

NewtekOne[®]

NASDAQ: NEWT

**First Quarter 2023 Financial Results Conference Call
May 9, 2023 8:30 am ET**

First Report As A Financial Holding Company

Hosted by:

Barry Sloane, CEO & President and Nicholas Leger, EVP & CAO

Attendee

Nicolas Young, President, Newtek Bank, N.A.

Investor Relations

Jayne Cavuoto

Director of Investor Relations

jcavuoto@newtekone.com

(212) 273-8179

Note Regarding Forward-Looking Statements

Certain statements in this presentation are “forward-looking statements” within the meaning of the rules and regulations of the Private Securities Litigation and Reform Act of 1995. These statements are based on management’s current expectations and are subject to uncertainty and changes in circumstances. These statements are not guarantees of future results or occurrences. Actual results and capital and other financial conditions may differ materially from those included in these statements due to a variety of factors. Factors that could cause NewtekOne, Inc.’s actual results to differ materially from those described in the forward-looking statements can be found in NewtekOne, Inc.’s Annual Report on Form 10-K for the year ended December 31, 2022, filed with the Securities and Exchange Commission and are available on NewtekOne, Inc.’s website (<https://investor.newtekbusinessservices.com/sec-filings>), and on the Securities and Exchange Commission’s website (www.sec.gov). Any forward-looking statements made by or on behalf of NewtekOne, Inc. speak only as to the date they are made, and NewtekOne, Inc. 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.

- On January 6, 2023, we completed the acquisition of National Bank of New York City (renamed Newtek Bank, N.A.) and withdrew our BDC election and ceased operating as BDC
- This is our first quarter reporting as a financial holding company under consolidated accounting treatment
- Important points of focus for this presentation
 - Exceeded previous first quarter 2023 basic EPS forecast as well as analyst consensus for the first quarter 2023
 - We anticipate increased analyst coverage on NewtekOne, Inc.
 - Demonstrated ability to raise insured deposits quickly with a high growth rate and through digital accounting opening
 - We do not have asset/liability management issues that are currently present in the industry. Many financial institutions have long-duration fixed-rate bond and/or loan portfolios not matched by time deposits. We do not have this issue
 - We believe our return on average assets (“ROAA”) and return on tangible common equity (“ROTCE”), and capital ratios can exceed industry norms, which differentiates NewtekOne as a business and financial solutions provider to independent businesses that also owns a depository

Why NewtekOne, Inc.'s Differentiated Business Model Requires Different Valuation Metrics

- NewtekOne has a unique business model that generates new business referrals without the use of brokers, branches or business development officers. This cost-effective model has been in place for over 20 years and utilizes technology, people and processes to deliver solutions to its core commercial clientele, with effective efficiency ratios and level of service
- Well-managed asset/liability strategy
- Full understanding that most deposits have zero duration, and what might cause them to be 'sticky'
- Net interest margins that can exceed your typical bank and financial institution
- Projected ROAA and ROTCE metrics that can exceed your typical bank and financial institution
- Demonstrated ability to gather and grow deposits
- Expect to demonstrate the ability to attract lower-cost deposits from multiple sources including:
 - Merchant processing
 - Payroll
 - Lending
 - The Newtek Advantage[™]

NewtekOne[®]: First Quarter 2023 Financial Highlights

- Net Income was \$11.7 million, or \$0.46 per basic common share, for the three months ended March 31, 2023, which exceeded previously stated forecast of \$0.41 per basic common share
- Net interest income was \$4.6 million for the three months ended March 31, 2023
- Net interest margin was 2.28% for the three months ended March 31, 2023
- Total assets were \$1.2 billion at March 31, 2023
- Total borrowings was \$697.4 million at March 31, 2023
- Cash and cash equivalents was \$197.1 million, including \$72.6 million of restricted cash at March 31, 2023
- Loans held for investment were \$699.6 million at March 31, 2023
- Total risk-based capital ratio was 17.7% at March 31, 2023
- Tier-1 leverage ratio was 14.0% at March 31, 2023

- SBA 7(a) loans have been historically funded at the Company's nonbank lender Newtek Small Business Finance, LLC ("NSBF"), are now being funded at Newtek Bank as of April 2023
- In April 2023, Newtek Bank began funding SBA 7(a) loans and received preferred lenders program (PLP) status from the SBA
- In Q1 2023, Newtek Bank began funding SBA 504 and C&I loans
- Capital infusion at the close of the acquisition of Newtek Bank raised Newtek Bank's TCE to \$79 million
- Newtek Bank launched digital account opening in March 2023
- No material increase in the fair value of NSBF's non-accrual loan portfolio from Q4 2022 to Q1 2023
- NSBF loan currency rate stable
- Raised \$70 million of capital by selling \$50 million of senior financial holding company debt and \$20 million of convertible preferred shares

Adjustment to Book Value at March 31, 2023 Due to De-Conversion Adjustments

- Tangible total book value at March 31, 2023 was \$7.77 per share and tangible common book value was \$6.96 per share
- Upon the de-conversion from investment company accounting at March 31, 2023, the fair value of the “asset light” portfolio companies was removed from book value and replaced with negative \$2.0 million of tangible book value
- For example, at December 31, 2022 Newtek Merchant Solutions, Newtek Technology Solutions, Newtek Insurance Agency, and Newtek Payroll Solutions had a total fair value of \$166.7 million, and following de-conversion adjustments, at March 31, 2023, consolidate negative \$2.0 million to tangible book value

Great Successes Achieved by Newtek Bank Year to Date Through April 28, 2023

- Newtek Bank, N.A is well capitalized
- Total deposits were \$247.6 million at March 31, 2023.
- The amount of insured deposits was approximately 94.5% of total deposits at March 31, 2023.
- Newtek Bank N.A. had an 121% increase in its deposits to approximately \$310 through April 28, 2023, compared to \$140 million in deposits at December 31, 2022
- From March 2023 through April 28, 2023, of the \$170 million increase in deposits, approximately \$115 million emanated from the Bank's digital account opening platform adding over 3,300 new client relationships
- In April 2023, Newtek Bank began funding NSBF's SBA 7(a) loan origination pipeline
 - NSBF will remain a non-bank subsidiary of NewtekOne while NSBF continues to service and wind-down its legacy SBA 7(a) loan portfolio in securitization structures
- Newtek Bank has been granted PLP status by the SBA, and can now originate SBA 7(a) loans under PLP-delegated authority without having to go to the SBA for approvals
 - This delegated authority is an honor granted only to the most experienced SBA loan originators and underwriters
- Total risk-based capital ratio was 35.1% at March 31, 2023
- Tier-1 leverage ratio was 27.4% at March 31, 2023

