UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2025

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____to_____

Commission file number: 814-01035

NEWTEKONE, INC.

(Exact name of registrant as specified in its charter)

Maryland	**46-3755188**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
4800 T Rex Avenue, Suite 120, Boca Raton, Florida	**33431**
(Address of principal executive offices)	(Zip Code)

(212) 356-9500
(Registrant's telephone number, including area code)

Not Applicable
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.02 per share	NEWT	Nasdaq Global Market LLC
5.50% Notes due 2026	NEWTZ	Nasdaq Global Market LLC
8.00% Notes due 2028	NEWTI	Nasdaq Global Market LLC
8.50% Notes due 2029	NEWTG	Nasdaq Global Market LLC
8.625% Notes due 2029	NEWTH	Nasdaq Global Market LLC
Depositary Shares, each representing a 1/40th interest in a share of 8.500% Fixed-Rate Reset Non-Cumulative Perpetual Preferred Stock, Series B	NEWTP	Nasdaq Global Market LLC

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (Section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated Filer	☒
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial or accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of November 6, 2025, there were 28,887,295 shares outstanding of the registrant's Common Stock, par value $0.02 per share.

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Defined Terms

We have used “we,” “us,” “our,” “our company,” and “the Company” to refer to NewtekOne, Inc. and its subsidiaries in this report. We also have used several other terms in this report, which are explained or defined below:

Terms	
1940 Act	Investment Company Act of 1940, as amended
2017-1 Trust	Newtek Small Business Loan Trust, Series 2017-1, terminated in February 2023
2018-1 Trust	Newtek Small Business Loan Trust, Series 2018-1, terminated in October 2024
2019-1 Trust	Newtek Small Business Loan Trust, Series 2019-1, terminated in October 2024
2021-1 Trust	Newtek Small Business Loan Trust, Series 2021-1
2022-1 Trust	Newtek Small Business Loan Trust, Series 2022-1
2023-1 Trust	Newtek Small Business Loan Trust, Series 2023-1
2025-1 Trust	NALP Business Loan Trust, Series 2025-1
2024 Notes	5.75% Notes due 2024, matured August 1, 2024
2025 5.00% Notes	5.00% Notes due 2025, matured March 31, 2025
2025 8.125% Notes	8.125% Notes due 2025, exchanged for 2027 Notes
2025 Notes	Collectively, the 2025 5.00% Notes and 2025 8.125% Notes
2026 Notes	5.50% Notes due 2026
2027 Notes	8.125% Notes due 2027
2028 Notes	8.00% Notes due 2028
2029 8.50% Notes	8.50% Notes due 2029
2029 8.625% Notes	8.625% Notes due 2029
2029 Notes	Collectively, the 2029 8.50% Notes and 2029 8.625% Notes
2030 Notes	8.375% Notes due 2030
ABL	Asset based lending
ACL	Allowance for credit losses
Acquisition	The Company’s Acquisition of NBNYC, pursuant to which the Company acquired from the NBNYC shareholders all of the issued and outstanding stock of NBNYC
ALP	Alternative Lending Program
ASC	Accounting Standards Codification, as issued by the FASB
ASU	Accounting Standards Updates, as issued by the FASB
Original ATM Equity Distribution Agreement	The Original ATM Equity Distribution Agreement, dated November 17, 2023, by and among the Company and the placement agents
Amended and Restated Equity Distribution Agreement	The Amended and Restated Equity Distribution Agreement, dated June 6, 2025, by and among the Company and the placement agents
BDC	Business Development Company under the 1940 Act
BHCA	Bank Holding Company Act of 1956
Board	The Company's board of directors
Capital One	Capital One Bank, National Association
C&I	Conventional commercial and industrial loans
Code	Internal Revenue Code of 1986, as amended
CODM	Chief Operating Decision Maker
CRE	Commercial real estate
Deutsche Bank	Deutsche Bank AG
DRIP	The Company's former dividend reinvestment plan
EBITDA	Earnings before interest, taxes, depreciation and amortization
2015 Stock Incentive Plan	The Company's 2015 Stock Incentive Plan
2023 Stock Incentive Plan	The Company’s 2023 Stock Incentive Plan
ESPP	Employee Stock Purchase Plan
Exchange Act	Securities Exchange Act of 1934, as amended
FASB	Financial Accounting Standards Board

Federal Reserve	Board of Governors of the Federal Reserve System
FDIC	Federal Deposit Insurance Corporation
FV	Fair Value
HFI	Held for investment
HFS	Held for sale
LCM	Lower of amortized cost basis or fair value
LTV	Loan-to-Value
NAV	Net Asset Value
NBNYC	National Bank of New York City, renamed Newtek Bank, National Association
NOO	Non-owner occupied
OCC	Office of the Comptroller of the Currency
PCD	Purchased Financial Assets with Credit Deterioration
PLP	Preferred Lenders Program, as authorized by the SBA
PPP	Paycheck Protection Program
RIC	Regulated investment company under the Code
S&P	Standard and Poor's
SBA	United States Small Business Administration
SEC	U.S. Securities and Exchange Commission
SMB	Small-and-medium sized businesses; revenue from $1.0 million to $100.0 million
SOFR	Secured Overnight Financing Rate
SPV I Capital One Facility	Revolving Credit and Security Agreement between NBL SPV I, LLC, a wholly-owned subsidiary of NALH, and Capital One
SPV II Deutsche Bank Facility	Revolving Credit and Security Agreement between NBL SPV II, LLC, a wholly-owned subsidiary of NALH, and Deutsche Bank
SPV III One Florida Bank Facility	Revolving Credit and Security Agreement between NBL SPV III, LLC, a wholly-owned subsidiary of NALH, and One Florida Bank
Trustee	U.S. Bank, National Association
TSO II	TSO II Booster Aggregator, L.P.
U.S. GAAP or GAAP	Generally accepted accounting principles in the United States
VIE	Variable Interest Entity
Webster	Webster Bank, N.A.
Consolidated Subsidiaries	
NSBF	Newtek Small Business Finance, LLC
NBL	Newtek Business Lending, LLC, a former wholly-owned subsidiary of Newtek Bank, merged into SBL on May 2, 2023
NCL	Newtek Commercial Lending, Inc., a former wholly-owned subsidiary of NewtekOne Inc., merged into NALH on May 13, 2025
Newtek Bank	Newtek Bank, National Association
NALH or Newtek ALP Holdings	Newtek Business Services Holdco 6, Inc.
NMS	Newtek Merchant Solutions, LLC, a wholly-owned subsidiary of NBC
Mobil Money	Mobil Money, LLC, a wholly-owned subsidiary of NMS
NTS	Newtek Technology Solutions, Inc., a former wholly-owned subsidiary of the Company, sold to IPM on January 2, 2025
NBC	CDS Business Services, Inc. dba Newtek Business Credit Solutions
SBL	Small Business Lending, LLC, a wholly-owned subsidiary of Newtek Bank
PMT	PMTWorks Payroll, LLC, dba Newtek Payroll and Benefits Solutions
NIA	Newtek Insurance Agency, LLC
TAM	Titanium Asset Management, LLC
POS	POS on Cloud, LLC, dba Newtek Payment Systems, an 88.34% owned consolidated subsidiary

Joint Ventures and Non-Control Investments	
NCL JV	Newtek Conventional Lending, LLC, a former 50% owned joint venture, 100% Company owned as of August 27, 2025 and dissolved on September 30, 2025
TSO JV	Newtek-TSO II Conventional Credit Partners, LP, a 50% owned joint venture
IPM	Intelligent Protection Management Corp., formerly Paltalk, Inc. (PALT)
IPM Preferred Stock	4.0 million shares of IPM Series A Non-Voting Common Equivalent Stock

PART I—FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS.

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

	September 30, 2025 (Unaudited)	December 31, 2024
ASSETS		
Cash and due from banks	$ 3,980	$ 6,941
Restricted cash (amounts related to VIEs of $6.3 million and $6.3 million, respectively)	24,737	28,226
Interest bearing deposits in banks	188,214	346,207
Total cash and cash equivalents	216,931	381,374
Debt securities available-for-sale, at fair value	18,009	23,916
Loans held for sale, at fair value	757,001	372,286
Loans held for sale, at LCM	28,678	58,803
Loans held for investment, at fair value (amounts related to VIEs of $213.8 million and $257.2 million, respectively)	305,720	369,746
Loans held for investment, at amortized cost, net of deferred fees and costs	834,087	621,651
Allowance for credit losses	(45,166)	(30,233)
Loans held for investment, at amortized cost, net	788,921	591,418
Federal Home Loan Bank and Federal Reserve Bank stock	4,064	3,585
Settlement receivable	469	52,465
Residuals in securitizations, at fair value	76,701	—
Joint ventures and other non-control investments, at fair value (cost of $36,692 and $44,039), respectively	51,390	57,678
Goodwill and intangibles	14,633	14,752
Right of use assets	2,292	5,688
Servicing assets, at fair value	17,023	22,062
Servicing assets, at LCM	30,540	24,195
Other assets	86,727	60,636
Assets held for sale	—	21,308
Total assets	$ 2,399,099	$ 2,059,912

See accompanying notes to consolidated financial statements.

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

	September 30, 2025 (Unaudited)	December 31, 2024
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities:		
Deposits:		
Noninterest-bearing	$ 21,771	$ 11,142
Interest-bearing	1,156,193	961,910
Total deposits	1,177,964	973,052
Borrowings (including borrowings of VIEs of $140.6 million and $186.6 million, respectively)	748,549	708,041
Dividends payable	5,387	5,233
Lease liabilities	2,322	6,498
Deferred tax liabilities, net	5,343	2,244
Due to participants	35,047	21,532
Accounts payable, accrued expenses and other liabilities	37,780	40,806
Liabilities directly associated with assets held for sale	—	6,224
Total liabilities	2,012,392	1,763,630
Commitment and contingencies (Note 13)		
Shareholders' Equity:		
Series A Preferred stock (par value $0.00 and $0.02 per share; 0 and 20 authorized, 0 and 20 issued and outstanding, respectively)	—	19,738
Series B Preferred stock (par value $0.02 and $0.00 per share; 54 and 0 authorized, 50 and 0 issued and outstanding, respectively)	48,181	—
Common stock (par value $0.02 per share; 199,980 authorized, 28,876 and 24,680 issued and outstanding, respectively)	577	526
Retained earnings	81,981	57,773
Additional paid-in capital	255,963	218,266
Accumulated other comprehensive income (loss), net of income taxes	5	(21)
Total shareholders' equity	386,707	296,282
Total liabilities and shareholders' equity	$ 2,399,099	$ 2,059,912

See accompanying notes to consolidated financial statements.

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	**2024**	**2025**	**2024**
Interest income				
Debt securities available-for-sale	$ 200	$ 334	$ 690	$ 1,168
Loans and fees on loans	36,376	28,588	104,213	80,346
Other interest earning assets	2,518	2,349	8,599	6,177
Total interest income	39,094	31,271	113,502	87,691
Interest expense				
Deposits	10,879	7,314	30,081	19,755
Notes and securitizations	10,710	11,482	32,592	33,427
Bank and FHLB borrowings	2,956	1,494	8,424	5,496
Total interest expense	24,545	20,290	71,097	58,678
Net interest income	14,549	10,981	42,405	29,013
Provision for credit losses	7,712	6,928	30,334	16,742
Net interest income after provision for credit losses	6,837	4,053	12,071	12,271
Noninterest income				
Dividend income	425	374	2,711	1,128
Net loss on loan servicing assets	(4,493)	(1,786)	(12,500)	(5,383)
Servicing income	6,076	4,958	17,655	14,922
Net gains on sales of loans	9,563	25,675	38,050	68,531
Net (loss) gain on residuals in securitizations	(1,450)	—	30,015	—
Net gain (loss) on loans under the fair value option	29,250	(4,085)	35,566	(4,181)
Technology and IT support income	—	3,311	—	14,255
Electronic payment processing income	11,053	11,777	33,401	35,409
Other noninterest income	9,964	11,627	24,163	28,557
Total noninterest income	60,388	51,851	169,061	153,238
Noninterest expense				
Salaries and employee benefits expense	19,973	19,149	64,424	60,445
Technology services expense	—	1,796	—	8,624
Electronic payment processing expense	4,429	4,438	13,304	14,977
Professional services expense	3,793	3,929	11,532	11,237
Other loan origination and maintenance expense	6,764	4,132	14,468	9,391
Depreciation and amortization	129	517	549	1,570
Loss on extinguishment of debt	179	—	179	—
Other general and administrative costs	6,892	4,886	21,189	14,326
Total noninterest expense	42,159	38,847	125,645	120,570
Net income before taxes	25,066	17,057	55,487	44,939
Income tax expense	7,165	5,123	14,516	12,410
Net income	17,901	11,934	40,971	32,529
Dividends to preferred shareholders	(472)	(400)	(1,272)	(1,200)
Net income available to common shareholders	$ 17,429	$ 11,534	$ 39,699	$ 31,329
Earnings per Common Share:				
Basic	$ 0.68	$ 0.45	$ 1.57	$ 1.26
Diluted	$ 0.67	$ 0.45	$ 1.54	$ 1.26

See accompanying notes to consolidated financial statements.

NEWTEKONE, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)
(In Thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	**2024**	**2025**	**2024**
Net income	$ 17,901	$ 11,934	$ 40,971	$ 32,529
Other comprehensive income (loss) before tax:				
Net unrealized gain (loss) on debt securities available-for-sale during the period	(3)	241	23	257
Other comprehensive income (loss) before tax	(3)	241	23	257
Income tax expense (benefit)	—	73	(3)	78
Other comprehensive income (loss) net of tax	(3)	168	26	179
Comprehensive income	$ 17,898	$ 12,102	$ 40,997	$ 32,708

See accompanying notes to consolidated financial statements.

NEWTEKONE, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (UNAUDITED)
(In Thousands, except for Per Share Data)

	Series A Preferred stock		Series B Preferred stock		Common stock		Retained earnings	Additional paid-in capital	Accumulated other comprehensive income (loss), net of income taxes	Total shareholders' equity
	Shares	Amount	Shares	Amount	Shares	Amount				
Balance at June 30, 2025	20	$ 19,738	—	—	26,317	$ 525	$ 69,995	$ 221,914	$ 8	$ 312,180
Stock-based compensation expense, net of forfeitures	—	—	—	—	—	—	—	611	—	611
Dividends declared related to RSA, net of accrued dividends forfeited	—	—	—	—	(3)	—	(54)	54	—	—
Purchase of vested stock for employee payroll tax withholding	—	—	—	—	(90)	(1)	—	(1,066)	—	(1,067)
Restricted stock awards, net of forfeitures	—	—	—	—	(33)	(1)	—	—	—	(1)
ESPP issuances	—	—	—	—	6	—	—	70	—	70
Issuance of preferred stock, net of issuance costs	—	—	50	48,181	(54)	(1)	—	1	—	48,181
Securities purchase and exchange agreement	(20)	(19,738)	—	—	2,308	46	—	29,447	—	9,755
Issuance of common stock, net of offering costs	—	—	—	—	425	9	—	5,081	—	5,090
Amortization of offering costs related to ATM Program	—	—	—	—	—	—	—	(149)	—	(149)
Dividends declared common shares ($0.19/share)	—	—	—	—	—	—	(5,389)	—	—	(5,389)
Dividends declared preferred shares ($9.44/share)	—	—	—	—	—	—	(472)	—	—	(472)
Net income	—	—	—	—	—	—	17,901	—	—	17,901
Other comprehensive loss, net of tax	—	—	—	—	—	—	—	—	(3)	(3)
Balance at September 30, 2025	—	$ —	50	$ 48,181	28,876	$ 577	$ 81,981	$ 255,963	$ 5	$ 386,707

See accompanying notes to consolidated financial statements.

NEWTEKONE, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (UNAUDITED)
(In Thousands, except for Per Share Data)

	Series A Preferred stock		Common stock		Retained earnings	Additional paid-in capital	Accumulated other comprehensive income (loss), net of income taxes	Total shareholders' equity
	Shares	Amount	Shares	Amount				
Balance at June 30, 2024	20	$ 19,738	25,852	$ 517	$ 38,251	$ 215,633	$ (137)	$ 274,002
Stock-based compensation expense, net of forfeitures	—	—	—	—	—	913	—	913
Dividends declared related to RSA, net of accrued dividends forfeited	—	—	8	—	(114)	114	—	—
Purchase of vested stock for employee payroll tax withholding	—	—	(4)	—	—	(46)	—	(46)
Restricted stock awards, net of forfeitures	—	—	158	3	—	—	—	3
ESPP issuances	—	—	4	—	—	48	—	48
Dividends declared common shares ($0.19/share)	—	—	—	—	(4,837)	—	—	(4,837)
Dividends declared preferred shares ($20.00/share)	—	—	—	—	(400)	—	—	(400)
Net income	—	—	—	—	11,934	—	—	11,934
Other comprehensive income, net of tax	—	—	—	—	—	—	168	168
Balance at September 30, 2024	20	$ 19,738	26,018	$ 520	$ 44,834	$ 216,662	$ 31	$ 281,785

See accompanying notes to consolidated financial statements.

