholders' Equity (non-GAAP)       | 218,387  | 222,624  |
| Deduct: Preferred Stock (GAAP)                      | 19,738   | 19,738   |
| Average Common Shareholders' Equity (non-GAAP)      | 198,649  | 202,886  |
| Deduct: Average Goodwill and Intangibles (non-GAAP) | 31,250   | 31,706   |



|  |          |           |          |          |           |          |          |         |          |
|--|----------|-----------|----------|----------|-----------|----------|----------|---------|----------|
| Numerator: Non-Interest Expense (GAAP) | \$34,545 | \$(3,225) | \$31,320 | \$40,149 | \$(2,372) | \$37,777 | \$39,197 | \$(174) | \$39,023 |
| Net Interest Income (GAAP)             | 8,077    | —         | 8,077    | 5,673    | —         | 5,673    | 4,583    | —       | 4,583    |
| Non-Interest Income (GAAP)             | 42,900   | (1,876)   | 41,024   | 46,428   | (2,143)   | 44,285   | 42,787   | (431)   | 42,356   |
| Denominator: Total Income              | \$50,977 | \$(1,876) | \$49,101 | \$52,101 | \$(2,143) | \$49,958 | \$47,370 | \$(431) | \$46,939 |
| <i>Efficiency Ratio (non-GAAP)</i>     | 67.8%    |           | 63.8%    | 77.1%    |           | 75.6%    | 82.7%    |         | 83.1%    |

#### **Tangible Book Value Per Share**

|   |           |          |           |           |          |           |           |          |           |
|---|-----------|----------|-----------|-----------|----------|-----------|-----------|----------|-----------|
| Total Shareholders' Equity (GAAP)               | \$227,023 | \$15,179 | \$242,202 | \$221,215 | \$14,234 | \$235,449 | \$218,510 | \$14,076 | \$232,586 |
| Deduct: Goodwill and Intangibles (GAAP)         | 27,157    | 4,154    | 31,311    | 27,595    | 4,072    | 31,667    | 28,101    | 3,990    | 32,091    |
| Numerator: Total Tangible Book Value (non-GAAP) | \$199,866 | \$11,025 | \$210,891 | \$193,620 | \$10,162 | \$203,782 | \$190,409 | \$10,086 | \$200,495 |
| Denominator: Total Number of Shares Outstanding | 24,645    | —        | 24,645    | 24,615    | —        | 24,615    | 24,609    | —        | 24,609    |
| <i>Tangible Book Value Per Share (non-GAAP)</i> | \$8.11    | \$0.45   | \$8.56    | \$7.87    | \$0.41   | \$8.28    | \$7.74    | \$0.41   | \$8.15    |

#### **Tangible Book Value Per Common Share**

|  |           |          |           |           |          |           |           |          |           |
|--|-----------|----------|-----------|-----------|----------|-----------|-----------|----------|-----------|
| Total Tangible Book Value (non-GAAP)                       | \$199,866 | \$11,025 | \$210,891 | \$193,620 | \$10,162 | \$203,782 | \$190,409 | \$10,086 | \$200,495 |
| Deduct: Preferred Stock (GAAP)                             | 19,738    | —        | 19,738    | 19,738    | —        | 19,738    | 19,738    | —        | 19,738    |
| Numerator: Tangible Book Value Per Common Share (non-GAAP) | \$180,128 | \$11,025 | \$191,153 | \$173,882 | \$10,162 | \$184,044 | \$170,671 | \$10,086 | \$180,757 |
| Denominator: Total Number of Shares Outstanding            | 24,645    | —        | 24,645    | 24,615    | —        | 24,615    | 24,609    | —        | 24,609    |
| <i>Tangible Book Value Per Common Share (non-GAAP)</i>     | \$7.31    | \$0.45   | \$7.76    | \$7.06    | \$0.42   | \$7.48    | \$6.94    | \$0.41   | \$7.35    |

<sup>1</sup>Certain amounts labeled "As Reported" have been reclassified to conform to current period presentation.