Newtek Bank Purchase Accounting

- Unlike banks and bank holding companies that are currently having issues with asset/liability management and estimated marks on their portfolios of assets and liabilities, Newtek Bank, as a result of the January 6, 2023 acquisition, has recently marked-to-market its assets and liabilities
- Those marks and adjustments, based upon purchase accounting and CECL adjustments, give the market an actual assessment of the true value of the portfolio of assets and liabilities as of January 6, 2023
- The market is witnessing many other regional banks having presumed issues as their fixed-rate securities and loan portfolios are “under water” versus short-term duration deposits, which are regularly increasing in cost, causing analysts and investors to estimate a materially diminished book value and a reduced forecast of net interest margin
- We believe that when analyzing NewtekOne, analysts and investors do not need to be concerned with the above-mentioned issues, based on our strategy and recent purchase accounting adjustments

2023 Metrics & Forecasts

- Reconfirmed our 2023 EPS projections in a range of \$1.70 to \$2.00 per share in 2023
- Annual 2023 lending guidance:
 - Reconfirmed: SBA 7(a): \$875 million (Newtek Bank, N.A. originated Q2-Q4 (NSBF Q1))
 - Reconfirmed: SBA 504: \$175 million (Newtek Bank, N.A. originated)
 - Reconfirmed: Conforming C&I and investor CRE loans combined: \$140 million (Newtek Bank, N.A. originated)
 - Revised: Non-conforming C&I loans: \$250 million (financial holding company and joint venture originated)

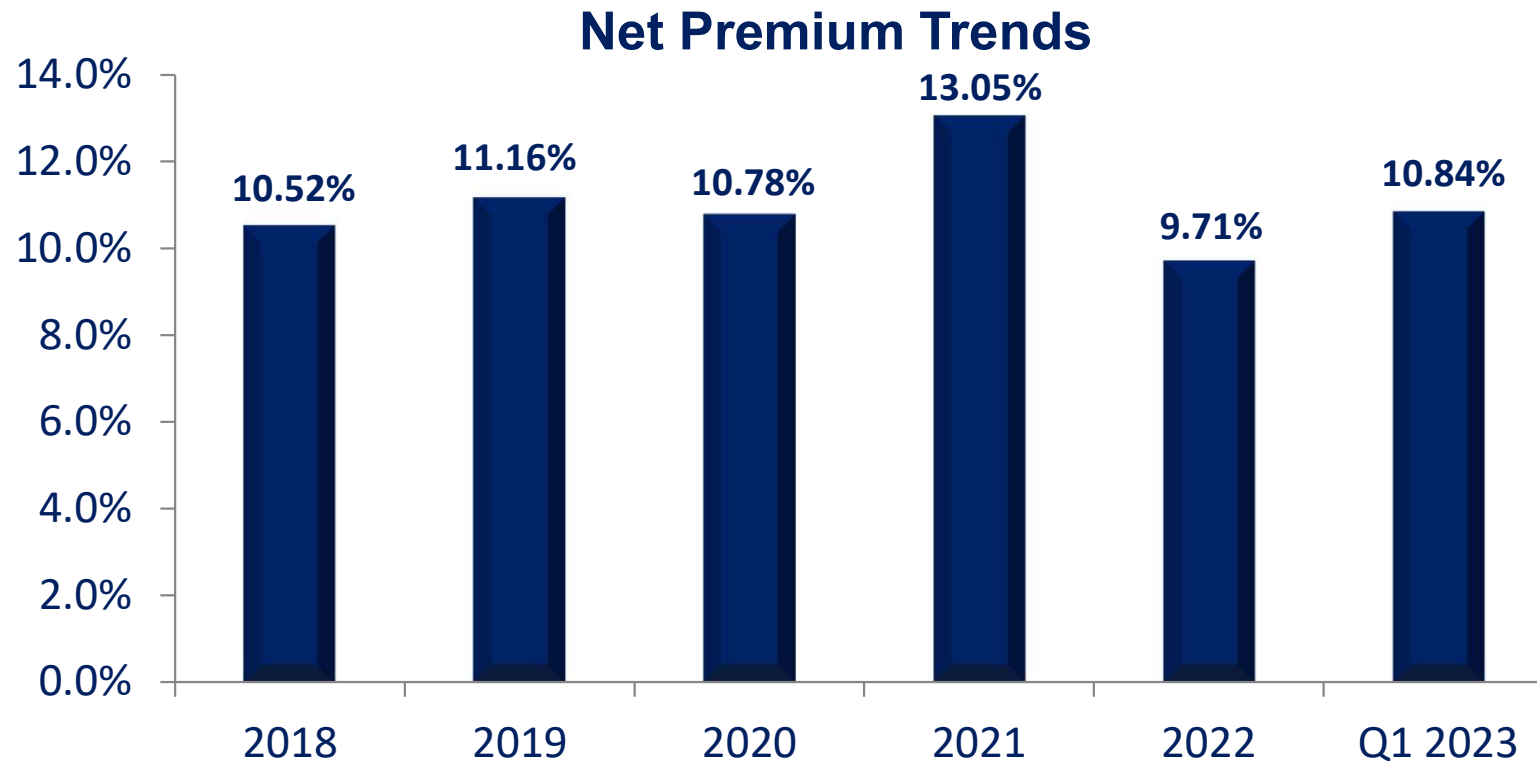
- NSBF, the largest non-bank lender (with PLP status) licensed by the SBA under the federal Section 7(a) loan program, based on loan approval dollar volume, was the second largest SBA lender, including banks, as of March 31, 2023
- NewtekOne has been a national SBA 7(a) lender to small businesses since 2003; 20-year history of loan default frequency and severity statistics
- With Newtek Bank receiving PLP status, all future SBA 7(a) loans will be made by Newtek Bank
- Utilizes technology, processes and people to expeditiously originate and build a great lending platform for independent business owners
- Issued 12 AA & A S&P-rated securitizations since 2010
- Small balance, industry and geographically diversified portfolio of 3,538 loans
 - Average loan size is approximately \$152,000 of average unguaranteed retained loan balance
- Floating rate at Prime plus 3.00% with no caps and quarterly rate adjust; currently equivalent to 11.25% cost to borrower
- No origination fees (in addition to the SBA guaranty fee) with 7- to 25-year amortization schedules; receiving a high-quality loan product
- Secondary market established for SBA 7(a) government-guaranteed loans for over 30 years, and Newtek establishes liquidity for unguaranteed portions through securitizations