NEWTEKONE, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (UNAUDITED)
(In Thousands, except for Per Share Data)

	Series A Preferred stock		Series B Preferred stock		Common stock		Retained earnings	Additional paid-in capital	Accumulated other comprehensive income (loss), net of income taxes	Total shareholders' equity
	Shares	Amount	Shares	Amount	Shares	Amount				
Balance at December 31, 2024	20	$ 19,738	—	—	26,291	$ 526	$ 57,773	$ 218,266	$ (21)	$ 296,282
Stock-based compensation expense, net of forfeitures	—	—	—	—	—	—	—	3,972	—	3,972
Dividends declared related to RSA, net of accrued dividends forfeited	—	—	—	—	26	1	(421)	420	—	—
Purchase of vested stock for employee payroll tax withholding	—	—	—	—	(95)	(1)	—	(1,136)	—	(1,137)
Restricted stock awards, net of forfeitures	—	—	—	—	(31)	(2)	—	—	—	(2)
Retirement of common shares	—	—	—	—	(13)	(1)	—	(166)	—	(167)
ESPP issuances	—	—	—	—	19	—	—	227	—	227
Issuance of common stock, net of offering costs	—	—	—	—	425	9	—	5,081	—	5,090
Issuance of preferred stock, net of issuance costs	—	—	50	48,181	(54)	(1)	—	1	—	48,181
Securities purchase and exchange agreement	(20)	(19,738)	—	—	2,308	46	—	29,447	—	9,755
Amortization of offering costs related to ATM Program	—	—	—	—	—	—	—	(149)	—	(149)
Dividends declared common shares ($0.38/share)	—	—	—	—	—	—	(15,070)	—	—	(15,070)
Dividends declared preferred shares ($25.44/share)	—	—	—	—	—	—	(1,272)	—	—	(1,272)
Net income (loss)	—	—	—	—	—	—	40,971	—	—	40,971
Other comprehensive income, net of tax	—	—	—	—	—	—	—	—	26	26
Balance at September 30, 2025	—	$ —	50	$ 48,181	28,876	$ 577	$ 81,981	$ 255,963	$ 5	$ 386,707

See accompanying notes to consolidated financial statements.

NEWTEKONE, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (UNAUDITED)
(In Thousands, except for Per Share Data)

	Series A Preferred stock		Common stock		Retained earnings	Additional paid-in capital	Accumulated other comprehensive income (loss), net of income taxes	Total shareholders' equity
	Shares	Amount	Shares	Amount				
Balance at December 31, 2023	20	$ 19,738	24,680	$ 492	$ 28,051	$ 200,913	$ (148)	$ 249,046
Stock-based compensation expense, net of forfeitures	—	—	—	—	—	2,244	—	2,244
Dividends declared related to RSA, net of accrued dividends forfeited	—	—	20	—	(265)	265	—	—
Purchase of vested stock for employee payroll tax withholding	—	—	(25)	—	—	(299)	—	(299)
Restricted stock awards, net of forfeitures	—	—	228	5	—	—	—	5
ESPP issuances	—	—	15	—	—	167	—	167
Amortization of offering costs	—	—	—	—	—	(423)	—	(423)
Issuance of common stock, net of offering costs	—	—	1,100	23	—	13,795	—	13,818
Dividends declared common shares ($0.38/share)	—	—	—	—	(14,281)	—	—	(14,281)
Dividends declared preferred shares ($60.00/share)	—	—	—	—	(1,200)	—	—	(1,200)
Net income	—	—	—	—	32,529	—	—	32,529
Other comprehensive income, net of tax	—	—	—	—	—	—	179	179
Balance at September 30, 2024	20	$ 19,738	26,018	$ 520	$ 44,834	$ 216,662	$ 31	$ 281,785

See accompanying notes to consolidated financial statements.

NEWTEKONE, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
(In Thousands)

	Nine Months Ended September 30,	
	2025	**2024**
Cash flows from operating activities:		
Net income	$ 40,971	$ 32,529
Adjustments to reconcile net income to net cash used in operating activities:		
Net unrealized depreciation (appreciation) on joint ventures and non-control investments	734	(9,562)
Net (gain) loss on loans accounted for under the fair value option	(35,566)	4,181
Net gain on residuals in securitizations	(30,015)	—
Net loss on loan servicing assets	12,500	5,383
Net unrealized depreciation (appreciation) on warrants and derivative transactions	427	(562)
Net gain on sales of loans	(38,050)	(68,531)
Net accretion of premium/discount on debt securities available-for-sale and loans	(1,423)	(564)
Loss on extinguishment of debt, deferred financing costs expensed	158	—
Amortization of deferred financing costs and deferred loan fees and costs	3,225	3,154
Provision for credit losses	30,334	16,742
Lower of cost or market adjustment on loans held for sale	(53)	(73)
Bad debt expense, net of recoveries	283	(133)
Stock compensation expense	4,008	2,261
Deferred income tax expense (benefit)	3,097	11,472
Depreciation and amortization	549	1,570
Proceeds from sale of loans held for sale	310,246	598,186
Sale of loans held for sale from affiliate	—	131,155
Funding of loans held for sale	(777,953)	(799,644)
Principal received on loans held for sale	7,275	14,507
Other, net	(1,145)	(435)
Changes in operating assets and liabilities:		
Settlement receivable	51,996	112
Other assets	(16,097)	(5,093)
Due to participants	13,516	(1,579)
Accounts payable, accrued expenses and other liabilities	(6,853)	3,505
Net cash used in operating activities	(427,836)	(61,419)

See accompanying notes to consolidated financial statements.

NEWTEKONE, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
(In Thousands)

	Nine Months Ended September 30,	
	2025	**2024**
Cash flows from investing activities:		
Principal received on loans held for investment, at fair value	53,907	54,533
Repurchases of loans held for investment, at fair value	(4,669)	(1,296)
Net increase in loans held for investment, at cost	(242,775)	(179,018)
Proceeds from sale of Newtek Technology Solutions, Inc.	4,000	—
Contributions to joint ventures and other non-control investments	(15,835)	(25,642)
Return of capital from joint ventures and other non-control investments	5,644	20,301
Purchase of fixed assets	(96)	(375)
Sales of Federal Home Loan Bank and Federal Reserve Bank stock	338	1,048
Purchases of Federal Home Loan Bank and Federal Reserve Bank stock	(817)	(1,021)
Purchases of available-for-sale securities	(11,573)	(30,863)
Maturities of available-for-sale securities	18,000	39,500
Net cash used in investing activities	(193,876)	(122,833)
Cash flows from financing activities:		
Borrowing on bank notes payable	390,200	175,840
Repayment on bank notes payable	(295,531)	(194,534)
Net increase in deposits	204,384	184,983
Repayment of Federal Home Loan Bank advances	(7,513)	(7,437)
Proceeds from common shares sold, net of offering costs	5,090	13,818
Proceeds from preferred stock, net of offering costs	48,181	—
Securities purchase and exchange agreement	10,000	—
Repurchase of common shares under share repurchase plan	(167)	—
Redemption of 2024 Notes	—	(38,250)
Maturity of 2025 5.00% Notes	(30,000)	—
Proceeds from 2029 8.50% Notes	—	71,875
Proceeds from 2029 8.625% Notes	—	75,000
Proceeds from 2030 Notes	30,000	—
Purchase of 2029 8.50% Notes	(67)	—
Payments on Notes Payable - Securitization Trusts	(46,671)	(68,922)
Proceeds related to residuals in securitizations	169,420	—
Dividends paid, net of dividend reinvestment plan	(16,176)	(15,015)
Payments of deferred financing costs	(2,934)	(5,067)
Proceeds from common stock issued under ESPP, net of discount	190	140
Purchase of vested stock for employee payroll tax withholding	(1,137)	(299)
Net cash provided by financing activities	457,269	192,132
Net (decrease) increase in cash and restricted cash	(164,443)	7,880
Cash and restricted cash—beginning of period (NOTE 2)	381,374	184,006
Deconsolidation of cash and restricted cash from controlled investments related to business dispositions	—	(1,464)
Cash and restricted cash—end of period (NOTE 2)	$ 216,931	$ 190,422

See accompanying notes to consolidated financial statements.

NEWTEKONE, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
(In Thousands)

	Nine Months Ended September 30,	
	2025	**2024**
Non-cash operating, investing and financing activities:		
Foreclosed real estate acquired	$ 7,599	$ 2,251
Dividends declared but not paid during the period	$ 5,387	$ 5,237
IPM stock acquired	$ 8,200	$ —
IPM earn-out	$ 2,268	$ —
Loans and accrued interest acquired upon acquisition of 100% of NCL JV	$ 26,213	$ —
Supplemental disclosure of cash flow information:		
Interest paid	$ 71,899	$ 59,570
Income taxes paid	$ 10,699	$ 7,215

See accompanying notes to consolidated financial statements.

NEWTEKONE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1—DESCRIPTION OF BUSINESS AND BASIS OF PRESENTATION:

The Company is a financial holding company that is a leading provider of business and financial solutions to independent business owners (SMBs) and provides SMBs with the following Newtek® branded business and financial solutions: Newtek Banking, Newtek Alternative Lending, Newtek Payments, Newtek Insurance and Newtek Payroll.

NewtekOne reports on a consolidated basis the financial condition and results of operations for the following consolidated subsidiaries: Newtek Bank; NSBF; NMS (and its subsidiary Mobil Money); NBC; PMT; NIA; TAM; POS; and NALH.

Except as otherwise noted, all financial information included in the tables in the following footnotes is stated in thousands, except per share data.

The accompanying notes to the consolidated financial statements should be read in conjunction with the Company's Annual Report on Form 10-K for the year ended December 31, 2024, filed on March 17, 2025 (the "2024 Form 10-K"). The unaudited consolidated financial statements of the Company have been prepared in accordance with U.S. GAAP and pursuant to the requirements for reporting on Form 10-Q and Article 10 of Regulation S-X and, therefore, do not include all information and footnotes necessary for a fair presentation of the consolidated financial statements in accordance with U.S. GAAP. In the opinion of management, the consolidated financial statements reflect all adjustments and reclassifications that are necessary for the fair presentation of financial results as of and for the periods presented. The annualized results of operations for the three and nine months ended September 30, 2025 are not necessarily indicative of the results of operations that may be expected for the entire fiscal year. The December 31, 2024 consolidated statement of assets and liabilities has been derived from the audited financial statements as of that date. All intercompany balances and transactions have been eliminated in consolidation.

Consolidation

The consolidated financial statements include the accounts of NewtekOne, its subsidiaries and certain VIEs. Significant intercompany balances and transactions have been eliminated. The Company consolidates a subsidiary if the Company has a controlling financial interest in the entity as a result of holding a majority of the voting rights. VIEs are consolidated if NewtekOne has the power to direct the activities of the VIE that significantly impact financial performance and has the obligation to absorb losses or the right to receive benefits that could potentially be significant to the VIE (i.e., NewtekOne is the primary beneficiary). The determination of whether the Company is the primary beneficiary of a VIE is reassessed on an ongoing basis. Investments in companies which are not VIEs, but in which the Company has more than minor influence over the operating and financial policies, are accounted for using the equity method of accounting. Investments in VIEs where NewtekOne is not the primary beneficiary of a VIE are accounted for using the equity method of accounting. The maximum potential exposure to losses relative to investments in VIEs is generally limited to the investment balance. Refer to NOTE 3—SECURITIZATIONS AND VARIABLE INTEREST ENTITIES

Reclassifications

Certain items in the prior financial statements have been reclassified to conform to current presentation.

The previous net presentation of cash flows from investing and financing activities within the consolidated statements of cash flows has been revised to reflect a gross presentation of repayments and borrowings, principal received on and repurchases of loans held for investment, purchases and redemptions of Federal Home Loan Bank stock and Federal Reserve Bank stock, contributions and return of capital on joint venture investments, as well as purchases, sales and maturities of available-for-sale securities for all comparative periods.

These reclassifications did not result in any changes to previously reported net income, shareholder's equity or net cash used in investing or financing activities.

NOTE 2—SIGNIFICANT ACCOUNTING POLICIES:

A more detailed description of our accounting policies is included in the Company's 2024 Form 10-K, which accounting policies remain significantly unchanged. There have been no other significant changes to our accounting policies, or the estimates made pursuant to those policies as described in our 2024 Form 10-K.

Cash and due from banks

The Company considers all highly liquid instruments with maturities of three months or less when purchased to be cash equivalents. Invested cash is held exclusively at financial institutions of high credit quality. As of September 30, 2025, cash deposits in excess of insured amounts totaled $29.0 million. The Company has not experienced any losses with respect to cash balances in excess of insured amounts and management does not believe there was a significant concentration of risk with respect to cash balances as of September 30, 2025.

Restricted cash

Restricted cash includes amounts due on SBA loan-related remittances to third parties, cash reserves established as part of agreements with the SBA, cash reserves associated with consolidated securitization transactions, and cash margin as collateral for derivative instruments.

Interest bearing deposits in banks

The Company's interest bearing deposits in banks reflects cash held at other financial institutions that earn interest.

The following table provides a reconciliation of cash, restricted cash, and interest bearing deposits in banks as of September 30, 2025 and 2024 and December 31, 2024:

	September 30, 2025	December 31, 2024	September 30, 2024
Cash and due from banks	$ 3,980	$ 6,941	$ 9,688
Restricted cash	24,737	28,226	27,929
Interest bearing deposits in banks	188,214	346,207	152,805
Cash and restricted cash	$ 216,931	$ 381,374	$ 190,422

	September 30, 2025	December 31, 2024	September 30, 2024
Cash held at Federal Reserve Bank[1]	$ 187,731	$ 345,680	$ 152,283
Cash held at other financial institutions	29,200	35,694	38,139
Total cash and cash equivalents	$ 216,931	$ 381,374	$ 190,422

[1] Subject to changes in the Federal Funds rate set by the Federal Open Market Committee

Transfers and Servicing of Financial Assets

For a transfer of financial assets to be considered a sale, the transfer must meet the sale criteria of ASC 860, which, at the time of the transfer, requires that the transferred assets qualify as recognized financial assets and the Company surrender control over the assets. Such surrender requires that the assets be isolated from the Company, even in bankruptcy or other receivership, the purchaser have the right to pledge or sell the assets transferred and the Company not have an option or obligation to reacquire the assets.

Assets related to transactions that do not meet ASC Topic 860 — Transfers and Servicing ("ASC Topic 860") requirements for accounting sale treatment are reflected in the Company's consolidated statements of financial condition as investments and the sale proceeds are recognized as a liability.

The Company accounts for servicing assets in accordance with ASC Topic 860-50 - Transfers and Servicing - Servicing Assets and Liabilities. The Company and Newtek Bank earn servicing fees from the guaranteed portions of SBA 7(a) loans they originate and sell. The Company has also recorded servicing assets/liabilities on loans sold where the Company retained an obligation to service the loan sold. Servicing assets for loans originated by the Company's nonbank subsidiaries are measured at FV at each reporting date and the Company reports changes in the FV of servicing assets in earnings in the period in which the changes occur. The valuation model for servicing assets incorporates assumptions including, but not limited to, servicing costs, discount rate, prepayment rate, and default rate. Considerable judgment is required to estimate the fair value of servicing assets and as such these assets are classified as Level 3 in our fair value hierarchy. Servicing assets for loans originated by Newtek Bank are initially measured at FV and subsequently measured at LCM and amortized based on their estimated life and impairment is recorded to the extent the amortized cost exceeds the asset's FV.

Variable Interest Entities

A variable interest entity ("VIE") is an entity in which equity investors lack the characteristics of a controlling financial interest, do not have sufficient equity at risk for the entity to finance its activities without additional subordinated financial support, or substantially all of the activities of the entity are conducted on behalf of an investor with disproportionally few voting rights. VIEs are consolidated by the primary beneficiary, which is the party who has the power to direct the activities of a VIE that most significantly impact the VIE's economic performance and who has an obligation to absorb losses of the VIE or a right to receive benefits from the VIE that could potentially be significant to the VIE. The Company determines whether it is the primary beneficiary of a VIE upon initial involvement with a VIE and reassesses whether it is the primary beneficiary of a VIE on an ongoing basis. The determination of whether an entity is a VIE and whether the Company is the primary beneficiary of a VIE is based upon the facts and circumstances for the VIE and requires significant judgments such as whether the Company's interest in a VIE is a variable interest, whether the Company controls the activities that most significantly impact the economic performance of the VIE, and whether the Company has the obligation to absorb losses or the right to receive benefits of the VIE that could be significant to the VIE. A VIE is consolidated if management determines the Company, is the primary beneficiary.

Allowance for Credit Losses – Loans

Accounting Standards Update ("ASU") 2016-13, Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments ("CECL") approach requires an estimate of the credit losses expected over the life of a loan (or pool of loans). The allowance for credit losses is a valuation account that is deducted from the loans' amortized cost basis to present the net, lifetime amount expected to be collected on the loans. Loan losses are charged off against the allowance when management believes a loan balance is uncollectible. Expected recoveries do not exceed the aggregate of amounts previously charged-off and expected to be charged-off.

The allowance is comprised of reserves measured on a collective (pool) basis based on a lifetime loss-rate model when similar risk characteristics exist. Loans that do not share risk characteristics are evaluated on an individual basis, which generally includes larger non-accruing commercial loans.

The discounted cash flow ("DCF") method is used to estimate expected credit losses for all loan portfolio segments measured on a collective (pool) basis. For each loan segment, cash flow projections are generated at the instrument level wherein payment expectations are adjusted for estimated prepayment speeds, probability of default, and loss given default. The modeling of prepayment speeds is based on a combination of historical internal data and peer data.

Regression analysis of historical internal and peer data is used to determine suitable loss drivers to utilize when modeling lifetime probability of default. This analysis also determines how expected probability of default and loss given default will react to forecasted levels of the loss drivers. For all loan pools utilizing the DCF method, management utilizes various economic indicators such as changes in unemployment rates, gross domestic product, real estate values, and other relevant factors as loss drivers. For all DCF models, management has determined that due to historic volatility in economic data, four quarters currently represents a reasonable and supportable forecast period, followed by a four-quarter reversion to historical mean levels for each of the various economic indicators.

The combination of adjustments for credit expectations (default and loss) and timing expectations (prepayment, curtailment, and time to recovery) produces an expected cash flow stream at the instrument level. Specific instrument effective yields are calculated, net of the impacts of prepayment assumptions, and the instrument expected cash flows are then discounted at that effective yield to produce an instrument-level Net Present Value ("NPV"). An allowance is established for the difference between the instrument's NPV and amortized cost basis.

The allowance evaluation also considers various qualitative factors, such as: (i) changes to lending policies, underwriting standards and/or management personnel performing such functions, (ii) delinquency and other credit quality trends, (iii) credit risk concentrations, if any, (iv) changes to the nature of the Company's business impacting the loan portfolio, and (v) other external factors, that may include, but are not limited to, results of internal loan reviews, stress testing, examinations by bank regulatory agencies, or other events such as a natural disaster. Significant management judgment is required at each point in the measurement process.