NewtekOne's Diversified Streams of Income

- Primary earnings engines for NewtekOne
 - Newtek Bank, N.A
 - Newtek Small Business Finance (portfolio of SBA 7(a) loans)
 - Newtek Payments:
 - Newtek Merchant Solutions
 - Mobil Money
 - Newtek Payment Solutions
 - Newtek Technology Solutions
 - Other:
 - Non-conforming Joint Venture Portfolios
 - Newtek Insurance Agency
 - Newtek Payroll Solutions

Growth in All Lending Activity

- Total commercial loan closings were \$228.9 million for the three months ended March 31, 2023; a 12.5% increase over the three months ended March 31, 2022



- For the quarter ended March 31, 2023, the weighted average net premium received on the sale of guaranteed portions of SBA 7(a) loans was 10.84%.
- In 2022 a lagging Prime Rate in a rising interest rate environment led to lower premiums. This trend has reversed itself and Treasury rates are now leading any potential rate declines.
- We anticipate the weighted average net premium received on the sale of guaranteed portions of SBA 7(a) loans to further increase through the rest of 2023.
- The Company had \$10.4 million in guaranteed portions of SBA 7(a) loans on its balance sheet as of March 31, 2023 available for sale

Note: Net premiums received on the sale of guaranteed portions of SBA 7(a) loans are recorded as Net realized gains on non-affiliate investments in the consolidated statements of operations. Premiums above 10% are split 50/50 with the SBA as reflected above.

Currency Analysis of NSBF's Unguaranteed Accrual Portfolio

- The following chart shows NSBF's SBA 7(a) loan portfolio aging and currency at March 31, 2023, December 31, 2022 and March 31, 2022 **on accrual loans only**¹

	3/31/2023			12/31/2022			3/31/2022		
Days Past Due	# of Loans	Retained Principal Balance	% of Portfolio	# of Loans	Retained Principal Balance	% of Portfolio	# of Loans	Retained Principal Balance	% of Portfolio
Current	3,442	\$ 459,568,756	96.26%	3,256	\$ 450,540,429	97.28%	2,651	\$ 379,403,697	97.39%
31 - 60	62	\$ 14,814,759	3.10%	44	\$ 12,577,984	2.72%	42	\$ 8,884,923	2.28%
61 - 90	17	\$ 3,019,231	0.63%	0	-	0.00%	7	\$ 1,270,071	0.33%
91 - 120	0	-	0.00%	0	-	0.00%	0	-	0.00%
> 120	0	-	0.00%	0	-	0.00%	0	-	0.00%
Accrual Total	3,521	\$ 477,402,747	100%	3,300	\$ 463,118,413	100%	2,700	\$ 389,558,691	100%

¹ The SBA made principal and interest payments on behalf of eligible borrowers pursuant to Section 1112 of the CARES Act. March 31, 2023, December 31, 2022 and March 31, 2022 data do not include PPP loans.

Note: The table above does not include accrual loans in which NSBF owns 100% as a result of NSBF repurchasing the guaranteed portions from the SBA. The total amortized cost of the 100% NSBF-owned accrual loans at 03/31/2023, 12/31/2022 and 03/31/2022 was \$0.563 million, \$8.0 million and \$6.1 million, respectively, and is included in SBA unguaranteed non-affiliate investments on the consolidated statements of assets and liabilities.

NSBF Non-Accrual Trends

Period	Non-Accruals	Total Portfolio	% of Total Portfolio
3/31/2023	\$ 35,267,394	\$ 523,127,901	6.74%
12/31/2022	\$ 34,432,344	\$ 505,267,677	7.19%

Note: The above non-accrual data is for SBA 7(a) loans only. SBA 7(a) loans recorded at fair value.

NSBF Net Interest Income Trend

	Q1 2020	Q1 2021	Q1 2022	Q1 2023
Interest Income	\$7,323	\$5,949	\$7,079	\$13,214
Interest Expense - External	\$3,057	\$1,731	\$1,915	\$6,659
Net Interest Income - External	\$4,265	\$4,218	\$5,164	\$6,555

Note: the term 'External' denotes that fact that interest expense and net interest income do not include intercompany interest.

Current 4 Outstanding Securitization Transactions

Unguaranteed SBA 7(a) Loan-Backed Notes, Series 2018-1

<u>Class</u>	<u>Class Principal Amount</u>	<u>Note Interest Rate</u> ¹	<u>S&P Rating</u>
A	\$82,876,000	Lesser of (i) one-month LIBOR + 1.700% (initially, 4.018%) and (ii) Prime - 0.550% (initially, 4.700%)	A (sf)
B	\$25,675,000	Lesser of (i) one-month LIBOR + 3.000% (initially, 5.318%) and (ii) Prime + 0.750% (initially, 6.000%)	BBB- (sf)

(1) As of November 2, 2018, one-month LIBOR is 2.318% and Prime is 5.250%.

Unguaranteed SBA 7(a) Loan-Backed Notes, Series 2021-1

<u>Class</u>	<u>Class Principal Amount</u>	<u>Note Interest Rate</u> ¹	<u>S&P Rating</u>
A	\$79,680,000	Lesser of (i) one-month LIBOR + 1.7500% (initially, 1.8535%) and (ii) Prime - 0.2500% (initially, 3.0000%)	A (sf)
B	\$23,750,000	Lesser of (i) one-month LIBOR + 2.5000% (initially, 2.6035%) and (ii) Prime - 0.1000% (initially, 3.1500%)	BBB- (sf)

(1) As of December 2, 2021, one-month LIBOR is 0.1035% and Prime is 3.2500%. The Note Interest Rate is subject to adjustment as described in "Description of Securities—Effect of Benchmark Transition Event."

Unguaranteed SBA 7(a) Loan-Backed Notes, Series 2019-1

<u>Class</u>	<u>Class Principal Amount</u>	<u>Note Interest Rate</u> ¹	<u>S&P Rating</u>
A	\$93,540,000	Lesser of (i) one-month LIBOR + 1.6500% (initially, 3.6815%) and (ii) Prime - 0.9000% (initially, 4.1000%)	A (sf)
B	\$25,380,000	Lesser of (i) one-month LIBOR + 2.5000% (initially, 4.5315%) and (ii) Prime + 0.2500% (initially, 5.2500%)	BBB- (sf)

(1) As of September 27, 2019, one-month LIBOR is 2.0315% and Prime is 5.0000%. The Note Interest Rate is subject to adjustment as described in "Description of Securities—Effect of Benchmark Transition Event."

Unguaranteed SBA 7(a) Loan-Backed Notes, Series 2022-1

<u>Class</u>	<u>Class Principal Amount</u>	<u>Note Interest Rate</u> ¹	<u>S&P Rating</u>
A	\$95,380,000	Lesser of (i) 30-Day Average Compounded SOFR + 2.800% and (ii) Prime - 0.700%	A- (sf)
B	\$20,830,000	Lesser of (i) 30-Day Average Compounded SOFR + 3.750% and (ii) Prime + 0.250%	BBB- (sf)

(1) The Note Interest Rate is subject to adjustment as described in "Description of Securities—Effect of Benchmark Transition Event."

Newtek Merchant Solutions & Mobil Money

- Pre-tax income for Newtek Merchant Solutions (“NMS”), Mobil Money, and POS on Cloud was \$3.0 million for Q1 2023
- NMS, Mobil Money, and POS on Cloud forecast pretax income as follows:
 - Q2 2023: \$3.1 million
 - Q3 2023: \$3.8 million
 - Q4 2023: \$3.8 million
 - FY 2023: \$13.7 million
- EBITDA for NMS, Mobil Money, and POS on Cloud was \$3.4 million for Q1 2023
- NMS, Mobil Money, and POS on Cloud forecast EBITDA as follows:
 - Q2 2023: \$3.5 million
 - Q3 2023: \$4.2 million
 - Q4 2023: \$4.3 million
 - FY 2023: \$15.4 million
- NMS was established in 2002 and is considered a super ISO and is estimated to process \$5.5 billion in merchant processing volume in 2023
- With items like same day funding, Newtek payment systems, eCommerce solutions, zero-cost processing, NMS and Mobil Money could be future deposit gathering sources for Newtek Bank
- NMS, Mobil Money and POS are consolidated subsidiaries of NewtekOne

- Newtek Bank will be issuing its own debit card with the ability to access the Visa and Mastercard direct payment rails so that its clients can receive payments through Visa and Mastercard's direct payment platforms and ACH payments
- Newtek Bank will look to grow these recurring fee businesses that can benefit NMS and Newtek Bank
- NewtekOne realizes that most banks do not provide tools to independent business owners to electronically invoice customers or pay its vendors cost effectively. NewtekOne currently has those tools to help Newtek Bank grow ancillary income that is currently not available in the business model but will be present in 2024 and 2025 projections
- Electronic payments are and should be a vital solution and service that companies like ours provide for its clients that today is only provided by top-tier banks through treasury functions to large depositors

Newtek Technology Solutions

- Pretax Income for Newtek Technology Solutions (“NTS”) was \$217,000 for Q1 2023
- NTS forecasts pretax income as follows:
 - Q2 2023: \$950,000
 - Q3 2023: \$998,000
 - Q4 2023: \$1.0 million
 - FY 2023: \$3.2 million
- EBITDA for NTS was \$1.0 million for Q1 2023
- NTS forecasts EBITDA as follows:
 - Q2 2023: \$1.4 million
 - Q3 2023: \$1.4 million
 - Q4 2023: \$1.5 million
 - FY 2023: \$5.3 million

Corporate and Other

- For SEC reporting and GAAP reasons, many of NewtekOne's other assets and companies will be categorized in the 'Corporate and Other' segment
- Businesses such as Newtek Insurance Agency, Newtek Payroll & Benefits Solutions, and some of the legacy CAPCO business and other assets will be in this category for financial reporting purposes
- Total income effects with less than 10% contribution fall into this segment reporting
- The MD&A section in the Form 10-Q will break out payroll and insurance, so that the market can follow these early stage high-growth segments for NewtekOne

Other Segment includes:

- **NON-BANK LENDING:**
 - Newtek's joint venture for non-conforming lending
 - Newtek's loans seasoning portfolio
 - Portfolio loans that could not be contributed to the bank due to Reg 23A restrictions
 - Originates primarily higher-yielding loans that ultimately go into securitizations such as the January 2022 Newtek conventional lending securitization currently modeled on Intex
 - Non-bank lending is an important component of growth for NewtekOne Inc.

New Alliance Partnerships

- NewtekOne continues to add major organizations and form new alliances on a daily basis. Some of these alliances are listed below.
 - UBS
 - Morgan Stanley
 - Navy Federal Credit Union
 - Randolph Brooks Federal Credit Union
 - Credit Union National Association (CUNA)
 - Meineke Stores
 - TrueValue Stores
 - Henry Schein
 - 1-800 Accountant
- NewtekOne added two new relationships during first quarter 2023
 - A bank with \$100 billion in total assets
 - Large nationwide insurance carrier with 1.0 million clients to message in a weekly newsletter

- NBL and Newtek Bank originated \$450 million SBA 504 loans since 2017, and have not experienced any defaults or charge offs to date
- The Company and its joint ventures have originated \$145 million non-conforming conventional loans since 2019, and has not experienced any charge offs to date

Tightened Underwriting Criteria

- We have tightened underwriting criteria due to changing market conditions i.e., rising interest rates, inflation, and a weakening economy:
 - Higher FICO[®] and SBSSSM scores
 - Underwriting with stress tests and higher levels of interest-rate starting points
 - Making sure businesses have 4 to 8 quarters of excess liquidity in the event that historic and future projections are missed
 - Lending to businesses that can liquidate collateral or have unencumbered borrowing power to survive expense increases and revenue declines

Illustrative SBA 7(a) Loan Sale Transaction

Net Cash Created on SBA 7(a) Loan Sale Transaction

Key Variables in Loan Sale Transaction	
Loan Amount	\$1,000,000
Guaranteed Balance (75%)	\$750,000
Unguaranteed Balance (25%)	\$250,000
Realized Gain (Premium) ¹	10.084%
Term	25 years

Illustrative Net Cash Created	
Guaranteed Balance	\$750,000
Realized Gains on Guaranteed Balance ²	\$81,300
Cash Received in Securitization ⁽³⁾	\$208,750
Total	\$1,040,050
Net Cash Created (Post Securitization) ^{4,5}	\$40,050

* There is no assurance that this can occur.