Arriving at an appropriate level of allowance involves a high degree of judgment. The determination of the adequacy of the allowance and provisioning for estimated losses is evaluated regularly based on review of loans, with particular emphasis on non-performing and other loans that management believes warrant special consideration. While management uses available information to recognize losses on loans, changing economic conditions and the economic prospects of the borrowers may necessitate future additions or reductions to the allowance. Management estimates the allowance balance using relevant available information, from internal and external sources, related to past events, current conditions, and reasonable and supportable forecasts. The Company's historical credit loss experience provides the basis for the estimation of expected credit losses, supplemented with peer loss information, and results in expected probabilities of default and expected losses given default. Adjustments to historical loss information are made for differences in current loan-specific risk characteristics such as differences in underwriting standards, portfolio mix, delinquency level, or term as well as changes in environmental conditions, such as changes in unemployment rates, production metrics, property values, or other relevant factors.

Expected losses are applied to loans grouped in portfolio segments, which are pools of loans aggregated based on type of borrower and collateral, generally based upon federal call report segmentation. Portfolio segments have been combined or sub-segmented as needed to ensure loans of similar risk profiles are appropriately pooled. These portfolio segments are as follows:

CRE: The CRE portfolio is comprised of loans to borrowers on small offices, owner-occupied commercial buildings, industrial/warehouse properties, income producing/investor real estate properties, and multi-family loans secured by first mortgages. The Company's underwriting standards generally target a loan-to-value ratio of 75%, depending on the type of collateral, and requires debt service coverage of a minimum of 1.2 times.

C&I: The C&I portfolio consists of loans made for general business purposes consisting of short-term working capital loans, equipment loans and unsecured business lines.

SBA 7(a): The SBA 7(a) portfolio includes loans originated under the federal Section 7(a) loan program (the "SBA 7(a) Program"), i.e., SBA 7(a) loans. The SBA is an independent government agency that facilitates one of the nation's largest sources of SMB financing by providing credit guarantees for its loan programs. SBA 7(a) loans are partially guaranteed by the SBA, with SBA guarantees typically ranging between 50% and 90% of the principal and interest due. Under the SBA's 7(a) Program, a bank or other lender licensed by the SBA may underwrite loans between $5.0 thousand and $5.0 million for a variety of general business purposes based on the SBA's loan program requirements. The Company applies the zero loss expectation exemption under CECL to the guaranteed portion of the loans. The unguaranteed portion of the loans that are held on balance sheet at amortized cost are subject to an ACL. In the context of CECL, these SBA 7(a) loans are held at Newtek Bank.

Individually Evaluated Loans. Loans that do not share risk characteristics with existing pools are evaluated on an individual basis. Management defines these loans as nonaccrual loans with exposure above $100 thousand. In the first quarter of 2025, management began evaluating the remaining PCD loans individually, regardless of accrual status. For loans that are individually evaluated and collateral dependent, financial loans where management has determined that foreclosure of the collateral is probable, or where the borrower is experiencing financial difficulty and management expects repayment of the financial asset to be provided substantially through the sale of the collateral, the ACL is measured based on the difference between the fair value of the collateral and the amortized cost basis of the asset as of the measurement date. When repayment is expected to be from the operation of the collateral or going concern, the specific credit loss reserve is calculated as the amount by which the amortized cost basis of the financial asset exceeds the NPV from the operation of the collateral. When repayment is expected to be from the sale of the collateral, the specific credit loss reserve is calculated as the amount by which the amortized costs basis of the financial asset exceeds the fair value of the underlying collateral less estimated cost to sell. The allowance may be zero if the fair value of the collateral at the measurement date exceeds the amortized cost basis of the financial asset.

Accrued Interest. Upon the Acquisition and adoption of CECL, the Company made the following elections regarding accrued interest receivable: (1) presented accrued interest receivable balances separately within other assets balance sheet line item; (2) excluded interest receivable that is included in amortized cost of financing receivables from related disclosures requirements and (3) continued our policy to write off accrued interest receivable by reversing interest income. For loans, write off typically occurs upon becoming over 90 to 120 days past due. Generally, accrued interest is reversed when a loan is placed on non-accrual or is written-off. Current year accrued interest is reversed through interest income while accrued interest from prior years is written-off through the ACL. Historically, the Company has not experienced uncollectible accrued interest receivable on investment securities.

Allowance for off-balance sheet credit exposures. The exposure is a component of other liabilities in the consolidated balance sheet and represents the estimate for probable credit losses inherent in unfunded commitments to extend credit. Unfunded commitments to extend credit include unused portions of lines of credit and standby and commercial letters of credit. The process used to determine the allowance for these exposures is consistent with the process for determining the allowance for loans, as adjusted for estimated funding probabilities or loan equivalency factors. A charge (credit) to provision for credit losses on the consolidated statements of income is made to account for the change in the allowance on off-balance sheet exposures between reporting periods.

Allowance for Credit Losses – Available-for Sale (“AFS”) Debt Securities

The impairment model for AFS debt securities differs from the CECL approach utilized for financial instruments measured at amortized cost because AFS debt securities are measured at fair value. For AFS debt securities in an unrealized loss position, Newtek Bank first assesses whether it intends to sell, or it is more likely than not that it will be required to sell the security before recovery of its amortized cost basis. If either of the criteria regarding intent or requirement to sell is met, the security’s amortized cost basis is written down to fair value through income. For debt securities AFS that do not meet the aforementioned criteria, in making this assessment, management considers the extent to which fair value is less than amortized cost, any changes to the rating of the security by a rating agency, adverse conditions specifically related to the security, failure of the issuer of the debt security to make scheduled interest or principal payments, among other factors. If this assessment indicates that a credit loss exists, the present value of cash flows expected to be collected from the security are compared to the amortized cost basis of the security. The cash flows should be estimated using information relevant to the collectability of the security, including information about past events, current conditions and reasonable and supportable forecasts. If the present value of cash flows expected to be collected is less than the amortized cost basis, a credit loss exists and an allowance for credit losses is recorded for the credit loss, limited by the amount that the fair value is less than the amortized cost basis. Any impairment that has not been recorded through an allowance for credit losses is recognized in other comprehensive income.

Changes in the allowance for credit losses are recorded as provision for (or reversal of) credit loss expense. Losses are charged against the allowance when management believes the AFS security is uncollectible or when either of the criteria regarding intent or requirement to sell is met. As of September 30, 2025 and 2024, the Company determined that the unrealized loss positions in the AFS securities were not the result of credit losses, and therefore, an allowance for credit losses was not recorded.

Accrued Interest Receivable

Upon the Acquisition and adoption of CECL, the Company made the following elections regarding accrued interest receivable: (1) presented accrued interest receivable balances separately within other assets balance sheet line item; (2) excluded interest receivable that is included in amortized cost of financing receivables from related disclosures requirements and (3) continued our policy to write-off accrued interest receivable by reversing interest income. For loans, write-off typically occurs upon becoming over 90 to 120 days past due. Historically, the Company has not experienced uncollectible accrued interest receivable on investment securities.

Settlement Receivable

Settlement receivable represents amounts due from third parties for guaranteed portions of SBA 7(a) loans which have been sold at period-end but have not yet settled. The guaranteed portion of SBA 7(a) loan principal balances that have been sold but not yet settled as of September 30, 2025 and December 31, 2024 was $0.4 million and $47.4 million, respectively. The settlement receivable also includes $43.0 thousand and $5.0 million of premiums, which have been recognized in Net Gains on Sales of Loans as of September 30, 2025 and December 31, 2024, respectively.

Income Taxes

Deferred tax assets and liabilities are computed based upon the differences between the financial statement and income tax basis of assets and liabilities using the enacted tax rates in effect for the year in which those temporary differences are expected to be realized or settled. If available evidence suggests that it is more likely than not that some portion or all of the deferred tax assets will not be realized, a valuation allowance is required to reduce the deferred tax assets to the amount that is more likely than not to be realized. See NOTE 17—INCOME TAXES**.**

Our income tax expense, deferred tax assets and liabilities, and reserves for unrecognized tax benefits reflect management's best assessment of estimated current and future taxes to be paid. We are subject to income taxes in the United States and its political subdivisions. Significant judgments and estimates are required in determining the consolidated income tax expense.

The Company's U.S. federal and state income tax returns prior to fiscal year 2021 are generally closed, and management continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings. Interest and penalties assessed by tax jurisdictions for income tax matters are presented as income tax expense on the consolidated statement of income.

Recently Adopted Accounting Pronouncements

Business Combinations—Joint Venture Formations (ASU 2023-05): In August 2023, the FASB issued ASU 2023-05, Business Combinations – Joint Venture Formations (Subtopic 805-60). The amendments in this Update address the accounting for contributions made to a joint venture, upon formation, in a joint venture's separate financial statements. The objectives of the amendments are to (1) provide decision-useful information to investors and other allocators of capital (collectively, investors) in a joint venture's financial statements and (2) reduce diversity in practice. The amendments in this Update are effective prospectively for all joint venture formations with a formation date on or after January 1, 2025. Additionally, a joint venture that was formed before January 1, 2025, may elect to apply the amendments retrospectively if it has sufficient information. Early adoption is permitted in any interim or annual period in which financial statements have not yet been issued (or made available for issuance), either prospectively or retrospectively. The Company adopted this guidance as of January 1, 2025 and the adoption of this standard is not expected to a have a material impact on its consolidated financial statements.

Improvements to Income Tax Disclosures (ASU 2023-09): In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures. The purpose of this guidance is to enhance the rate reconciliation and income taxes paid disclosures. This ASU requires that an entity disclose, on an annual basis, specific categories in the rate reconciliation and provide additional information for reconciling items that meet a quantitative threshold. For the state and local income tax category of the rate reconciliation, entities must disclose a qualitative description of the states and local jurisdictions that make up the majority (greater than 50 percent) of the category. For the income taxes paid disclosures, entities will be required to disclose, on an annual basis, the amount of income taxes paid (net of refunds received) disaggregated by federal, state, and foreign taxes. The amendments must be applied using either a prospective or retrospective approach. The Company adopted this guidance as of January 1, 2025, which will result in enhanced income tax disclosures within the consolidated financial statements beginning with its December 31, 2025 Form 10-K.

Compensation—Stock Compensation (ASU 2024-01): In March 2024, the FASB issued ASU 2024-01, Compensation - Stock Compensation (Topic 718), Scope Application of Profits Interest and Similar Awards. This standard provides clarity regarding whether profits interest and similar awards are within the scope of Topic 718 of the Accounting Standards Codification. This standard is effective for fiscal years beginning after December 15, 2024. The amendments should be applied retrospectively to all prior periods presented in the financial statements. Early adoption is permitted. The Company adopted ASU 2024-01 on January 1, 2025 and the adoption of this standard is not expected to a have a material impact on its consolidated financial statements.

Liabilities (405): Amendments to SEC Paragraphs Pursuant to SEC Staff Accounting Bulletin No. 122 (ASU 2025-02): In March 2025, the FASB issued ASU 2025-02. The purpose of this guidance is to amend the Accounting Standards Codification to remove the text of SEC Staff Accounting Bulletin ("SAB") 121 "Accounting for Obligations to Safeguard Crypto-Assets an Entity Holds for its Platform Users" as it has been rescinded by the issuance of SAB 122. ASU 2025-02 is effective immediately and is not expected to have an impact on its consolidated financial statements.

New Accounting Standards

Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (ASU 2024-03): In November 2024, the FASB issued ASU 2024-03, and in January 2025, the FASB issued ASU 2025-01, *Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures: Clarifying the Effective Date (ASU 2025-01).* ASU 2024-03 requires public business entities to disclose, on an annual and interim basis, disaggregated information about certain income statement expense line items in the notes to the financial statements. Public business entities are required to apply the guidance prospectively and may elect to apply it retrospectively. ASU 2024-03, as clarified by ASU 2025-01, is effective for fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027, with early adoption permitted. The Company is in the process of evaluating the impact of adopting this standard and, at this time, does not anticipate it will have a material impact on its consolidated financial statements.

Debt with Conversion and Other Options (Subtopic 470-20) Induced Conversions of Convertible Debt Instruments (ASU 2024-04): In November 2024, the FASB issued ASU 2024-04, which clarifies the requirements for determining whether certain settlements of convertible debt instruments should be accounted for as induced conversions rather than as debt extinguishments. This update is effective for annual periods beginning after December 15, 2025, including interim periods within those fiscal years, though early adoption is permitted. The Company is in the process of evaluating the impact of adopting this standard and, at this time, does not anticipate it will have a material impact on its consolidated financial statements.

Business Combinations (Topic 805) and Consolidation (Topic 810)—Determining the Accounting Acquirer in the Acquisition of a Variable Interest Entity (ASU 2025-03): In May 2025, the FASB issued ASU No. 2025-03, which revises current guidance for determining the accounting acquirer for a transaction effected primarily by exchanging equity interests in which the legal acquiree is a variable interest entity that meets the definition of a business. The amendments require that an entity consider the same factors that are currently required for determining which entity is the accounting acquirer in other acquisition transactions. ASU 2025-03 is effective for the Company's annual reporting periods beginning after December 15, 2026, and interim reporting periods within those annual reporting periods, with early adoption permitted. ASU 2025-03 is required to be applied prospectively. The Company is evaluating adoption timing and the impact ASU 2025-03 will have on its financial statements and related disclosures.

Compensation—Stock Compensation (Topic 718) and Revenue from Contracts with Customers (Topic 606)—Clarifications to Share-Based Consideration Payable to a Customer(ASU 2025-04): In May 2025, the FASB issued ASU 2025-04, to reduce diversity in practice and improve the decision usefulness and operability of the guidance for share-based consideration payable to a customer in conjunction with selling goods or services. This update is effective for annual reporting periods (including interim reporting periods within annual reporting periods) beginning after December 15, 2026, though early adoption is permitted. The Company has not engaged in providing share-based compensation to a customer and does not presently anticipate doing so.

Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets: In July 2025, the FASB issued ASU No. 2025-05, which provides a practical expedient when estimating expected credit losses on current accounts receivable and/or current contract assets arising from Transactions under Topic 606, including those assets acquired in a transaction accounted for under Topic 805, Business Combinations. The amendments require that an entity may elect a practical expedient that assumes that current conditions as of the balance sheet date do not change for the remaining life of the asset. ASU 2025-05 is effective for the Company's annual reporting periods beginning after December 15, 2025, and interim reporting periods within those annual reporting periods, with early adoption permitted. ASU 2025-05 is required to be applied prospectively. The Company is evaluating adoption timing and the impact ASU 2025-05 will have on its financial statements and at this time, does not anticipate it will have a material impact on its consolidated financial statements.

Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software. In September 2025, the FASB issued ASU No. 2025-06, which modernizes the accounting for internal-use software costs under ASC 350-40 by aligning it with current development practices, especially agile and iterative methods. It clarifies when to begin capitalizing costs, improves operability across different development approaches, and enhances disclosure requirements. ASU 2025-06 is effective for fiscal years beginning after December 15, 2027, and for interim periods within those annual reporting periods, with early adoption permitted. The Company is evaluating adoption timing and the impact ASU 2025-06 will have on its consolidated financial statements and, at this time, does not anticipate it will have a material impact.

Derivatives and Hedging (Topic 815) and Revenue from Contracts with Customers (Topic 606): Derivatives Scope Refinements and Scope Clarification for Share-Based Noncash Consideration from a Customer in a Revenue Contract. In September 2025, the FASB issued ASU No. 2025-07, which refines the scope of derivative accounting under Topic 815 and clarifies the treatment of share-based noncash consideration under ASC 606. This update is effective for annual periods beginning after December 15, 2025, including interim periods within those annual periods, with early adoption permitted. Entities may apply the amendments prospectively to new contracts or retrospectively with a cumulative-effect adjustment. The Company is evaluating adoption timing and the impact ASU 2025-07 will have on its consolidated financial statements and, at this time, does not anticipate it will have a material impact.

NOTE 3—SECURITIZATIONS AND VARIABLE INTEREST ENTITIES:

In a securitization, the unguaranteed portions of SBA 7(a) loans are transferred to a special purpose vehicle (a "Trust"), which in turn issues notes against the Trust's assets in private placements. The Trust's primary source of income for repaying the securitization notes is the cash flows generated from the unguaranteed portion of SBA 7(a) loans owned by the Trust. A Trust is considered to be a VIE.

Assets owned by securitization Trusts, which are VIEs, are included in the Company's consolidated financial statements when the Company has concluded that it is the primary beneficiary of the Trust. The Company therefore consolidates the entities using the carrying amounts of the Trusts' assets and liabilities and reflects the assets in Restricted cash and Loans held for investment, at fair value and reflects the associated financing in Borrowings on the Consolidated Statements of Financial Condition. The creditors or other beneficial interest holders of Trusts for which the Company is the primary beneficiary generally have recourse only to the assets and cash flows of the Trust and do not have recourse to the Company.

From 2010 through June 2023, NSBF engaged in thirteen (13) securitizations of the unguaranteed portions of its SBA 7(a) loans where management determined the Company was the primary beneficiary and thus consolidated the Trusts. Three (3) of these securitizations remain consolidated as of September 30, 2025. Risks associated with the Company's involvement with the consolidated Trusts includes potential losses of residual interests in the Trusts.

The following table presents the total assets and total liabilities associated with the Company's variable interests in consolidated Trusts, as classified in the consolidated statements of financial condition:

	September 30, 2025	December 31, 2024
Restricted cash	$ 6,303	$ 6,303
Loans held for investment, at fair value	213,814	257,179
Total assets	$ 220,117	$ 263,482
Borrowings	$ 140,596	$ 186,635
Total liabilities	$ 140,596	$ 186,635

Assets owned by securitization Trusts, which are VIEs, are not included in the Company's consolidated financial statements financial statements when the Company has concluded that it is not the primary beneficiary of the Trust and the transfer of the financial assets meet the sale criteria of ASC 860. As the beneficial interests in these securitizations meet the definition of a debt security, pertain to securitized financial assets and based on other criteria met, it falls under the scope of ASC 325-40. This guidance also permits an entity to elect to account for the beneficial interests under the fair value option. The Company has made the irrevocable decision to measure the beneficial interests using the fair value option under ASC 825 with changes in fair value recognized in earnings each reporting period.