¹Realized gains (premiums on loan sales) above 10% are split 50/50 with the SBA. This example assumes guaranteed balance is sold at a 111.68% premium. The additional 1.68% (11.68% - 10%) is split with SBA. NSBF nets 10.84%.

²Assumes 10.84% of the Guaranteed balance.

³Assumes 83.5% advance rate in securitization on unguaranteed balance.

⁴Assuming the loan is sold in a securitization in 12 months.

⁵Net cash created per \$1 million of loan originations.

Illustrative SBA 7(a) Loan Sale Transaction

Direct Revenue / Expense of an SBA 7(a) Loan Sale Transaction

Key Variables in Loan Sale Transaction	
Loan Amount	\$1,000,000
Guaranteed Balance (75%)	\$750,000
Unguaranteed Balance (25%)	\$250,000
Realized Gain (Premium) ¹	10.84%
Term	25 years

Illustrative Resulting Revenue (Expense)	
Associated Premium ²	\$81,300
Servicing Asset ³	<u>\$13,200</u>
Total Realized Gain	\$94,500
Packaging Fee Income	\$2,500
FV Non-Cash Adjustment on Uninsured Loan Participations ⁴	\$(6,250)
Referral Fees Paid to Alliance Partners	<u>\$(7,500)</u>
Total Direct Expenses	<u>\$(13,750)</u>
Net Risk-Adjusted Profit Recognized ⁵	\$83,250

* There is no assurance that this can occur.

¹Realized gains (premiums on loan sales) above 10% are split 50/50 with the SBA. This example assumes guaranteed balance is sold at a 111.68% premium. The additional 1.68% (111.68% - 10%) is split with SBA. NSBF nets 1.68%.

²Assumes 10.84% of the Guaranteed balance.

³Fair value estimate of servicing asset.

⁴Example assumes a 2.5% discount to reflect cumulative estimate of default frequency and severity among other assumptions.

⁵Net risk-adjusted profit recognized per \$1 million of loan originations.

Sample SBA 504 Loan Structure

An example of a typical SBA 504 loan structure is detailed below:

Real Estate Acquisition Loan				
	\$ Amount		\$ Amount	Percent of Total
Purchase Price	\$800,000	1st Mortgage Funded by NBL	\$500,000	50%
Renovations	150,000	Bridge Loan Originally Funded by NBL*	400,000	40%
Soft & Closing Costs	50,000	Borrower Equity Injection	100,000	10%
Total	\$1,000,000	Total	\$1,000,000	100%

- Up to 50% first mortgage
- Up to 40% second mortgage provided by CDC (\$250,000 to \$4.0 million)
- At least 10% equity contribution

*Taken out by CDC funded second mortgage of \$400,000 typically within 60-90 days of funding.

Illustrative Loan Sale Transaction - SBA 504 Loan

Net Cash Created in SBA 504 Loan Sale Transaction – An Example*

Key Variables in Loan Sale Transaction	
Total Projected Financing	\$1,000,000
Senior Loan Balance	\$500,000
Junior Bridge Loan Balance ⁽¹⁾	\$400,000
Premium	3.00%
Rate	Fixed
Term	10 Years

Illustrative Net Cash Created Pretax	
Total Senior & Junior Debt	\$900,000
Funded Under Bank Facility	<u>\$630,000</u>
NBL Equity	\$270,000
Net Origination Fees	\$18,000
Interest Earned Before Sale ⁽²⁾	\$22,750
Interest Expense	(\$7,963)
Premium Earned Upon Sale	<u>\$15,000</u>
Total Net Cash Created ⁽³⁾	\$47,788
Return on Investment (Gross Operating Profit/ Equity) ⁽⁴⁾	<u>35.4%</u>

* There is no assurance that this can occur.

- (1) Funded by NBL, to be taken out within 90 days by a junior lender through SBA guaranteed debenture.
- (2) Interest earned on Senior and Junior Bridge loans are outstanding prior to takeout from CDC and loan sale.
- (3) Net cash created equals the addition of Net Premium Earned, Net Interest Earned Before Sale, Origination Fees, less Interest Expense.
- (4) The first year return on investment is based on net cash created of \$48,400 divided by NBL equity of \$270,000. The holding period for the loan is assumed to be 6 months. In this illustrative example, return on investment is shown annualized for the full year and does not account for \$120,000 of equity returned early after 90 days due to the Junior Bridge Loan replacement via SBA

- Additional origination fees
- Additional servicing income
- Asset liability match of interest income while loans are in warehouse credit facility and interest expense when in securitization vehicle
- Joint Ventures provide NewtekOne with greater operating leverage by using Newtek's existing pipeline, systems and subsidiary staff to originate loans with greater balances and higher return on equity
- Joint Ventures can leverage NewtekOne's existing origination platform
- We anticipate funding \$250 million of non-conforming conventional loans in 2023 with the expectation that they will be funded through joint ventures held at non-bank subsidiaries and exited through securitizations
- We believe that originating non-conforming loans and financing them can create a consolidated ROE between 20-30%, net of anticipated loss severity and frequency, between origination fees, servicing fees and capital invested in the loans

The Newtek Advantage™

- The Newtek Advantage™ gives Newtek's clients analytics, relationships and transactional capability that other banks do not
- Newtek Advantage™ to gives our business clients a management asset that will enhance their business operations
- We believe the Newtek Advantage™ is unique because each of our clients will be assigned a Newtek relationship manager, and specialist in each Newtek business line
 - For example, our clients will have a Newtek lending specialist or a payments specialist and a Newtek Bank depository specialist. This could give our clients 6 relationships to connect with at any time
- Our clients are able to go into the Newtek Advantage™ and communicate via video with a Newtek specialist
- We offer our clients the Newtek Advantage™, which we believe can become a market-recognized tool and solution that Newtek's clients ultimately will not want to be without
- Future potential Newtek Advantage™ additions: Newtek Tax and Newtek Digital Bookkeeping
- Beginning in Q3 and Q4 of 2023, we will report product utilization of Newtek Advantage™

- On February 27, 2023, NewtekOne's board of directors declared the Company's first quarterly dividend as a financial holding company of \$0.18 per share¹, which exceeded its previously forecasted dividend of \$0.16 per share
- The dividend was paid on April 14, 2023 to shareholders of record as of April 4, 2023

¹Amount and timing of dividends, if any, remain subject to the discretion of the Company's Board of Directors.

Summary of Key Projection Assumptions

(\$ in Millions)

FY 2023

Origination Volume

SBA 7(a)	\$875
SBA 504	175
Conventional CRE & C&I	50
ABL	15
Non-conforming C&I (FHC/JV)	250

7(a) Cash Premium

11.00%

Holding Company Funding Costs

New Financial Holding Company Debt Interest Rate	7.750%
Private Placement Financial Holding Company Debt	8.125%
Preferred Stock	8.000%

Private Placement Financial Holding Company Debt Raised (1/2023)	\$50
Preferred Stock Raised (1/2023)	20

NewtekOne & Newtek Bank, N.A. Are Well-Capitalized Institutions As of March 31, 2023

Financial Holding Company and Newtek Bank Subsidiary Capital at Closing

NewtekOne[®]

Financial Holding Company- Consolidated

TOTAL
ASSETS

~\$1.25 billion

TCE
RATIO¹

14.8%

CET1
RATIO²

15.6%

TOTAL
CAPITAL
RATIO³

17.7%

Newtek Bank, N.A

Bank Subsidiary

TOTAL
ASSETS

~\$355 million

TCE
RATIO

27.1%

CET1
RATIO

34.1%

TOTAL
CAPITAL
RATIO

35.1%

¹TCE Ratio = Tangible Common Equity /Average Assets

²CET1 = Common Equity Tier 1/ Risk Weighted Assets

³Total Capital Ratio= Total Capital/Risk Weighted Assets

NewtekOne® Financial Summary Proforma & Forecasts Fiscal Year End: 2023

Newtek One, Inc Fiscal Year	Consolidated FHC		Newtek Bank
	PF 2022A	Forecast 2023	Forecast 2023
After-tax Net Income (\$mm)		\$45.4	\$32.6
Earnings Per Share		\$1.85	
Average Shares Outstanding (mm)		24.6	
Dividends Per Share		\$0.72	
Total Assets	\$1,060.6	\$1,409.1	\$554.3
Total Loans	769.1	1,040.3	473.7
Total Equity	185.8	240.0	96.8
Tangible Equity		211.6	94.3
Tangible Common Equity		191.9	94.3
Return on Average Assets		3.68%	8.42%
Return on Average TCE		25.9%	38.5%
Net Interest Margin		2.42%	3.85%
Cost of Funds		7.10%	4.42%
Cost of Deposits			3.41%
Deposits/ Total Funding			38.0%
Efficiency Ratio		69.1%	50.4%
TCE / TA (Leverage Ratio)	15.4%	14.6%	19.2%
Tier 1 Leverage Ratio	13.9%	12.9%	16.2%
CET1 Ratio	16.3%	13.4%	17.6%
Total Risk Based Capital Ratio	16.3%	16.1%	18.8%

- 2023 EPS projection of \$1.70 to \$2.00 per share

Note: Excludes any final closing transaction expenses and accelerated deferred financing costs related to refinancing existing unsecured notes.

NewtekOne® Forecasted Consolidated Income Statement

Proforma Consolidated Income Statement					
(\$ in Millions)	3/31/2023	6/30/2023	9/30/2023	12/31/2023	FY 2023
Interest Income					
Newtek Bank	\$3.7	\$6.5	\$7.9	\$10.2	\$28.2
Non-Bank Entities	15.0	15.5	15.9	15.8	62.2
Total Interest Income	\$18.7	\$21.9	\$23.8	\$26.0	\$90.4
Interest Expense					
Newtek Bank	\$1.7	\$3.1	\$3.8	\$5.1	\$13.7
Non-Bank Entities	12.4	13.0	14.8	13.6	53.9
Total Interest Expense	\$14.1	\$16.1	\$18.6	\$18.8	\$67.6
Newtek Bank	\$2.0	\$3.4	\$4.1	\$5.1	\$14.5
Non-Bank Entities	2.6	2.5	1.1	2.2	8.3
NET INTEREST INCOME	\$4.6	\$5.9	\$5.2	\$7.2	\$22.9
PROVISION FOR CREDIT LOSSES					
Newtek Bank	1.3	4.1	4.9	4.8	15.2
PROVISION FOR CREDIT LOSSES ⁽¹⁾	\$1.3	\$4.1	\$4.9	\$4.8	\$15.2
NONINTEREST INCOME					
Noninterest Income					
Newtek Bank	\$10.2	\$26.7	\$32.4	\$38.4	\$107.6
Non-Bank Entities	25.9	27.1	28.6	29.5	111.1
Intercompany Eliminations	(8.2)	(3.7)	(3.4)	(3.3)	(18.5)
TOTAL NONINTEREST INCOME	\$27.9	\$50.1	\$57.6	\$64.6	\$200.2

NewtekOne® Forecasted Consolidated Income Statement Cont.