On April 23, 2025, the Company's subsidiary Newtek ALP Holdings closed a securitization pursuant to which it sold $155,930,000 of Class A Notes, $23,820,000 of Class B Notes, and $4,330,000 of a Class C Note (collectively, the "2025-1 Notes") issued by NALP Business Loan Trust 2025-1 (the "Securitization Trust"). The 2025-1 Notes were backed by $216,564,700 of collateral, consisting of Newtek ALP Holdings originated ALP loans. The Class A Notes received a Morningstar DBRS rating of "A (low) (sf)" and were priced at a yield of 6.338%; the Class B Notes received a Morningstar DBRS rating of "BBB (sf)" and were priced at a yield of 7.838%; and the Class C Note received a Morningstar DBRS rating of "BB (sf)" and was priced at a yield of 10.338%. The 2025-1 Notes had a weighted average yield of 6.62% and an 85% advance rate.

The 2025-1 Trust meets the definition of a VIE and the Company holds a variable interest in the 2025-1 Trust, however, the Company is not considered the primary beneficiary of the 2025-1 Trust, because the power over the activities that have the most significant impact on the economic performance of the Securitization Trust is held by a single noteholder who has the ability to remove the Company as decision maker over the activities that most significantly impact the economic performance of the 2025-1 Trust. Consequently the Company is not required to consolidate the 2025-1 Trust. The Company's beneficial interest in the 2025-1 Trust is evidenced by sole ownership of the Ownership Certificate and its beneficial interest in the credit risk of the securitized ALP Loans. Newtek ALP Holdings, the sponsor of the Securitization Trust, is a wholly owned subsidiary of the Company, therefore the Company effectively owns 100% of the equity interest in the 2025-1 Trust.

The Company's continuing involvement with and exposure to loss from the VIEs includes the carrying value of the retained interest, and obligations under representations and warranties contained in the loan sale agreements. Creditors of the 2025-1 Trust have no recourse to the Company's assets or general credit. The underlying performance of the ALP loans transferred to the Trust has a direct impact on the fair values and cash flows of the beneficial interests held and the servicing asset recognized.

The Company's investments in the unconsolidated 2025-1 Trust is accounted for using the fair value option under ASC 825, with changes in fair value recognized in earnings each reporting period, and is classified in Residuals in securitizations, at fair value in the Company's consolidated statements of financial condition, and consisted of the following:

	September 30, 2025			
	Carrying Value		Maximum Exposure to Loss	Total Assets in VIE
	Assets	Liabilities		
Transfer of loans - sale treatment				
Retained interests	$ 76,701	$ —	$ 76,701	$ 212,509

NOTE 4—INVESTMENTS:

Investments consisted of the following at:

	September 30, 2025		December 31, 2024	
	Cost	Fair Value	Cost	Fair Value
Residuals in securitizations, at fair value (NOTE 3)	$ 32,481	$ 76,701	$ —	$ —
Joint ventures and other non-control investments, at fair value	36,692	51,390	44,039	57,678
Debt securities available-for-sale, at fair value	18,004	18,009	23,934	23,916
Federal Home Loan Bank and Federal Reserve Bank stock	4,064	4,064	3,585	3,585
Total investments	$ 91,241	$ 150,164	$ 71,558	$ 85,179

The Company's Investments in Joint Ventures (JV) and Other Non-Control Investments

NCL JV: On May 20, 2019, the Company and its joint venture partner launched NCL JV to provide ALP loans (formerly referred to as non-conforming conventional commercial and industrial term loans) to U.S. middle-market companies and small businesses. NCL JV is a 50/50 joint venture between NCL, a wholly-owned subsidiary of the Company, and Conventional Lending TCP Holding, LLC ("TCP"), a wholly-owned, indirect subsidiary of BlackRock TCP Capital Corp. (Nasdaq: TCPC). NCL JV ceased funding new ALP loans during 2020. On January 28, 2022, NCL JV closed a securitization with the sale of $56.3 million of Class A Notes, NCL Business Loan Trust 2022-1, Business Loan-Backed Notes, Series 2022-1, secured by a segregated asset pool consisting primarily of NCL JV's portfolio of ALP loans secured by liens on commercial or residential mortgaged properties, originated by NCL JV and NBL. The Notes were rated "A" (sf) by DBRS Morningstar. The Notes were priced at a yield of 3.209%. The proceeds of the securitization were used, in part, to repay NCL JV's credit facility and return capital to the NCL JV partners. On August 25, 2025, the Class A Noteholders were re-paid in full, the assets owned by the NCL Business Loan Trust 2022-1 were distributed to NCL JV and the NCL Business Loan Trust 2022-1 was subsequently terminated. On August 27, 2025, NALH entered into an interest purchase agreement with TCP to acquire TCP's 50% ownership interest in NCL JV for $15.75 million, resulting in NALH owning 100% of NCL JV. Since the assets acquired did not meet the definition of a business under ASC 805-10-55, the transaction was accounted for as an asset acquisition under ASC 805-50. On September 30, 2025, NALH caused the dissolution of NCL JV.

The following tables show certain summarized financial information for NCL JV:

Selected Statements of Assets and Liabilities Information (Unaudited)	September 30, 2025	December 31, 2024
Cash	$ —	$ 587
Restricted cash	—	5,513
Loans, at FV (amortized cost of $0 and $52,751, respectively)	—	53,895
Other assets	—	1,737
Total assets	$ —	$ 61,732
Securitization notes payable	$ —	$ 25,322
Other liabilities	—	867
Total liabilities	—	26,189
Net assets	—	35,543
Total liabilities and net assets	$ —	$ 61,732

Selected Statements of Operations Information (Unaudited)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Interest and other income	$ 1,181	$ 1,202	$ 3,825	$ 3,766
Total expenses	1,194	442	1,737	1,374
Net investment (loss) income	(13)	760	2,088	2,392
Unrealized (depreciation) appreciation on investments	(1,118)	417	(5,085)	(652)
Net (decrease) increase in net assets resulting from operations	$ (1,131)	$ 1,177	$ (2,997)	$ 1,740

TSO JV: On August 5, 2022, NCL and TSO II Booster Aggregator, L.P. (“TSO II”) entered into a joint venture, TSO JV, and began making investments in ALP loans during the fourth quarter of 2022. NCL and TSO II each committed to contribute an equal share of equity funding to the TSO JV and each have equal voting rights on all material matters. On July 23, 2024, TSO JV closed a securitization backed by ALP loans, selling $137.2 million of Class A Notes and $17.2 million of Class B Notes (collectively, the “TSO Notes”) issued by NALP Business Loan Trust 2024-1. The TSO Notes were backed by $190.5 million of collateral, consisting of Company originated ALP loans. The Class A and Class B Notes received Morningstar DBRS ratings of “A (sf)” and “BBB (high) (sf),” respectively. TSO JV ceased investing in new ALP loans in July 2023.

The following tables show certain summarized financial information for TSO JV:

Selected Statements of Assets and Liabilities Information (Unaudited)	September 30, 2025	December 31, 2024
Cash	$ 701	$ 1,780
Restricted cash	15,251	18,399
Loans, at FV (amortized cost of $153,915 and $173,654, respectively)	169,693	183,084
Other assets	2,799	2,457
Total assets	$ 188,444	$ 205,720
Securitization notes payable	$ 109,182	$ 137,569
Dividends payable	850	—
Other liabilities	421	427
Total liabilities	110,453	137,996
Net assets	77,991	67,724
Total net assets	$ 188,444	$ 205,720

Selected Statements of Operations Information (Unaudited)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Interest and other income	$ 5,187	$ 5,722	$ 16,047	$ 12,405
Total expenses	2,383	3,114	7,577	6,678
Net investment income	2,804	2,608	8,470	5,727
Unrealized (depreciation) appreciation on investments	(2,757)	2,114	6,347	6,392
Realized loss on derivative transactions	—	(1,436)	—	(391)
Unrealized gain on derivative transactions	—	832	—	694
Net increase in net assets resulting from operations	$ 47	$ 4,118	$ 14,817	$ 12,422

Intelligent Protection Management Corp.

On January 2, 2025, the Company completed the sale of its wholly owned subsidiary Newtek Technology Solutions, Inc. (“NTS”) to Paltalk, Inc. (subsequently renamed Intelligent Protection Management Corp. (“IPM”)) (Nasdaq: IPM) (the “NTS Sale”). In connection with the NTS Sale, the Company received the Closing Consideration consisting of $4.0 million Cash Consideration and 4.0 million shares of IPM Preferred Stock. Upon the occurrence of certain specified transfers of the IPM Preferred Stock, each share of IPM Preferred Stock will automatically convert into one share of common stock of IPM, subject to certain anti-dilution adjustments. In addition to the Closing Consideration, the Company may be entitled to receive an earn-out in an amount of up to $5.0 million, payable in cash, IPM Preferred Stock, or a combination thereof (as determined in IPM’s discretion), based on IPM’s achievement of certain cumulative average Adjusted EBITDA thresholds for the 2025 and 2026 fiscal years. The Company is entitled to appoint one representative to the IPM board of directors. Barry Sloane, the Company’s President, Chairman and Chief Executive Officer serves on the IPM board of directors as the Company’s representative. The Company has accounted for its investment in IPM under ASC 321 beginning in the first quarter of 2025 and as such management measured the equity investment at fair value and the carrying amount will be remeasured at each reporting period with changes in fair value recorded in earnings. In addition, the assets, liabilities and operations of NTS were classified as held for sale as of December 31, 2024.

Investments in Affiliated Companies

An affiliated company is an unconsolidated entity in which the Company has an ownership of 5% or more of its voting securities. Investments related to our joint ventures and other non-controlled investments for the nine months ended September 30, 2025 and 2024 were as follows:

Company	Fair Value at December 31, 2024	Purchases (Cost)	Return of Investment	Net Gains/(Losses)	Fair Value at September 30, 2025	Dividend Income
Joint Ventures						
NCL JV	$ 18,800	$ 15,835	$ (31,843) [3]	$ (2,792)	$ —	$ 861
TSO JV	38,100	—	—	1,650	39,750	1,850
Total Joint Ventures	$ 56,900	$ 15,835	$ (31,843)	$ (1,142)	$ 39,750	$ 2,711
Other Non-Control Investments						
EMCAP Loan Holdings, LLC	$ 320	$ —	$ (14)	$ —	$ 306	$ —
Biller Genie Software, LLC	458	—	—	1,042	1,500	—
Intelligent Protection Management Corp.						
IPM Earnout	—	2,268 [1]	—	(394)	1,874	—
IPM Stock	$ —	8,200 [2]	—	(240) [2]	7,960	—
Total Other Non-Control Investments	$ 778	$ 10,468	$ (14)	$ 408	$ 11,640	$ —
Total	$ 57,678	$ 26,303	$ (31,857)	$ (734)	$ 51,390	$ 2,711

[1] Fair value of the Earn-out of $2.268 million as of January 2, 2025, valued in accordance with ASC 805 and ASC 820.

[2] Four million shares of IPM Preferred Stock initially valued at $2.05 per share, which was the closing price of IPM's common shares on January 2, 2025, with net gains/(losses) calculated based on a closing price of $1.99 on September 30, 2025.

[3] Includes $26.2 million of loans and accrued interest acquired as part of NALH's August 2025 acquisition of the remaining 50% of NCL JV not previously owned by NALH.

Company	Fair Value at December 31, 2023	Purchases (Cost)	Return of Investment	Net Gains/(Losses)	Fair Value at September 30, 2024	Dividend Income
Joint Ventures						
NCL JV	$ 19,400	$ —	$ —	$ (500)	$ 18,900	$ 1,112
TSO JV	21,459	25,642	(20,185)	9,934	36,850	—
Total Joint Ventures	$ 40,859	$ 25,642	$ (20,185)	$ 9,434	$ 55,750	$ 1,112
Other Non-Control Investments						
EMCAP Loan Holdings, LLC	$ 368	$ —	$ (116)	$ 68	$ 320	$ 16
Biller Genie Software, LLC	360	—	—	60	420	—
Total Other Non-Control Investments	$ 728	$ —	$ (116)	$ 128	$ 740	$ 16
Total	$ 41,587	$ 25,642	$ (20,301)	$ 9,562	$ 56,490	$ 1,128

Debt Securities Available-for-Sale

The following tables summarize the amortized cost and fair value of debt securities available-for-sale by major type as of September 30, 2025 and December 31, 2024:

	September 30, 2025				December 31, 2024			
	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
U.S. Treasury notes	$ 18,004	$ 8	$ 3	$ 18,009	$ 23,934	$ 11	$ 29	$ 23,916

As of September 30, 2025 and December 31, 2024, there was none and $30.4 thousand of accrued interest receivable on available-for-sale securities, respectively, included in Other assets in the accompanying Consolidated Statements of Financial Condition.

During the nine months ended September 30, 2025 and 2024, securities sold or settled were as follows:

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2025		2024		2025		2024	
	# of Securities	$	# of Securities	$	# of Securities	$	# of Securities	$
Securities sold or settled	one settled	$4,000	two settled	$10,000	five settled	$18,000	three settled	$39,500

Unrealized Losses

The following tables summarize the gross unrealized losses and fair value of debt securities available-for-sale by length of time each major security type has been in a continuous unrealized loss position:

	September 30, 2025						
	Less Than 12 Months		12 Months or More		Total		
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Number of Holdings	Fair Value	Unrealized Losses
U.S. Treasury notes	$ 9,634	$ 3	$ —	$ —	3	$ 9,634	$ 3

	December 31, 2024						
	Less Than 12 Months		12 Months or More		Total		
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Number of Holdings	Fair Value	Unrealized Losses
U.S. Treasury notes	$ 12,061	$ 29	$ —	$ —	2	$ 12,061	$ 29

Management evaluates debt securities available-for-sale debt to determine whether the unrealized loss is due to credit-related factors or non-credit-related factors. The evaluation considers the extent to which the security’s fair value is less than cost, the financial condition and near-term prospects of the issuer, and intent and ability of the Company to retain its investment in the security for a period of time sufficient to allow for any anticipated recovery in fair value. These unrealized losses are primarily the result of non-credit-related volatility in the market and market interest rates. Since none of the unrealized losses relate to marketability of the securities or the issuers' ability to honor redemption obligations and the Company has the intent and ability to hold the securities for a sufficient period of time to recover unrealized losses, none of the losses have been recognized in the Company’s Consolidated Statements of Income.

Contractual Maturities

The following table summarizes the amortized cost and fair value of debt securities available-for-sale by contractual maturity:

	September 30, 2025		December 31, 2024	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
Maturing within 1 year	$ 18,004	$ 18,009	$ 15,833	$ 15,838
After 1 year through 5 years	—	—	8,101	8,078
Total	$ 18,004	$ 18,009	$ 23,934	$ 23,916

Other information

The following table summarizes Newtek Bank's debt securities available-for-sale pledged for deposits, borrowings, and other purposes:

	September 30, 2025	December 31, 2024
Pledged for deposits	$ —	$ —
Pledged for borrowings and other:	18,009	23,916
FRB borrowings	6,957	2,980
FHLB borrowings	11,052	20,937
Total pledged	$ 18,009	$ 23,916

NOTE 5—LOANS:

Loans held for investment (HFI), at fair value

Loans HFI, at fair value, includes SBA 7(a) loans originated by NSBF. On occasion, NSBF has distributed loans to NewtekOne that were originated as SBA 7(a) loans by NSBF where the SBA guarantee has been subsequently repurchased by NSBF. The following table shows the Company's loan portfolio by collateral type for loans HFI, at fair value:

	Loans HFI, at Fair Value			
	September 30, 2025		December 31, 2024	
	Cost	Fair Value	Cost	Fair Value
CRE	$ 141,575	$ 150,175	$ 162,894	$ 175,353
Residential Real Estate	56,448	54,359	69,667	67,474
Machinery and Equipment[1]	50,508	46,325	60,460	56,454
Accounts Receivable and Inventory	48,304	43,193	59,449	54,267
Unsecured	4,506	4,659	5,643	5,644
Other[2]	9,185	7,009	13,033	10,554
Total	$ 310,526	$ 305,720	$ 371,146	$ 369,746

[1] Machinery and Equipment includes one loan at NewtekOne at $4.7 million Cost and $4.4 million Fair value as of September 30, 2025, and $4.7 million Cost and $4.6 million Fair Value as of December 31, 2024.

[2] Other includes one loan at NewtekOne at $1.1 million Cost and $0.3 million Fair Value as of September 30, 2025, and one loan at $2.0 million Cost and $1.1 million Fair Value as of December 31, 2024.