Proforma Consolidated Income Statement (continued)					
(\$ in Millions)	3/31/2023	6/30/2023	9/30/2023	12/31/2023	FY 2023
NONINTEREST EXPENSE					
Noninterest Expense					
Newtek Bank	\$13.3	\$16.2	\$16.1	\$16.0	\$61.6
Non-Bank Entities	34.1	25.9	25.6	25.5	111.1
Intercompany Eliminations	(8.2)	(3.7)	(3.4)	(3.3)	(18.5)
TOTAL NONINTEREST EXPENSE	\$39.2	\$38.3	\$38.3	\$38.3	\$154.1
Net Realized and Unrealized Losses					
Newtek Bank	\$0.1	\$0.0	\$0.0	\$0.0	\$0.1
Non-Bank Entities	(15.0)	3.9	4.3	4.8	(2.0)
TOTAL NET REALIZED & UNREALIZED LOSSES	(\$14.9)	\$3.9	\$4.3	\$4.8	(\$2.0)
<i>Memo: Pre-tax Income NEWT Bank</i>	<i>(\$2.5)</i>	<i>\$9.7</i>	<i>\$15.5</i>	<i>\$22.6</i>	<i>\$45.3</i>
PRE-TAX NET INCOME	\$6.9	\$9.6	\$15.2	\$24.1	\$55.7
Income Tax Expense - at 28% Marginal Rate	(4.8)	2.7	4.3	6.7	8.9
Preferred Dividends	0.2	0.4	0.4	0.4	1.4
AFTER-TAX NET INCOME	\$11.4	\$6.5	\$10.6	\$16.9	\$45.4
Average Diluted Shares Outstanding	24.6	24.6	24.6	24.6	24.6
EARNINGS PER SHARE	\$0.46	\$0.26	\$0.43	\$0.69	\$1.85
Dividend Per Share	\$0.18	\$0.18	\$0.18	\$0.18	\$0.72

Note: (1) Q1 2023 includes CECL provision on loans acquired at Fair Value and in Q4 2023 assumes reversal of the CECL provision on loans acquired at Fair Value.

NewtekOne® Proforma & Forecasts: FHC Balance Sheet

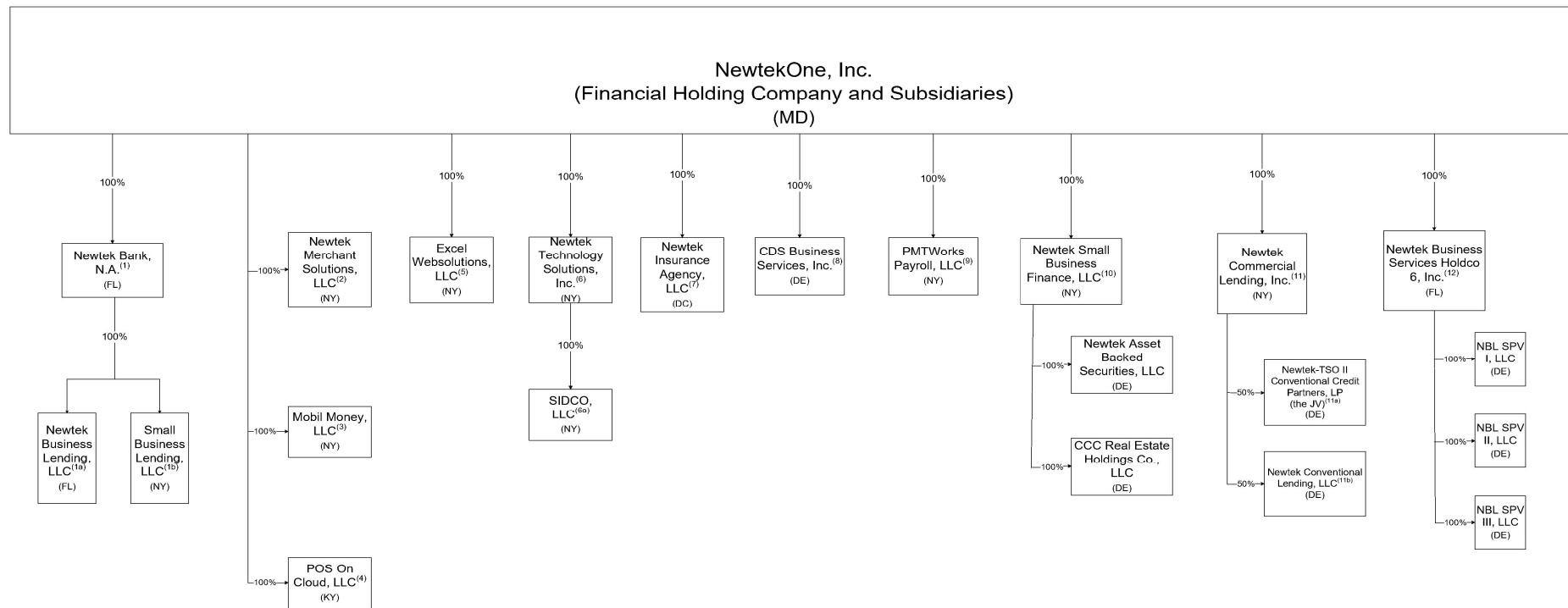
Newtek One, Inc				
Pro Forma Consolidated Balance Sheet				
(\$ in Millions)	Mar-23	Jun-23	Sep-23	Dec-23
Assets				
Cash and Gtd Securities	\$ 154	\$ 69	\$ 28	\$ 41
Investment Securities	4	4	4	4
Restricted Cash	73	65	67	66
Guaranteed Settlement Receivable	41	42	49	62
Net Loans	823	848	945	1,040
Non-Goodwill Intangibles	7	7	7	7
Goodwill	21	21	21	21
Deferred Tax Asset	8	9	9	10
Servicing Asset	33	35	37	40
Investment in JV	25	33	45	55
Other Assets	61	60	61	62
Total Assets	\$ 1,250	\$ 1,193	\$ 1,273	\$ 1,409
Liabilities				
Deposits	\$ 248	\$ 244	\$ 311	\$ 424
Borrowings	697	677	683	693
Deferred Tax Liability	4	4	4	4
Other Liabilities	82	48	48	49
Total Liabilities	\$ 1,030	\$ 972	\$ 1,046	\$ 1,169
Equity				
Perpetual Preferred Equity	20	20	20	20
Common Equity	200	202	208	220
Total Equity	\$ 219	\$ 221	\$ 228	\$ 240
Total Liabilities + Equity	\$ 1,250	\$ 1,193	\$ 1,273	\$ 1,409