Loans HFI, at amortized cost, net of deferred fees and costs

Loans HFI, at amortized cost, net of deferred fees and costs, includes unguaranteed portions of SBA 7(a) loans, guaranteed portions of SBA 7(a) loans repurchased from the secondary market, CRE, and C&I loans originated and held by Newtek Bank. The following table shows the Company's loan portfolio by loan type for loans HFI, at amortized cost:

	Loans HFI, at Amortized Cost	
	September 30, 2025	December 31, 2024
SBA	$ 509,912	$ 380,981
CRE	256,921	191,831
C&I	64,887	47,558
Total Loans	831,720	620,370
Deferred fees and costs, net	2,367	1,281
Loans held for investment, at amortized cost, net of deferred fees and costs	$ 834,087	$ 621,651

Past Due and Non-Accrual Loans HFI

Loans HFI, at fair value

The following tables summarize the aging of accrual and non-accrual loans HFI, at fair value by class:

	As of September 30, 2025						
	Past Due and Accruing			Non-accrual	Total Past Due and Non-accrual	Current	Total Accounted for Under the FV Option
	30-59 Days	60-89 Days	90+ Days				
SBA, at fair value	$ 8,995	$ 12,092	$ 2,182	$ 73,145	$ 96,414	$ 209,306	$ 305,720

	As of December 31, 2024						
	Past Due and Accruing			Non-accrual	Total Past Due and Non-accrual	Current	Total Accounted for Under the FV Option
	30-59 Days	60-89 Days	90+ Days				
SBA, at fair value	$ 23,158	$ 18,400	$ 9,268	$ 67,304	$ 118,130	$ 251,616	$ 369,746

Loans HFI, at amortized cost, net of deferred fees and costs

The following tables summarize the aging of accrual and non-accrual loans HFI, at amortized cost by class:

	As of September 30, 2025						
	Past Due and Accruing			Non-accrual	Total Past Due and Non-accrual	Current	Total Carried at Amortized Cost
	30-59 Days	60-89 Days	90+ Days				
At amortized cost							
SBA	$ 12,813	$ 10,391	$ 295	$ 60,048	$ 83,547	$ 426,365	$ 509,912
CRE	—	—	—	3,165	3,165	253,756	256,921
C&I	516	274	104	2,465	3,359	61,528	64,887
Total, at amortized cost	$ 13,329	$ 10,665	$ 399	$ 65,678	$ 90,071	$ 741,649	$ 831,720
Deferred fees and costs							2,367
Total, at amortized cost net of deferred fees and costs							$ 834,087
Allowance for credit losses							(45,166)
Total, at amortized cost, net							$ 788,921

	As of December 31, 2024						
	Past Due and Accruing			Non-accrual	Total Past Due and Non-accrual	Current	Total Carried at Amortized Cost
	30-59 Days	60-89 Days	90+ Days				
At amortized cost							
SBA	$ 11,264	$ 9,046	$ —	$ 21,706	$ 42,016	$ 338,965	$ 380,981
CRE	—	—	—	2,635	2,635	189,196	191,831
C&I	275	—	—	—	275	47,283	47,558
Total, at amortized cost	$ 11,539	$ 9,046	$ —	$ 24,341	$ 44,926	$ 575,444	$ 620,370
Deferred fees and costs							1,281
Total, at amortized cost net of deferred fees and costs							$ 621,651
Allowance for credit losses							(30,233)
Total, at amortized cost, net							$ 591,418

Credit Quality Indicators

The Company uses internal loan reviews to assess the performance of individual loans. In addition, an independent review of the loan portfolio is performed annually by an external firm. The goal of the Company's annual review of each borrower's financial performance is to validate the adequacy of the risk grade assigned.

The Company uses a grading system to rank the quality of each loan. The grade is periodically evaluated and adjusted as performance dictates. Loan grades 1 through 4 are passing grades and grade 5 is special mention. Collectively, grades 6 through 7 represent classified loans in Newtek Bank's portfolio. The following guidelines govern the assignment of these risk grades:

Exceptional (1 Rated): These loans are of the highest quality, with strong, well-documented sources of repayment. These loans will typically have multiple demonstrated sources of repayment with no significant identifiable risk to collection, exhibit well-qualified management, and have liquid financial statements relative to both direct and indirect obligations.

Quality (2 Rated): These loans are of very high credit quality, with strong, well-documented sources of repayment. These loans exhibit very strong, well defined primary and secondary sources of repayment, with no significant identifiable risk of collection and have internally generated cash flow that more than adequately covers current maturities of long-term debt.

Satisfactory (3 Rated): These loans exhibit satisfactory credit risk and have excellent sources of repayment, with no significant identifiable risk of collection. These loans have documented historical cash flow that meets or exceeds required minimum Bank guidelines, or that can be supplemented with verifiable cash flow from other sources. They have adequate secondary sources to liquidate the debt, including combinations of liquidity, liquidation of collateral, or liquidation value to the net worth of the borrower or guarantor.

Acceptable (4 Rated): These loans show signs of weakness in either adequate sources of repayment or collateral but have demonstrated mitigating factors that minimize the risk of delinquency or loss. These loans may have unproved, insufficient or marginal primary sources of repayment that appear sufficient to service the debt at this time. These loans also include loans underwritten using projected and/or proforma financial information provided by the borrower. Repayment weaknesses may be due to minor operational issues, financial trends, or reliance on projected performance. They may also contain marginal or unproven secondary sources to liquidate the debt, including combinations of liquidation of collateral and liquidation value to the net worth of the borrower or guarantor.

Special mention (5 Rated): These loans show signs of weaknesses in either adequate sources of repayment or collateral. These loans may contain underwriting guideline tolerances and/or exceptions with no mitigating factors; and/or instances where adverse economic conditions develop subsequent to origination that do not jeopardize liquidation of the debt but substantially increase the level of risk.

Substandard (6 Rated): Loans graded Substandard are inadequately protected by current sound net worth, paying capacity of the obligor, or pledged collateral. Loans classified as Substandard must have a well-defined weakness or weaknesses that jeopardize the liquidation of the debt; are characterized by the distinct possibility that the Bank will sustain some loss if the deficiencies are not corrected. These loans are consistently not meeting the repayment schedule.

Doubtful (7 Rated): Loans graded Doubtful have all the weaknesses inherent in those classified as Substandard, plus the added characteristic that the weaknesses make collection or liquidation in full on the basis of currently existing facts, conditions, and values highly questionable and improbable. The ability of the borrower to service the debt is extremely weak, overdue status is constant, the debt has been placed on non-accrual status, and no definite repayment schedule exists. Once the loss position is determined, the amount is charged off.

Loss (8 Rated): Loss rated loans are considered uncollectible and of such little value that their continuance as assets is not warranted. This classification does not mean that the asset has absolutely no recovery or salvage value, but rather that it is not practical or desirable to defer writing off this credit even though partial recovery may be affected in the future.

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The following tables present asset quality indicators by portfolio class and origination year at September 30, 2025 and December 31, 2024:

September 30, 2025	Term Loans HFI by Origination Year						
	2025	2024	2023	2022	2021	Prior	Total
SBA, at fair value							
Risk Grades 1-4	$ —	$ —	$ 19,172	$ 86,721	$ 30,891	$ 93,382	$ 230,166
Risk Grades 5-6	—	—	3,599	19,964	6,399	41,462	71,424
Risk Grade 7	—	—	32	60	—	—	92
Risk Grade 8	—	—	—	49	—	3,989	4,038
Total	$ —	$ —	$ 22,803	$ 106,794	$ 37,290	$ 138,833	$ 305,720
SBA, at amortized cost, net of deferred fees and costs							
Risk Grades 1-4	$ 150,232	$ 180,416	$ 85,132	$ —	$ —	$ —	$ 415,780
Risk Grades 5-6	533	38,387	28,189	—	—	—	67,109
Risk Grade 7	148	11,621	12,218	—	—	—	23,987
Risk Grade 8	46	1,306	1,684	—	—	—	3,036
Total	$ 150,959	$ 231,730	$ 127,223	$ —	$ —	$ —	$ 509,912
CRE, at amortized cost, net of deferred fees and costs							
Risk Grades 1-4	$ 77,676	$ 52,371	$ 25,499	$ 30,666	$ 15,866	$ 48,957	$ 251,035
Risk Grades 5-6	—	897	—	1,750	—	3,239	5,886
Risk Grade 7	—	—	—	—	—	—	—
Total	$ 77,676	$ 53,268	$ 25,499	$ 32,416	$ 15,866	$ 52,196	$ 256,921
C&I, at amortized cost, net of deferred fees and costs							
Risk Grades 1-4	$ 42,765	$ 13,144	$ 1,602	$ —	$ —	$ —	$ 57,511
Risk Grades 5-6	560	5,249	39	—	—	—	5,848
Risk Grade 7	—	1,528	—	—	—	—	1,528
Total	$ 43,325	$ 19,921	$ 1,641	$ —	$ —	$ —	$ 64,887
Total	$ 271,960	$ 304,919	$ 177,166	$ 139,210	$ 53,156	$ 191,029	$ 1,137,440

December 31, 2024	Term Loans HFI by Origination Year						
	2024	2023	2022	2021	2020	Prior	Total
SBA, at fair value							
Risk Grades 1-4	$ —	$ 24,061	$ 112,058	$ 40,641	$ 20,379	$ 102,569	$ 299,708
Risk Grades 5-6	—	3,469	18,592	5,365	3,188	39,225	69,839
Risk Grade 7	—	—	—	—	—	—	—
Risk Grade 8	—	—	144	17	22	16	199
Total	$ —	$ 27,530	$ 130,794	$ 46,023	$ 23,589	$ 141,810	$ 369,746
SBA, at amortized cost, net of deferred fees and costs							
Risk Grades 1-4	$ 224,958	$ 110,735	$ —	$ —	$ —	$ —	$ 335,693
Risk Grades 5-6	7,475	32,753	—	—	—	—	40,228
Risk Grade 7	588	4,132	—	—	—	—	4,720
Risk Grade 8	85	255	—	—	—	—	340
Total	$ 233,106	$ 147,875	$ —	$ —	$ —	$ —	$ 380,981
CRE, at amortized cost, net of deferred fees and costs							
Risk Grades 1-4	$ 51,889	$ 25,697	$ 33,235	$ 15,763	$ 395	$ 60,614	$ 187,593
Risk Grades 5-6	—	—	—	—	883	3,355	4,238
Risk Grade 7	—	—	—	—	—	—	—
Total	$ 51,889	$ 25,697	$ 33,235	$ 15,763	$ 1,278	$ 63,969	$ 191,831
C&I, at amortized cost, net of deferred fees and costs							
Risk Grades 1-4	$ 44,251	$ 1,532	$ —	$ —	$ —	$ 1,500	$ 47,283
Risk Grades 5-6	—	275	—	—	—	—	275
Risk Grade 7	—	—	—	—	—	—	—
Total	$ 44,251	$ 1,807	$ —	$ —	$ —	$ 1,500	$ 47,558
Total	$ 329,246	$ 202,909	$ 164,029	$ 61,786	$ 24,867	$ 207,279	$ 990,116

Allowance for Credit Losses

See NOTE 2—SIGNIFICANT ACCOUNTING POLICIES for a description of the methodologies used to estimate the ACL.

The following table details activity in the ACL for the nine months ended September 30, 2025 and 2024:

	September 30, 2025				September 30, 2024			
	CRE	C&I	SBA	Total	CRE	C&I	SBA	Total
Beginning balance	$ 1,430	$ 315	$ 28,488	$ 30,233	$ 1,408	$ 314	$ 10,852	$ 12,574
Charge offs	(122)	(275)	(15,008)	(15,405)	(236)	—	(2,697)	(2,933)
Recoveries	—	—	35	35	—	—	—	—
Provision for credit losses[1]	523	3,068	26,712	30,303	98	(286)	16,592	16,404
Ending balance	$ 1,831	$ 3,108	$ 40,227	$ 45,166	$ 1,270	$ 28	$ 24,747	$ 26,045

[1] Excludes $31 thousand and $338 thousand of Provision for credit losses relating to unfunded commitments for the nine months ended September 30, 2025 and September 30, 2024, respectively, which is recorded within Accounts payable, accrued expenses and other liabilities in accordance with ASC 326.

The following table details activity in the ACL for the three months ended September 30, 2025 and 2024:

	September 30, 2025				September 30, 2024			
	CRE	C&I	SBA	Total	CRE	C&I	SBA	Total
Beginning balance	$ 2,045	$ 1,540	$ 39,040	$ 42,625	$ 1,358	$ 215	$ 19,525	$ 21,098
Charge offs	(122)	(8)	(5,062)	(5,192)	—	—	(1,763)	(1,763)
Recoveries	—	—	18	18	—	—	—	—
Provision for credit losses[1]	(92)	1,576	6,231	7,715	(88)	(187)	6,985	6,710
Total	$ 1,831	$ 3,108	$ 40,227	$ 45,166	$ 1,270	$ 28	$ 24,747	$ 26,045

[1] Excludes $3 thousand and $218 thousand of Provision for credit losses relating to unfunded commitments for the three months ended September 30, 2025 and 2024, respectively, which is recorded within Accounts payable, accrued expenses and other liabilities in accordance with ASC 326.

The Company identified 383 and 145 loans as of September 30, 2025 and December 31, 2024, respectively, that did not share similar risk characteristics with the loan segments identified in NOTE 2—SIGNIFICANT ACCOUNTING POLICIES and evaluated them for impairment individually.

The following table presents the individually evaluated and collectively evaluated ACL by segment:

	September 30, 2025				December 31, 2024			
ACL	CRE	C&I	SBA	Total	CRE	C&I	SBA	Total
Individually Evaluated	$ —	$ 1,536	$ 12,788	$ 14,324	$ —	$ —	$ 7,019	$ 7,019
Collectively Evaluated	1,831	1,572	27,439	30,842	1,430	315	21,469	23,214
Total	$ 1,831	$ 3,108	$ 40,227	$ 45,166	$ 1,430	$ 315	$ 28,488	$ 30,233

The following table presents the recorded investment in loans individually evaluated and collectively evaluated by segment:

	September 30, 2025				December 31, 2024			
Recorded Investment	CRE	C&I	SBA	Total	CRE	C&I	SBA	Total
Individually Evaluated	$ 18,824	$ 2,465	$ 60,048	$ 81,337	$ 2,635	$ —	$ 21,706	$ 24,341
Collectively Evaluated	238,097	62,422	449,864	750,383	189,196	47,558	359,275	596,029
Total	$ 256,921	$ 64,887	$ 509,912	$ 831,720	$ 191,831	$ 47,558	$ 380,981	$ 620,370

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The amortized cost basis of loans on nonaccrual status and the associated ACL are as follows:

	September 30, 2025			December 31, 2024		
	Nonaccrual without Allowance	Nonaccrual with Allowance	ACL	Nonaccrual without Allowance	Nonaccrual with Allowance	ACL
SBA	$ 20,730	$ 39,317	$ 12,789	$ 7,264	$ 14,442	$ 7,019
CRE	3,165	—	—	2,635	—	—
C&I	456	2,010	1,536	—	—	—
Total	$ 24,351	$ 41,327	$ 14,325	$ 9,899	$ 14,442	$ 7,019

The unpaid contractual principal balance and recorded investment for the loans individually assessed is shown in the table below by type:

	September 30, 2025				December 31, 2024			
	Real Estate Collateral	Non-Real Estate Collateral	Total	ACL	Real Estate Collateral	Non-Real Estate Collateral	Total	ACL
SBA	$ 49,585	$ 10,463	$ 60,048	$ 12,789	$ 19,586	$ 2,120	$ 21,706	$ 7,019
CRE	18,824	—	18,824	—	2,635	—	2,635	—
C&I	2,375	90	2,465	1,536	—	—	—	—
Total	$ 70,784	$ 10,553	$ 81,337	$ 14,325	$ 22,221	$ 2,120	$ 24,341	$ 7,019

Accrued interest on loans totaled $20.2 million and $15.5 million as of September 30, 2025 and December 31, 2024, respectively, and is excluded from the estimate of credit losses. The Company writes off accrued interest receivable by reversing interest income and typically occurs upon loans becoming 90 to 120 days past due.

Loan Modifications Made to Borrowers Experiencing Financial Difficulty

During the three months ended September 30, 2025, the Company executed one loan modification involving a borrower experiencing financial difficulty, with an amortized cost basis of $0.25 million. The modification resulted in an other-than-insignificant delay in payments; however, the Company expects to receive all contractual principal and interest. The terms of the modification did not include principal forgiveness, term extension, or interest rate reductions.

No other loan modifications to borrowers experiencing financial difficulty were executed during the three and nine months ended September 30, 2025 and 2024.

Loans held for sale, at fair value

	September 30, 2025	December 31, 2024
SBA 504 First Lien	$ 155,459	$ 128,255
SBA 504 Second Lien	31,009	26,678
SBA 7(a)	265,521	4,855
SBA 7(a) Partials[1]	18,384	—
ALP	286,628	212,498
Loans held for sale, at fair value	$ 757,001	$ 372,286

[1] Reclassified from Loans held for sale, at LCM

The following tables summarize the aging of accrual and non-accrual loans HFS, at fair value by class:

	As of September 30, 2025						
	Past Due and Accruing						
	30-59 Days	60-89 Days	90+ Days	Non-accrual	Total Past Due and Non-accrual	Current	Total Accounted for Under the FV Option
SBA, at fair value	$ 1,566	$ 1,454	$ 1,417	$ 13,149	$ 17,586	$ 452,786	$ 470,372
ALP, at fair value	8,746	—	11,488	1,740	21,974	264,655	286,629
Total	$ 10,312	$ 1,454	$ 12,905	$ 14,889	$ 39,560	$ 717,441	$ 757,001

	As of December 31, 2024						
	Past Due and Accruing						
	30-59 Days	60-89 Days	90+ Days	Non-accrual	Total Past Due and Non-accrual	Current	Total Accounted for Under the FV Option
SBA, at fair value	$ 29,119	$ 13,367	$ —	$ 250	$ 42,736	$ 117,052	$ 159,788
ALP, at fair value	—	2,492	—	—	2,492	210,006	212,498
Total	$ 29,119	$ 15,859	$ —	$ 250	$ 45,228	$ 327,058	$ 372,286

Loans held for sale, at LCM

	September 30, 2025	December 31, 2024
SBA 504 First Lien	$ 22,119	$ 36,783
SBA 504 Second Lien	6,559	8,203
SBA 7(a) Partials[1]	—	13,817
Loans held for sale, at LCM	$ 28,678	$ 58,803

[1] Reclassified to Loans held for sale, at fair value

The following tables summarize the aging of accrual and non-accrual loans HFS, at LCM by class:

	As of September 30, 2025						
	Past Due and Accruing						
	30-59 Days	60-89 Days	90+ Days	Non- accrual	Total Past Due and Non-accrual	Current	Total Carried at Amortized Cost
SBA	$ —	$ 151	$ —	$ 2,504	2,655	$ 26,023	$ 28,678

	As of December 31, 2024						
	Past Due and Accruing						
	30-59 Days	60-89 Days	90+ Days	Non- accrual	Total Past Due and Non-accrual	Current	Total Carried at Amortized Cost
SBA	$ 2,164	$ 1,099	$ —	$ —	$ 3,263	$ 55,540	$ 58,803

NOTE 6—TRANSACTIONS WITH AFFILIATED COMPANIES AND RELATED PARTY TRANSACTIONS:

Due to/from affiliated companies

The following table summarizes the amounts due to and due from affiliated companies as of September 30, 2025 and December 31, 2024:

	September 30, 2025	December 31, 2024
Due to affiliated companies[1]	$ 109	$ 242
Due from affiliated companies[2]	26	—
Total due to/due from affiliated companies	$ 83	$ 242

[1] Included within Accounts payable, accrued expenses, and other liabilities
[2] Included within Other assets

Transactions with joint ventures and other non-control investments

Refer to NOTE 4—INVESTMENTS for a schedule of transactions with our joint ventures and other non-control equity investments.

The following table summarizes the income earned from our joint ventures and other non-control investments for the three and nine months ended September 30, 2025 and 2024:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Servicing income	$ 357	$ 576	$ 1,292	$ 1,446
Dividend income	425	374	2,711	1,128
Total income	$ 782	$ 950	$ 4,003	$ 2,574
Expenses	2,117	—	6,009	—
Net income/(expense)	$ (1,335)	$ 950	$ (2,006)	$ 2,574

Newtek Bank Deposits

In the normal course of business, Newtek Bank holds FDIC insured deposits from certain of the Company’s officers, directors and their associated companies. The following table summarizes the amounts due of deposits from related parties and their affiliated companies as of September 30, 2025 and December 31, 2024:

	September 30, 2025	December 31, 2024
FDIC insured deposits	$ 4,497	$ 4,732
Non-FDIC insured deposits	291	1,098
Total deposits from related parties and their affiliated companies	$ 4,788	$ 5,830

NOTE 7—SERVICING ASSETS:

Servicing assets held by NSBF are measured at fair value and the Company performs valuations on a quarterly basis. Servicing assets held by Newtek Bank, including Newtek Bank's subsidiary SBL, are measured at lower of cost or market where the assets are initially recorded at fair value, then subsequently amortized, and assessed for impairment each reporting period.

The Company earns servicing fees from the guaranteed portions of SBA 7(a) loans it originates and sells, for the unguaranteed portions of SBA 7(a) loans in the NSBF sponsored securitizations, and for the portfolios of ALP loans SBL services for the NCL JV (dissolved in September 2025), TSO JV sponsored securitization and Newtek ALP Holdings and its sponsored securitization.

The following table summarizes the unpaid principle balance of loans serviced at September 30, 2025 and December 31, 2024:

	September 30, 2025	December 31, 2024
SBA 7(a)	$ 1,770,719	$ 1,996,715
ALP	363,162	169,842
504	48,385	12,475
Total loans serviced	$ 2,182,266	$ 2,179,032

The following table summarizes the fair value and valuation assumptions related to servicing assets at September 30, 2025 and December 31, 2024:

	September 30, 2025				December 31, 2024			
		Weighted	Range			Weighted	Range	
Unobservable Input	Amount	Average	Minimum	Maximum	Amount	Average	Minimum	Maximum
Servicing assets at FV:	$ 17,023				$ 22,062			
Discount factor[1]		11.75 %	11.75 %	11.75 %		12.00 %	12.00 %	12.00 %
Cumulative prepayment rate		22.50 %	22.50 %	22.50 %		22.50 %	22.50 %	22.50 %
Average cumulative default rate		21.00 %	21.00 %	21.00 %		21.00 %	21.00 %	21.00 %
Servicing assets at LCM:	30,540				24,195			
Discount factor[1]		11.27 %	10.75 %	12.00 %		12.97 %	12.00 %	13.50 %
Cumulative prepayment rate		34.98 %	22.50 %	50.00 %		34.65 %	22.50 %	75.00 %
Average cumulative default rate		16.50 %	5.00 %	21.00 %		18.90 %	5.00 %	20.00 %
Total	$ 47,563				$ 46,257			

[1] Determined based on risk spreads and observable secondary market transactions.

Refer to NOTE 9—FAIR VALUE MEASUREMENTS for a rollforward of servicing assets, at fair value. The following tables show a rollforward of servicing assets, at LCM for the nine months ended September 30, 2025 and 2024:

Servicing Assets, at LCM	September 30, 2025	September 30, 2024
Balance at beginning of the period	$ 24,195	$ 10,389
Amortization[1]	(7,461)	(2,959)
Additions[2]	13,806	14,715
Impairment assessment	—	—
Balance at end of the period	$ 30,540	$ 22,145

[1] Included within Net loss on loan servicing assets in the Consolidated Statements of Income
[2] Included within Net gains on sales of loans in the Consolidated Statements of Income

Servicing income earned for the three and nine months ended September 30, 2025 and 2024 was as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Servicing income	$6,076	$4,958	$17,655	$14,922

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NOTE 8—GOODWILL AND INTANGIBLE ASSETS:

Goodwill

The following table summarizes the carrying amount of goodwill:

	September 30, 2025	December 31, 2024
Banking	$ 271	$ 271
Payments	13,814	13,814
Total goodwill	$ 14,085	$ 14,085

Banking: The goodwill in the banking segment was generated from the Acquisition, representing the excess of the purchase price over the fair value of the net assets acquired.

Payments: The goodwill in the payments segment was generated from acquisitions by the legal entities within this segment prior to the consolidation of those entities into NewtekOne following the Acquisition.

Intangible Assets

The following table summarizes intangible assets:

	At September 30, 2025			At December 31, 2024		
	Gross carrying Amount	Accumulated Amortization	Net Carrying amount	Gross carrying Amount	Accumulated Amortization	Net Carrying amount
Banking - Core Deposits	$ 1,040	$ (492)	$ 548	$ 1,040	$ (373)	$ 667

Core Deposits Intangible. CDI is a measure of the value of non-interest-bearing and interest-bearing checking accounts, savings accounts, and money market accounts that are acquired in a business combination. The fair value of the CDI stemming from any given business combination is based on the present value of the expected cost savings attributable to the core deposit funding, relative to an alternative source of funding. The CDI relating to the NBNYC Acquisition will be amortized over an estimated useful life of 10 years using the sum of years digits depreciation method. The Company evaluates such identifiable intangibles for impairment when an indication of impairment exists.

Amortization expense for the three and nine months ended September 30, 2025 and 2024 is as follows, and is included in Depreciation and amortization on the Consolidated Statements of Income:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Amortization expense	$ 43	$ 192	$ 129	$ 593

The remaining estimated aggregate future amortization expense for intangible assets as of September 30, 2025 is as follows:

	Amortization Expense
2025	$ 37
2026	135
2027	114
2028	94
2029	73
Thereafter	95
Total	$ 548

NOTE 9—FAIR VALUE MEASUREMENTS:

The following tables present fair value measurements of certain of the Company's assets and liabilities measured at fair value and indicates the fair value hierarchy of the valuation techniques utilized by the Company to determine such fair values as of September 30, 2025 and December 31, 2024:

	Fair Value Measurements at September 30, 2025			
	Total	Level 1	Level 2	Level 3
Assets:				
Debt securities available-for-sale, at fair value				
U.S. Treasury notes	$ 18,009	$ 18,009	$ —	$ —
Loans held for sale, at fair value	757,001	—	278,678	478,323
Loans held for investment, at fair value	305,720	—	—	305,720
Individually evaluated loans[1]	81,337	—	—	81,337
Other real estate owned, at fair value[2]	5,629	—	—	5,629
Other real estate owned, at LCM[1,2]	2,261	—	—	2,261
Residuals in securitizations, at fair value[3]	76,701	—	—	76,701
Servicing assets, at fair value	17,023	—	—	17,023
Servicing assets, at LCM[1]	30,540	—	—	30,540
Joint ventures and other non-control investments, at fair value	51,390	7,960 [5]	—	43,430
Derivative instruments[1,2,3]	232	—	232	—
Total assets measured at fair value	$ 1,345,843	$ 25,969	$ 278,910	$ 1,040,964
Liabilities:				
Equity warrants[3,4]	$ 77	$ —	$ —	$ 77
Total liabilities measured at fair value	$ 77	$ —	$ —	$ 77

1 Non-recurring.
2 Included in Other assets on the Consolidated Statements of Financial Condition.
3 Measured at fair value on a recurring basis with the net unrealized gains or losses recorded in current period earnings.
4 Included in Accounts payable, accrued expenses, and other liabilities on the Consolidated Statements of Financial Condition.
5 Four million shares of IPM Preferred Stock valued at the closing price per share of IPM common stock of $1.99 on September 30, 2025.

	Fair Value Measurements at December 31, 2024			
	Total	Level 1	Level 2	Level 3
Assets:				
Debt securities available-for-sale				
U.S. Treasury notes	$ 23,916	$ 23,916	$ —	$ —
Loans held for sale, at fair value	372,286	—	—	372,286
Loans held for investment, at fair value	369,746	—	—	369,746
Other real estate owned[1]	3,764	—	—	3,764
Servicing assets, at fair value	22,062	—	—	22,062
Joint ventures and other non-control investments	57,678	—	—	57,678
Assets held for sale[2]	21,308	—	—	21,308
Derivative instruments[1,3]	715	—	715	—
Total assets measured at fair value	$ 871,475	$ 23,916	$ 715	$ 846,844
Liabilities:				
Equity warrants[3,4]	$ 133	$ —	$ —	$ 133
Total liabilities measured at fair value	$ 133	$ —	$ —	$ 133

1 Included in Other assets on the Consolidated Statements of Financial Condition.
2 Non-recurring.
3 Measured at fair value on a recurring basis with the net unrealized gains or losses recorded in current period earnings.
4 Included in Accounts payable, accrued expenses, and other liabilities on the Consolidated Statements of Financial Condition.

The following tables represents the changes in the investments, servicing assets and liabilities measured at fair value using Level 3 inputs for the nine months ended September 30, 2025 and 2024:

	Nine Months Ended September 30, 2025						
	Loans HFI, at FV	Loans HFS, at FV	Joint Ventures and Other Non-Control Investments	Residuals in Securitizations, at FV	Servicing Assets, at FV	Equity Warrants[1]	Other Real Estate Owned[2]
Fair value, December 31, 2024	$ 369,746	$ 372,286	$ 57,678	$ —	$ 22,062	$ 133	$ 3,764
Reclasses between loans at FV and LCM	—	7,133	—	—	—	—	—
Sales	282	(261,392)	—	—	—	—	(1,937)
Principal payments received	(53,905)	(4,678)	—	—	—	—	—
Foreclosed real estate acquired	(4,405)	—	—	—	—	—	4,405
SBA loans, funded	—	72,723	—	—	—	—	—
ALP loans, funded	—	250,635	—	—	—	—	—
Purchases and repurchases of loans	4,669	25,094	—	—	—	—	—
Residuals in securitizations, notional	—	—	—	32,481	—	—	—
Additions[3]	—	—	2,268	—	—	—	—
Capital contributions	—	—	15,835	—	—	—	—
Returns of capital[4]	—	—	(31,857)	—	—	—	—
Change in valuation due to:							
Changes in valuation inputs or assumptions	(1,075)	21,378	(494)	44,220	12	(56)	(603)
Other factors	(9,592)	—	—	—	(5,051)	—	—
Transfers out of Level 3[5]	—	(4,856)	—	—	—	—	—
Fair value, September 30, 2025	$ 305,720	$ 478,323	$ 43,430	$ 76,701	$ 17,023	$ 77	$ 5,629

1 Included in Accounts payable, accrued expenses, and other liabilities on the Consolidated Statements of Financial Condition.
2 Included in Other assets on the Consolidated Statements of Financial Condition.
3 Investment in IPM.
4 Includes $26.2 million of loans and accrued interest returned as part of the acquisition of 100% of NCL JV.
5 As of April 1, 2025, the Company is using broker quotes to calculate the fair value of its unguaranteed portions of its SBA 7(a) loans moving them from Level 3 to Level 2.

	Nine Months Ended September 30, 2024					
	Loans HFI, at FV	Loans HFS, at FV	Joint Ventures and Other Non-Control Investments	Servicing Assets, at FV	Equity Warrants[1]	Other Real Estate Owned[2]
Fair value, December 31, 2023	$ 469,801	$ 118,867	$ 41,587	$ 29,336	$ 141	$ 1,110
Reclasses between loans HFS and HFI	—	—	—	—	—	—
Reclasses between loans at FV and LCM	263	2,508	—	—	—	—
Sales	(2,888)	(166,648)	—	—	—	(956)
Principal payments received	(54,656)	(9,375)	—	—	—	—
Foreclosed real estate acquired	(2,251)	—	—	—	—	2,251
SBA loans, funded	122	12,966	—	—	—	—
ALP loans, funded	—	191,440	—	—	—	—
Mortgage loans, funded	—	79,432	—	—	—	—
Additions	—	—	—	14	—	—
Purchases and repurchases of loans	1,296	—	—	—	—	—
Capital contributions/(distributions)	—	—	5,341	—	—	—
Change in valuation due to:						
Changes in valuation inputs or assumptions	2,614	13,058	9,562	805	(33)	(206)
Other factors	(19,830)	(23)	—	(6,188)	—	—
Fair Value, September 30, 2024	$ 394,471	$ 242,225	$ 56,490	$ 23,967	$ 108	$ 2,199

[1] Included in Accounts payable, accrued expenses, and other liabilities on the Consolidated Statements of Financial Condition.
[2] Included in Other assets on the Consolidated Statements of Financial Condition.

The following tables provide a summary of quantitative information about the Company's Level 3 fair value measurements as of September 30, 2025 and December 31, 2024. In addition to the inputs noted in the table below, according to our valuation policy we may also use other valuation techniques and methodologies when determining our fair value measurements. The tables below are not intended to be all-inclusive but rather provide information on the significant Level 3 inputs as they relate to the Company's fair value measurements at September 30, 2025 and December 31, 2024.

	Fair Value as of September 30, 2025		Unobservable Input	Weighted Average	Range Minimum	Range Maximum
Assets:						
Loans HFI, at FV - accrual	$	232,575	Market yields	6.55 %	6.55 %	6.55 %
			Cumulative prepayment rate	22.50 %	22.50 %	22.50 %
			Average cumulative default rate	21.00 %	21.00 %	21.00 %
Loans HFI, at FV - non-accrual	$	73,145	Market yields	7.00 %	7.00 %	7.00 %
			Average cumulative default rate	30.00 %	30.00 %	30.00 %
Loans HFS, at FV	$	478,323	Market yields	7.17 %	6.44 %	11.75 %
			Cumulative prepayment rate	58.18 %	22.50 %	65.00 %
			Average cumulative default rate	10.82 %	5.00 %	21.00 %
Joint ventures and non-control investments	$	43,430	Market yields	7.42 %	7.64 %	12.00 %
			Cost of equity	14.00 %	12.00 %	18.00 %
			Weighted average cost of capital	9.18 %	8.00 %	22.57 %
Residuals in securitizations, at FV	$	76,701	Market yields	7.64 %	7.64 %	7.64 %
			Cost of equity	14.00 %	12.00 %	16.00 %
			Weighted average cost of capital	9.50 %	8.50 %	10.50 %
Servicing assets, at FV	$	17,023	Market yields	11.75 %	11.75 %	11.75 %
			Cumulative prepayment rate	22.50 %	22.50 %	22.50 %
			Average cumulative default rate	21.00 %	21.00 %	21.00 %
Other real estate owned, at FV	$	5,629	Appraised value	N/A	N/A	N/A
Liabilities:						
Equity warrants	$	77	Expected volatility	43.00 %	43.00 %	43.00 %
			Dividend yield	6.60 %	6.60 %	6.60 %
			Risk free rate	3.96 %	3.96 %	3.96 %

	Fair Value as of December 31, 2024	Unobservable Input	Weighted Average	Range	
				Minimum	Maximum
Assets:					
Loans HFI, at FV - accrual	$ 302,442	Market yields	6.55 %	6.55 %	6.55 %
		Cumulative prepayment rate	22.50 %	22.50 %	22.50 %
		Average cumulative default rate	21.00 %	21.00 %	21.00 %
Loans HFI, at FV - non-accrual	$ 67,304	Market yields	7.30 %	7.30 %	7.30 %
		Average cumulative default rate	30.00 %	30.00 %	30.00 %
Loans HFS, at FV	$ 372,286	Market yields	7.62 %	7.08 %	8.18 %
		Cumulative prepayment rate	59.78 %	50.00 %	70.00 %
		Average cumulative default rate	9.89 %	5.00 %	15.00 %
Joint ventures and non-control investments	$ 57,678	Market yields	8.40 %	8.00 %	12.00 %
		Cost of equity	11.00 %	8.00 %	14.00 %
		Weighted average cost of capital	7.72 %	6.00 %	23.98 %
Servicing assets, at FV	$ 22,062	Market yields	12.00 %	12.00 %	12.00 %
		Cumulative prepayment rate	22.50 %	22.50 %	22.50 %
		Average cumulative default rate	21.00 %	21.00 %	21.00 %
Assets held for sale	$ 21,308	Present value factor	90.70 %	89.50 %	93.20 %
		Discount rate	10.23 %	7.27 %	11.71 %
Other real estate owned	$ 3,764	Appraised value	N/A	N/A	N/A
Liabilities:					
Equity warrants	$ 133	Expected volatility	48.00 %	48.00 %	48.00 %
		Dividend yield	6.00 %	6.00 %	6.00 %
		Risk free rate	4.52 %	4.52 %	4.52 %

Estimated Fair Value of Other Financial Instruments

GAAP also requires disclosure of the fair value of financial instruments carried at book value on the Consolidated Statements of Financial Condition. The carrying amounts and estimated fair values of the Company's financial instruments not measured at fair value on a recurring or non-recurring basis are as follows:

	September 30, 2025				
		Fair Value Amount by Level:			
	Carrying Amount	Level 1	Level 2	Level 3	Total Fair Value
Financial Assets:					
Cash and due from banks	$ 3,980	$ 3,980	$ —	$ —	$ 3,980
Restricted cash	24,737	24,737	—	—	24,737
Interest bearing deposits in banks	188,214	188,214	—	—	188,214
Debt securities available-for-sale, at FV	18,009	18,009	—	—	18,009
Loans HFS, at FV	757,001	—	203,586	553,415	757,001
Loans HFS, at LCM	28,678	—	—	28,678	28,678
Loans HFI, at FV	305,720	—	—	305,720	305,720
Loans HFI, at amortized cost, net of deferred fees and costs	834,087	—	—	944,601	944,601
Federal Home Loan Bank and Federal Reserve Bank stock	4,064	—	4,064	—	4,064
Joint ventures and other non-control investments, at FV	51,390	7,960	—	43,430	51,390
Residuals in securitizations, at FV	76,701	—	—	76,701	76,701
Financial Liabilities:					
Time deposits	481,531	—	482,945	—	482,945
Borrowings	748,549	—	302,403	452,022	754,425

	December 31, 2024				
		Fair Value Amount by Level:			
	Carrying Amount	Level 1	Level 2	Level 3	Total Fair Value
Financial Assets:					
Cash and due from banks	$ 6,941	$ 6,941	$ —	$ —	$ 6,941
Restricted cash	28,226	28,226	—	—	28,226
Interest bearing deposits in banks	346,207	346,207	—	—	346,207
Debt securities available-for-sale, at FV	23,916	23,916	—	—	23,916
Loans HFS, at FV	372,286	—	—	372,286	372,286
Loans HFS, at LCM	58,803	—	—	58,856	58,856
Loans HFI, at FV	369,746	—	—	369,746	369,746
Loans HFI, at amortized cost, net of deferred fees and costs	621,651	—	—	668,687	668,687
Federal Home Loan Bank and Federal Reserve Bank stock	3,585	—	3,585	—	3,585
Joint ventures and other non-control investments, at FV	57,678	—	—	57,678	57,678
Financial Liabilities:					
Time deposits	409,251	—	410,442	—	410,442
Borrowings	708,041	—	306,549	413,818	720,367

NOTE 10—DEPOSITS:

The following table summarizes deposits by type:

	September 30, 2025	December 31, 2024
Non-interest-bearing:		
Demand	$ 21,771	$ 11,142
Interest-bearing:		
Checking	154,754	103,978
Money market	64,284	62,001
Savings	455,624	386,680
Time deposits	481,531	409,251
Total interest-bearing	1,156,193	961,910
Total deposits	$ 1,177,964	$ 973,052
Time deposits, money market, and interest-bearing checking obtained through brokers	$ 38,100	$ 27,100
Aggregate amount of deposit accounts that exceeded the FDIC limit	$ 177,929	$ 140,679
Deposit overdrafts reclassified as loan balances	$ 16	$ 17
Certificates of deposit in excess of $0.25 million	$ 177,485	$ 99,231

The following table summarizes the scheduled maturities of time deposits:

2025	$ 158,023
2026	275,302
2027	37,559
2028	10,509
2029	117
Thereafter	21
Total time deposits	$ 481,531

NOTE 11—BORROWINGS:

At September 30, 2025 and December 31, 2024, the Company had borrowings composed of the following:

	September 30, 2025			December 31, 2024		
	Commitments	Borrowings Outstanding	Weighted Avg Interest Rate	Commitments	Borrowings Outstanding	Weighted Avg Interest Rate
Bank Borrowings[1]:						
NMS Webster Note[2]	$ —	$ —	6.68 %	$ 54,871	$ 32,688	7.30 %
NMS Goldman Facility[3]	95,000	88,617	9.83 %	—	—	— %
SPV I Capital One Facility	100,000	23,155	7.13 %	60,000	21,192	7.22 %
SPV II Deutsche Bank Facility	170,000	103,970	7.73 %	120,000	54,036	7.57 %
SPV III One Florida Bank Facility	35,000	8,262	8.25 %	30,000	23,011	8.50 %
FHLB Advances	14,000	7,862	2.79 %	20,000	15,330	2.19 %
Parent Company Notes[1]:						
2025 Notes[4]	—	—	5.00 %	30,000	29,913	5.00 %
2026 Notes	115,000	114,820	5.50 %	115,000	114,282	5.50 %
2027 Notes[5]	50,000	49,960	8.125 %	50,000	49,944	8.125 %
2028 Notes	40,000	38,986	8.00 %	40,000	38,726	8.00 %
2029 Notes	71,808	69,938	8.50 %	71,875	69,622	8.50 %
2029 Notes	75,000	73,028	8.625 %	75,000	72,662	8.625 %
2030 Notes[6]	30,000	29,355	8.375 %	—	—	— %
Notes payable - Securitization Trusts[1]	142,560	140,596	6.94 %	189,231	186,635	7.32 %
Total borrowings	$ 938,368	$ 748,549	7.65 %	$ 855,977	$ 708,041	7.22 %

Outstanding borrowings that are presented net of deferred financing costs, which include the bank borrowings, the Parent Company Notes, and the Notes payable - Securitization Trusts, consisted of the following:

	September 30, 2025			December 31, 2024		
	Principal balance	Unamortized deferred financing costs	Net carrying amount[1]	Principal balance	Unamortized deferred financing costs	Net carrying amount[1]
Bank Borrowings:						
NMS Webster Note[2]	$ —	$ —	$ —	$ 32,894	$ (206)	$ 32,688
NMS Goldman Facility[3]	90,000	(1,383)	88,617	—	—	—
SPV I Capital One Facility	23,740	(585)	23,155	21,300	(108)	21,192
SPV II Deutsche Bank Facility	104,691	(721)	103,970	54,800	(764)	54,036
SPV III One Florida Bank Facility	8,307	(45)	8,262	23,075	(64)	23,011
Parent Company Notes:						
2025 Notes (5.00%)[3]	—	—	—	30,000	(87)	29,913
2026 Notes (5.50%)	115,000	(180)	114,820	115,000	(718)	114,282
2027 Notes (8.125%)[4]	50,000	(40)	49,960	50,000	(56)	49,944
2028 Notes (8.00%)	40,000	(1,014)	38,986	40,000	(1,274)	38,726
2029 Notes (8.50%)	71,808	(1,870)	69,938	71,875	(2,253)	69,622
2029 Notes (8.625%)	75,000	(1,972)	73,028	75,000	(2,338)	72,662
2030 Notes (8.375%)[5]	30,000	(645)	29,355	—	—	—
Notes Payable - Securitization Trusts	142,560	(1,964)	140,596	189,231	(2,596)	186,635

1 Net of deferred financing costs.
2 On September 26, 2025, the NMS Webster Note was repaid in full. Refer to more detailed information below.
3 On September 26, 2025, NMS entered into the Goldman Facility. Refer to more detailed information below.
4 On March 31, 2025, the 2025 5.00% Notes matured.
5 Effective December 11, 2024, the Company entered into the Amendment and Exchange Agreements with each of the holders of the 2025 8.125% Notes, pursuant to which the Company and the holders of the 2025 8.125% Notes agreed to exchange the 2025 8.125% Notes for the 2027 Notes, effecting amendments solely to (i) extend the February 1, 2025 maturity date of the

2025 8.125% Notes to the new maturity date of February 1, 2027 (the "New Maturity Date") and (ii) provide that the 2027 Notes will be redeemable in whole, but not in part, at any time, at the option of the Company, from November 1, 2026 to the New Maturity Date, at a redemption price of 100% of the outstanding principal amount being redeemed plus any accrued but unpaid interest, to but excluding the redemption date.

[6] On March 19, 2025, the Company closed an exempt offering of $30.0 million in aggregate principal amount of its 2030 Notes. The 2030 Notes bear interest at a rate of 8.375% per year payable semiannually on April 1 and October 1 each year, beginning October 1, 2025.

2030 Notes

On March 19, 2025, the Company closed an exempt offering of $30.0 million in aggregate principal amount of its 2030 Notes. The offering was consummated pursuant to the terms of a purchase agreement dated March 19, 2025 among the Company and eleven institutional accredited investors (each a "Purchaser"). Pursuant to the purchase agreement, the 2030 Notes were issued to the Purchaser in a private placement in reliance on Section 4(a)(2) of the Securities Act of 1933, as amended (the "Securities Act"). The 2030 Notes are scheduled to mature on April 1, 2030 and can be redeemed in whole or in part at any time, at a make-whole price prior to January 1, 2030, or at a price equal to 100% of the principal amount of the Notes to be redeemed, plus accrued and unpaid interest, if any, thereafter. The 2030 Notes bear interest at a rate of 8.375% per year payable semiannually on April 1 and October 1 each year, beginning October 1, 2025. Total net proceeds received after deducting structuring fees and estimated offering expenses was approximately $29.25 million.

NMS Webster Note

On September 26, 2025, the Company's wholly-owned subsidiary NMS repaid in full all of the outstanding obligations under that certain Credit Agreement, dated as of November 8, 2018. As a result, the Webster Credit Agreement and the other loan documents executed in connection therewith have been terminated, including that certain Parent Guaranty Agreement, dated as of November 8, 2018, by and between the Company and Webster Bank. No early termination penalties were incurred by the Company or the Loan Parties as a result of the termination. As a result of the termination, the Company recognized a $0.2 million loss on extinguishment of debt.

NMS Goldman Facility

On September 26, 2025, NMS and its wholly-owned subsidiary, Mobil Money, LLC (collectively, the "Borrowers"), together with NBSH Holdings, LLC, the direct sole member of NMS, as guarantor, entered into a Credit and Guaranty Agreement (the "Goldman Credit Agreement"), with Private Credit at Goldman Sachs Alternatives ("Goldman") as Administrative Agent and Collateral Agent thereunder and the lenders party thereto from time to time (the "Lenders"). Pursuant to the terms of the Goldman Credit Agreement, the Lenders made available to the Borrowers term loans up to an aggregate principal amount of $90.0 million (the "Term Loans") and a revolving facility up to an aggregate principal amount of $5.0 million (together with the Term Loans, collectively the "Goldman Facility"). The Goldman Facility will mature on September 26, 2030. The Company incurred approximately $1.4 million of deferred financing costs in connection with the Goldman Facility.

On September 26, 2025, the Borrowers drew down the full $90.0 million in Term Loans and used the proceeds to repay in full the outstanding amounts under the Webster Facility and pay transaction expenses related to the closing of the Goldman Facility. In addition, the Borrowers used the proceeds to fund $58.5 million of loans to the Company. The Company intends to use the proceeds of such loans to repay and reduce the Company's outstanding unsecured debt, repurchase Company common shares (subject to market conditions and the terms of existing or any future share repurchase authorizations by the Company's board of directors) and for other general corporate purposes.

Pursuant to the terms of the guaranty under the Goldman Credit Agreement, NBSH has unconditionally guaranteed the prompt and unconditional payment of all of the Borrowers' obligations under the Goldman Credit Agreement.

SPV I Capital One Facility

Newtek ALP Holdings' subsidiary (our indirect subsidiary) SPV I maintains a credit facility with Capital One. On July 28, 2025 the facility was upsized to maximum borrowings of $100.0 million. Capital One's commitments to fund new amounts terminate in July 2027, with all amounts due under the Facility maturing in July 2028. The Company incurred approximately $0.6 million of deferred financing costs in connection with this upsize.

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Total interest expense including unused line fees and amortization of deferred financing costs related to borrowings for the three and nine months ended September 30, 2025 and 2024 were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Total interest expense	$ 13,666	$ 12,976	$ 41,016	$ 38,923

NOTE 12—DERIVATIVE INSTRUMENTS:

The Company historically uses derivative instruments primarily to economically manage the fair value variability of certain fixed rate assets caused by interest rate fluctuations and overall portfolio market risk. The following is a breakdown of the derivatives outstanding as of September 30, 2025 and December 31, 2024:

	September 30, 2025				December 31, 2024			
		Fair Value		Remaining		Fair Value		Remaining
Contract Type	Notional[1]	Asset[2]	Liability[3]	Maturity (years)	Notional[1]	Asset[2]	Liability[3]	Maturity (years)
5-year Treasury Futures	$ (150,704)	$ 232	$ —	0.25 years	$ (153,049)	$ 715	$ —	0.25 years

[1] Shown as a negative number when the position is sold short.
[2] Shown in Other assets in the accompanying Consolidated Statements of Financial Condition.
[3] Shown in Accounts payable, accrued expenses, and other liabilities in the accompanying Consolidated Statements of Financial Condition.

The following table indicates the net realized gains (losses) and unrealized appreciation (depreciation) on derivatives as included in Other noninterest income in the Consolidated Statements of Income for the three and nine months ended September 30, 2025 and 2024:

	Three Months Ended				Nine Months Ended			
	September 30, 2025		September 30, 2024		September 30, 2025		September 30, 2024	
Contract Type	Unrealized Appreciation/(Depreciation)	Realized Gain/(Loss)	Unrealized Appreciation/(Depreciation)	Realized Gain/(Loss)	Unrealized Appreciation/(Depreciation)	Realized Gain/(Loss)	Unrealized Appreciation/(Depreciation)	Realized Gain/(Loss)
5-year Treasury Futures	$ 1,054	$ (1,202)	$ 356	$ (2,015)	$ (482)	$ (3,393)	$ 562	$ (1,527)

Collateral posted with our futures counterparty is segregated in the Company's books and records. Historically, the Company's counterparty has held cash margin as collateral for derivatives, which is included in restricted cash in the consolidated balance sheets. Interest rate futures are centrally cleared by the Chicago Mercantile Exchange ("CME") through a futures commission merchant. The Company is required to post initial margin and daily variation margin for interest rate futures that are centrally cleared by CME. CME determines the fair value of our centrally cleared futures, including daily variation margin. Variation margin pledged on the Company's centrally cleared interest rate futures is settled against the realized results of these futures.

NOTE 13—COMMITMENTS AND CONTINGENCIES:

Operating and Employment Commitments

The Company leases office space and other office equipment in several states under operating lease agreements which expire at various dates through 2030. Those office space leases which are for more than one year generally contain scheduled rent increases or escalation clauses. In addition, during 2025, the Company entered into one-year employment agreements with its named executive officers.

Lease Terminations

On April 10, 2025, NSBF entered into a Lease Termination and Surrender Agreement with respect to office space leased at 1981 Marcus Avenue, Lake Success, NY 11042, which lease had an expiration date of March 31, 2027, to terminate the lease effective April 30, 2025. In addition, on April 11, 2025, NSBF entered into an Early Termination Agreement to terminate an additional lease for office space at 1985 Marcus Avenue, Lake Success, NY 11042, which lease had an expiration date of March 31, 2027, to terminate the lease effective April 11, 2025.

The following summarizes the Company's obligations and commitments, as of September 30, 2025 for future minimum cash payments required under operating lease and employment agreements:

Year	Operating Leases	Employment Agreements[1]	Total
2025	$ 167	$ 702	$ 869
2026	499	702	1,201
2027	329	—	329
2028	242	—	242
2029	249	—	249
Thereafter	2,237	—	2,237
Total	$ 3,723	$ 1,404	$ 5,127

[1] Employment agreements with the Company's named executive officers

Legal Matters

The Company and its subsidiaries are routinely subject to actual or threatened legal proceedings, including litigation and regulatory matters, arising in the ordinary course of business. Litigation matters range from individual actions involving a single plaintiff to class action lawsuits and can involve claims for substantial or indeterminate alleged damages or for injunctive or other relief. Regulatory investigations and enforcement matters may involve formal or informal proceedings and other inquiries initiated by various governmental agencies, law enforcement authorities, and self-regulatory organizations, and can result in fines, penalties, restitution, changes to the Company's business practices, and other related costs, including reputational damage. At any given time, these legal proceedings are at varying stages of adjudication, arbitration, or investigation, and may relate to a variety of topics.

Assessment of exposure that could result from legal proceedings is complex because these proceedings often involve inherently unpredictable factors, including, but not limited to, the following: whether the proceeding is in early stages; whether damages or the amount of potential fines, penalties, and restitution are unspecified, unsupported, or uncertain; whether there is a potential for punitive or other pecuniary damages; whether the matter involves legal uncertainties, including novel issues of law; whether the matter involves multiple parties and/or jurisdictions; whether discovery or other investigation has begun or is not complete; whether material facts may be disputed or unsubstantiated; whether meaningful settlement discussions have commenced; and whether the matter involves class allegations. As a result of these complexities, the Company may be unable to develop an estimate or range of loss.

The Company evaluates legal proceedings based on information currently available, including advice of counsel. The Company establishes accruals for those matters, pursuant to ASC 450, when a loss is considered probable and the related amount is reasonably estimable. While the final outcomes of legal proceedings are inherently unpredictable, management is currently of the opinion that the outcomes of pending and threatened matters will not have a material effect on the Company's business, consolidated financial position, results of operations or cash flows as a whole.

As available information changes, the matters for which the Company is able to estimate, as well as the estimates themselves, will be adjusted accordingly. The Company's estimates are subject to significant judgment and uncertainties, and the matters underlying the estimates will change from time to time. In the event of unexpected future developments, it is possible that an adverse outcome in any such matter could be material to the Company's business, consolidated financial position, results of operations, or cash flows as a whole for any particular reporting period of occurrence.

In addition. as a result of a litigation brought by the Federal Trade Commission (the "FTC") in October 2012, NMS voluntarily entered into, and continues to operate under, a permanent injunction with respect to certain of its business practices.

Unfunded Commitments

At September 30, 2025, the Company had $106.4 million of unfunded commitments consisting of $29.1 million in connection with its SBA 7(a) loans, $69.8 million in connection with its SBA 504 loans, and $7.5 million relating to commercial and industrial loans. The Company funds these commitments from the same sources it uses to fund its other loan commitments.

NOTE 14—SHAREHOLDERS EQUITY:

Preferred Stock

Series A Preferred Stock

On February 3, 2023, the Company entered into a Securities Purchase Agreement (the "Securities Purchase Agreement") with Patriot Financial Partners IV, L.P., and Patriot Financial Partners Parallel IV, L.P. (collectively, "Patriot") in respect of 20 thousand shares of the Company's Series A Convertible Preferred Stock, par value $0.02 per share (the "Series A Preferred Stock"), in a private placement transaction. The aggregate purchase price was $20.0 million. Each share of Series A Preferred Stock was issued at a price of $1.0 thousand per share and was convertible at Patriot's option into 47.54 shares of the Company's Common Stock. The Company had not issued preferred stock prior to February 3, 2023.