Newtek One, Inc Pro Forma Consolidated Ratios (\$ in Millions)	Mar-23	Jun-23	Sep-23	Dec-23
BALANCE SHEET RATIOS:				
Equity / Assets (EOP)	17.5%	18.6%	17.9%	17.0%
TE / TA (EOP)	15.7%	16.6%	16.0%	15.3%
TCE / TA (Leverage Ratio)	14.8%	14.5%	14.9%	14.6%
REGULATORY CAPITAL RATIOS:				
Tier 1 Leverage Ratio	14.0%	12.8%	13.1%	12.9%
CET1 Ratio	15.6%	14.7%	13.8%	13.4%
Tier I Risk Based Ratio	15.6%	14.7%	13.8%	13.4%
Total Risk Based Ratio	17.7%	17.0%	16.2%	16.1%
Profitability Ratios:				
Return on Common Equity				22.4%
Return on Tangible Common Equity				25.9%
Return on Average Assets				3.68%
Cost of Funds	6.54%	6.89%	7.78%	7.11%
Cost of Funds (Bank Level)	3.04%	4.58%	5.00%	5.22%
Cost of Deposits (Bank Level)	1.93%	2.65%	4.07%	4.63%

Pro Forma Bank Balance Sheet				
Period Ended	3/31/2023	6/30/2023	9/30/2023	12/31/2023
<i>Total Assets</i>				
Cash	\$134.4	\$22.9	\$5.0	\$3.2
Investment Securities	4.0	4.0	4.0	4.0
Guaranteed Settlement Receivable	0.0	41.7	49.3	61.9
Net Loans	209.7	276.0	354.9	459.2
Non-Goodwill Intangibles	1.0	1.2	1.3	1.3
Goodwill	1.2	1.2	1.2	1.2
Deferred Tax Asset	0.6	1.1	2.3	3.8
Servicing Asset	0.0	2.9	6.1	10.0
Other Assets	9.1	9.8	12.4	16.0
<i>Total Assets</i>	\$ 357.2	\$ 357.3	\$ 431.7	\$ 554.3
<i>Total Liabilities</i>				
Deposits	\$247.6	\$243.8	\$311.4	\$423.9
Borrowings	24.5	24.5	24.5	24.5
Other Liabilities	5.9	5.9	7.1	9.1
<i>Total Liabilities</i>	\$ 277.9	\$ 274.1	\$ 343.0	\$ 457.5
<i>Total Equity</i>	\$ 79.3	\$ 83.1	\$ 88.7	\$ 96.8
Memo: Equity Contribution from Parent Company	\$0.0	\$0.0	\$0.0	\$0.0

Pro Forma Bank Balance Sheet				
Period Ended	3/31/2023	6/30/2023	9/30/2023	12/31/2023
<i>Pro Forma Balance Sheet Ratios</i>				
TE / TA (EOP)	21.7%	22.7%	20.1%	17.1%
TCE / TA (Leverage Ratio)	27.1%	22.7%	22.0%	19.2%
Tier 1 Leverage Ratio	21.7%	22.3%	19.4%	16.2%
CET1 Ratio	34.1%	26.8%	21.4%	17.6%
Tier I Risk Based Ratio	34.1%	26.8%	21.4%	17.6%
Total Risk Based Ratio	35.0%	28.0%	22.7%	18.8%

Organizational Chart



Investment Summary

- Financial holding company capital ratios
- Newtek Bank, N.A. capital ratios
- NewtekOne profitability ratios
 - 2023 ROAA projection of 3.0%-3.5%
 - 2023 ROTCE projection of 23%-28%
- 2023 EPS projection of \$1.70 to \$2.00 per share
- First quarterly dividend declaration as a financial holding company of \$0.18 per share, exceeding previous projection of \$0.16 per share
- A growth-oriented differentiated technology-enabled financial holding company

Financial Review

Nicholas Leger, Chief Accounting Officer

Consolidated Statements of Operations

NewtekOne, Inc. and Subsidiaries

(in thousands except per share data amounts)

	Three Months Ended March 31,	
	2023 Financial Holding Company Accounting	2022 Investment Company Accounting
Interest income		
Loans and fees on loans	\$ 17,502	\$ 7,079
Debt securities available-for-sale	232	-
Interest from affiliates	-	664
Other interest earning assets	981	-
Total interest income	<u>18,715</u>	<u>7,743</u>
Interest expense		
Notes and securitizations	8,718	4,136
Bank and FHLB borrowings	3,938	425
Notes payable related party	-	106
Deposits	1,475	-
Total interest expense	<u>14,132</u>	<u>4,667</u>
Net interest income	4,584	3,076
Provision for loan credit losses	1,318	-
Net interest income after provision for loan credit losses	<u>3,266</u>	<u>3,076</u>
Noninterest income		
Dividend income	504	7,846
Loan servicing asset revaluation	919	(1,559)
Servicing income	4,403	3,181
Net gains on sales of loans	6,526	15,295
Net (loss) gain on derivative transactions	(495)	628
Net gain (loss) on loans accounted for under the fair value option	5,905	(2,718)
Net unrealized appreciation (depreciation) on joint ventures	2,002	(2,321)
Net unrealized appreciation on controlled investments	-	297
Technology and IT support income	6,709	-
Electronic payment processing income	10,328	-
Other noninterest income	5,986	1,579
Total noninterest income	<u>42,787</u>	<u>22,228</u>
Noninterest expense		
Technology services expense	3,803	-
Electronic payment processing expense	4,504	-
Salaries and employee benefits expense	19,119	5,109
Professional services expense	3,440	1,301
Other loan origination and maintenance expense	2,827	6,483
Depreciation and amortization	873	63
Change in fair value of contingent consideration liabilities	-	-
Loss on extinguishment of debt	-	-
Other general and administrative costs	4,631	1,753
Total noninterest expense	<u>39,197</u>	<u>14,709</u>
Income before taxes	6,856	10,595
Income tax (benefit) expense	(4,828)	943
Net income	<u>11,684</u>	<u>9,652</u>
Less dividends to preferred shareholders	(249)	-
Net income available to common shareholders	<u>11,435</u>	<u>9,652</u>
Earnings per share:		
Basic	\$ 0.46	\$ 0.40
Diluted	\$ 0.45	\$ 0.40