On September 16, 2025, the Company entered into a Securities Purchase and Exchange Agreement (the "Purchase and Exchange Agreement") with Patriot, pursuant to which Patriot exchanged (i) the 20 thousand outstanding shares of the Company's Series A Preferred Stock originally issued to Patriot for an aggregate purchase price of $20.0 million and (ii) $10 million in cash, for 2,307,692 shares of the Company's Common Stock (the "Shares"). Patriot is subject to restrictions on transferring the Shares for two years following the date of the Purchase and Exchange Agreement without the Company's consent, subject to certain customary exceptions.

Series B Preferred Stock

On August 20, 2025, the Company closed an offering of 2,000,000 depository shares (the "Depository Shares"), each representing a 1/40th interest in a share of the Company's 8.500% Fixed-Rate Reset Non-Cumulative Perpetual Preferred Stock, Series B (the "Series B Preferred Stock"), with a liquidation preference of $1,000 per share (equivalent to $25.00 per Depositary Share). The offering generated approximately $48.357 million in net proceeds to the Company. The newly issued Series B Preferred Stock will pay (and the holders of the Depository Shares will correspondingly receive) a non-cumulative 8.500% per annum cash dividend (payable quarterly when, as and if declared by the Company's Board, on January 1, April 1, July 1 and October 1 of each year, beginning on October 1, 2025) through October 1, 2030, at which time the dividend rate will reset based on the five-year US treasury rate on the relevant determination date plus a fixed spread and thereafter will reset on the fifth anniversary of the preceding reset date, with the dividend rate determined in the same manner. The Depository Shares are listed on the Nasdaq Global Market® under the ticker symbol "NEWTP." The Company has not subsequently issued any preferred stock.

Warrants for Common Stock

On February 3, 2023, pursuant to the Securities Purchase Agreement, the Company issued warrants to Patriot to purchase, in the aggregate, 47.54 thousand shares of Common Stock for $21.03 per share. The Warrants are exercisable in whole or in part until the ten year anniversary of the entry into the Securities Purchase Agreement and may be exercised for cash or on a "net share" basis, with the number of shares withheld determined based on the closing price of the Common Stock on the date of such exercise. Warrants are included in Accounts payable, accrued expenses and other liabilities on the Consolidated Statements of Financial Condition.

Common Stock

ATM Program

The Company's shelf registration statement on Form S-3 was declared effective by the SEC on July 27, 2023. On November 17, 2023, the Company entered into an ATM equity distribution agreement (the "Original ATM Equity Distribution Agreement"). The Original ATM Equity Distribution Agreement provided that the Company may offer and sell up to 3.0 million shares of Common Stock from time to time through the placement agents thereunder (the "ATM Program"). The Original ATM Equity Distribution Agreement was amended and restated on June 6, 2025 (the "Amended and Restated Equity Distribution Agreement"). The Amended and Restated Equity Distribution Agreement provides that the Company may offer and sell up to 5.0 million shares of Common Stock from time to time through the placement agents thereunder (inclusive of shares of Common Stock sold under the Original ATM Distribution Agreement) and added certain additional placement agents. The Company may, subject to market conditions, engage in activity under the ATM Program.

The following table summarizes the total shares sold and net proceeds received under the ATM Program:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Shares sold	425	—	425	1,100
Net weighted average price per share	$ 12.22	$ —	$ 12.22	$ 12.56
Net proceeds	$ 5,090	$ —	$ 5,090	$ 13,818
Placement agent fees paid	$ 104	$ —	$ 104	$ 282

We used the net proceeds for funding investments in accordance with our investment objective and strategies and for general corporate purposes including repaying outstanding indebtedness and other general corporate purposes.

Stock and Debt Repurchase Programs

On November 1, 2024, the Company's Board of Directors approved a new stock repurchase program granting the Company authority to repurchase up to 1.0 million shares of Company common stock during the following twelve months. The actual timing and amount of any repurchases under the plan will be determined by the Company in its discretion, and will depend on a number of factors, including market conditions, applicable legal requirements, the Company's capital needs and whether there is a better alternative use of capital. The Company has no obligation to repurchase any amount of its common stock under its new stock repurchase program.

The following table summarizes the total Common Shares repurchased and net proceeds received under the stock repurchase program:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Shares repurchased	—	—	16	—
Net weighted average price per share	$ —	$ —	$ 10.42	$ —
Net proceeds	$ —	$ —	$ 167	$ —

In addition, on September 11, 2025, the Board approved a debt repurchase program granting the Company authority to repurchase up to $5.0 million aggregate principal amount of the Company's 2029 Notes during the following six months. The actual timing and amount of any repurchases under the plan will be determined by the Company in its discretion, and will depend on a number of factors, including market conditions, applicable legal requirements, the Company's capital needs and whether there is a better alternative use of capital. The Company has no obligation to repurchase any amount of its debt securities under this debt repurchase program. Pursuant to the debt repurchase program, the Company repurchased 2,700 shares of its 2029 8.50% Notes on September 22, 2025.

Dividends and Distributions

Preferred Stock

The Company’s dividends and distributions on its Preferred Stock are recorded on the declaration date. The following table summarizes dividend declarations and distributions on the Series A and Series B Preferred Stock during the nine months ended September 30, 2025 and 2024:

Date Declared	Series[1]	Record Date	Payment Date	Amount Per Share	Cash Distribution
Nine months ended September 30, 2025					
March 31, 2025	A	March 30, 2025	April 1, 2025	$ 20.00	$ 400
June 30, 2025	A	June 30, 2025	July 1, 2025	$ 20.00	$ 400
September 29, 2025	B	September 29, 2025	October 1, 2025	$ 9.44 [2]	$ 472 [2]
Nine months ended September 30, 2024					
March 19, 2024	A	March 28, 2024	April 1, 2024	$ 20.00	$ 400
June 27, 2024	A	June 28, 2024	July 1, 2024	$ 20.00	$ 400
September 16, 2024	A	September 30, 2024	October 1, 2024	$ 20.00	$ 400

[1] Series A Preferred Stock exchanged for Common Stock and cash on September 16, 2025.
[2] Prorated for the initial dividend period from the date of the issuance of the Series B preferred stock on August 20, 2025.

Common Stock

The Company’s dividends and distributions on the Common Stock are recorded on the declaration date. Effective December 8, 2023, the Company terminated the DRIP. The following table summarizes the Company’s dividend declarations and distributions, including dividend shares issued on vested restricted stock awards, during the nine months ended September 30, 2025 and 2024:

Date Declared	Record Date	Payment Date	Amount Per Share	Cash Distribution	Dividend Shares Issued on Unvested RSAs #	Dividend Shares Issued on Unvested RSAs $
Nine months ended September 30, 2025						
March 31, 2025	April 15, 2025	April 30, 2025	$ 0.19	$ 4,835	35	$ 367
June 25, 2025	July 9, 2025	July 21, 2025	$ 0.19	$ 4,836	—	$ —
September 30, 2025	October 14, 2025	October 24, 2025	$ 0.19	$ 5,387	3	$ 54
Nine months ended September 30, 2024						
March 19, 2024	April 1, 2024	April 15, 2024	$ 0.19	$ 4,617	6	$ 71
June 27, 2024	July 9, 2024	July 19, 2024	$ 0.19	$ 4,827	5	$ 78
September 16, 2024	October 10, 2024	October 21, 2024	$ 0.19	$ 4,837	8	$ 114

NOTE 15—EARNINGS PER SHARE:

Basic and diluted earnings per share are computed based on the weighted average number of shares outstanding during each period. Diluted earnings per share reflects the potential dilution that could occur upon the exercise of stock options, to the extent outstanding, or upon the vesting of restricted stock grants, any of which would result in the issuance of Common Stock that would then share in the net income of the Company.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Basic earnings per share:				
Net income available to common shareholders	$ 17,429	$ 11,534	$ 39,699	$ 31,329
Weighted-average basic shares outstanding	25,600	25,425	25,310	24,773
Basic earnings per share	$ 0.68	$ 0.45	$ 1.57	$ 1.26
Diluted earnings per share:				
Net income, for diluted earnings per share	$ 17,429	$ 11,534	$ 39,699	$ 31,329
Add: Preferred dividends on dilutive Series A convertible preferred stock[1]	—	400	—	—
Net income, for diluted earnings per share	$ 17,429	$ 11,934	$ 39,699	31,329
Total weighted-average basic shares outstanding	25,600	25,425	25,310	24,773
Add effect of dilutive restricted stock awards[2]	443	213	458	151
Add effect of dilutive Series A convertible preferred stock[3]	—	951	—	—
Total weighted-average diluted shares outstanding[4]	26,043	26,589	25,768	24,924
Diluted earnings per share	$ 0.67	$ 0.45	$ 1.54	$ 1.26
Anti-dilutive warrants, restricted stock awards, and Series A convertible preferred stock	48	48	48	998

[1] For periods presented other than the three months ended September 30, 2024, the Series A convertible preferred stock was anti-dilutive and, therefore, the preferred dividends have not been added back to the numerator of Net income, for diluted earnings per share.

[2] Incremental diluted shares from restricted stock awards under the treasury stock method.

[3] Incremental diluted shares from Series A convertible preferred stock under the treasury stock method. The dilutive effect on common shares under the if-converted method of the Series A convertible preferred stock have been added back to the denominator in calculating diluted earnings per share for the three months ended September 30, 2024.

[4] For the three and nine months ended September 30, 2025 and September 30, 2024, the warrants were not included in the diluted share count because the results would have been anti-dilutive under the if-converted method.

NOTE 16—BENEFIT PLANS:

Defined Contribution Plan

The Company's employees participate in a defined contribution 401(k) plan (the "Plan") adopted in 2004 which covers substantially all employees based on eligibility. The Plan is designed to encourage savings on the part of eligible employees and qualifies under Section 401(k) of the Code. Under the Plan, eligible employees may elect to have a portion of their pay, including overtime and bonuses, reduced each pay period, as pre-tax contributions up to the maximum allowed by law. The Company may elect to make a matching contribution equal to a specified percentage of the participant's contribution, on their behalf as a pre-tax contribution.

Stock-based Compensation Plans

Restricted Stock Awards

The Company accounts for its stock-based compensation plan using the fair value method, as prescribed by ASC 718, Compensation—Stock Compensation. Accordingly, for restricted stock awards, the Company measures the grant date fair value based upon the market price of its Common Stock on the date of the grant and amortizes the fair value of the awards as stock-based compensation expense over the requisite service period, which is generally the vesting term.

The Compensation, Corporate Governance and Nominating Committee of the Board approves the issuance of awards of restricted stock to employees and directors pursuant to the 2023 Stock Incentive Plan, which was approved by the Board in April 2023 and the Company's shareholders on June 14, 2023. No new awards may be granted under the 2015 Stock Incentive Plan, which was terminated by the Board in April 2023. The following table summarizes the restricted stock issuances under the 2015 and 2023 Stock Incentive Plans, net of shares forfeited, if any:

	2023 Plan[1]	**2015 Plan**
Restricted Stock authorized under the plan[2]	3.0 million	1.5 million
Net restricted stock (granted)/forfeited during:		
Year ended December 31, 2021 and prior	—	(438)
Year ended December 31, 2022	—	(251)
Year ended December 31, 2023	(82)	28
Year ended December 31, 2024	(497)	—
Nine months ended September 30, 2025	33	—
Total net restricted stock (granted)/forfeited	(546)	(661)

1 The 2023 Stock Incentive Plan provides for an initial share reserve of up to 3.0 million shares of Common Stock.
2 No stock options were granted under the 2015 or 2023 Stock Incentive Plans.

Awards of restricted stock granted under the 2015 and 2023 Stock Incentive Plans generally vest over a one- to three-year periods from the grant date; awards of restricted stock granted under the 2023 Stock Incentive Plan to non-employee directors generally vest over a one-year period. The grant date fair value is expensed over the service period, starting on the grant date.

Details of the Company's outstanding shares related to restricted stock awards as of September 30, 2025 and December 31, 2024 are outlined below:

	September 30, 2025	**December 31, 2024**
Shares outstanding related to grants of restricted stock awards	508	771
Weighted average grant date fair value of awards	$12.95	$14.51
Additional shares outstanding related to dividends on awards	48	59

As of September 30, 2025 and December 31, 2024, the Company's total unrecognized compensation expense related to unvested shares of restricted stock granted was as follows:

	September 30, 2025	**December 31, 2024**
Unrecognized compensation expense on unvested awards	$2,560	$5,929
Weighted-average period of unrecognized compensation expense	1.2 years	1.0 year

Employee Stock Purchase Plan (ESPP)

On June 14, 2023, the Company's stockholders approved the ESPP. The initial aggregate number of shares of Common Stock that may be purchased under the ESPP will not exceed 0.2 million shares. Under the terms of the ESPP, employees may authorize the withholding of up to 15% of their eligible compensation to purchase our shares of Common Stock, not to exceed $25 thousand of Common Stock for any calendar year. The purchase price per shares acquired under the ESPP will never be less than 85% of the fair market value of the lesser of our Common Stock on the offering date or purchase date. The Compensation, Corporate Governance and Nominating Committee of our Board, in its discretion, may terminate the ESPP at any time with respect to any shares for which options have not been granted and has the right to amend the ESPP with stockholder approval within 12 months before or after the adoption of the amendment. The difference between the Common Stock's fair value and the employee's discounted purchase price is expensed at the time of purchase.

The following table summarizes the Company's ESPP activity from inception through September 30, 2025:

	Nine Months Ended September 30, 2025				Year Ended December 31, 2024			
	Offering Period			Total	Offering Period			Total
Commencement date	4/1/2025	4/1/2025	10/1/2024		10/1/2024	4/1/2024	10/1/2023	
End date	9/15/2025	6/15/2025	3/15/2025		12/15/2024	9/15/2024	3/15/2024	
Shares purchased	6	9	4	19	5	10	5	20
Weighted average share price	$ 10.77	$ 9.40	$ 10.97	$ 10.16	$ 11.03	$ 10.21	$ 9.83	$ 10.32
Total purchased, net of discount	$ 62	$ 80	$ 48	$ 190	$ 55	$ 101	$ 51	$ 207

The ESPP share activity is as follows:

	Shares
ESPP shares authorized under the plan	200
ESPP shares purchased during:	
Year ended December 31, 2023	(4)
Year ended December 31, 2024	(20)
Period ended September 30, 2025	(19)
Available for future purchases, September 30, 2025	157

The Company's total stock-based compensation expense included within Salaries and employee benefits expense in the Consolidated Statements of Income for the three and nine months ended September 30, 2025 and 2024 is summarized below:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Restricted stock awards	$ 611	$ 913	$ 3,972	$ 2,244
ESPP	8	5	36	17
Total compensation cost recognized for stock-based compensation plans	$ 619	$ 918	$ 4,008	$ 2,261

NOTE 17—INCOME TAXES:

Effective Tax Rate

The effective tax rate was 26.16% and 27.62% for the nine months ended September 30, 2025 and September 30, 2024, respectively. The effective tax rate differs from the federal tax rate of 21% for the nine months ended September 30, 2025, due primarily to the recognition of the difference in basis in the Company's investment in NTS and state taxes. The effective tax rate differs from the federal tax rate of 21% for the nine months ended September 30, 2024, due primarily due to state taxes.

The effective tax rate was 28.58% and 30.03% for the three months ended September 30, 2025 and September 30, 2024, respectively. The effective tax rate differs from the federal tax rate of 21% for the three months ended September 30, 2025 and September 30, 2024 primarily due to state taxes.

NOTE 18—SEGMENTS:

The Company's management reporting process measures the performance of its operating segments based on internal operating structure, which is subject to change from time to time. The Company's segment reporting process begins with the assignment of all loans directly to the segments where these products are originated and/or serviced. All deposit accounts are allocated to the Banking segment as our wholly owned FDIC insured depository is included within the Banking segment. Equity capital is assigned to each segment based on the risk profile of their assets and liabilities. With the exception of goodwill, which is assigned a 100% weighting, equity capital allocations ranged from 0% to 25% during the year. Any excess or deficient equity not allocated to segments based on risk is assigned to the Corporate & Other segment.

Net interest income, provision for credit losses, and non-interest expense amounts are recorded in their respective segments to the extent the amounts are directly attributable to those segments. The net income amount for each reportable segment is further derived by the use of expense allocations. Certain expenses not directly attributable to a specific segment are allocated across all segments based on key metrics, such as number of employees. These types of expenses include information technology, operations, human resources, finance, risk management, credit administration, legal, and marketing.

The assignment and allocation methodologies used in the segment reporting process discussed above change from time to time as systems are enhanced, methods for evaluating segment performance or product lines change or as business segments are realigned.

The Company operates four reportable segments for management reporting purposes with their operating and financial results reviewed by the chief operating decision maker (“CODM”), which is the Chief Executive Officer of the Company. The CODM assesses overall segment performance based on pre-tax income and uses this metric to allocate resources for each segment, focusing on budgeting and forecasting. The Company has four segments, as discussed below:

Banking

Newtek Bank originates, services and sells SBA 7(a) loans in a similar manner to NSBF’s historic business model (see Non-Bank Lending below) and originates and services SBA 504 loans, C&I loans, CRE loans and ABL loans. In addition, Newtek Bank offers depository services.

Alternative Lending

Alternative Lending includes NALH (Newtek ALP Holdings) and its subsidiaries. The Company has originated loans under its Alternative Lending Program (ALP) since 2019. Prior to July 1, 2024, the Company originated ALP loans with the intent to sell to a JV. While the Company may continue to source JV partners to participate in the ALP, the Company’s subsidiary Newtek ALP Holdings (NALH) currently originates ALP loans designated as HFI. The Company does not expect any significant changes to the underwriting or terms of loans in its ALP.

NSBF

NSBF relates to NSBF’s legacy portfolio of SBA 7(a) loans held outside Newtek Bank; no new loan origination activity takes place. A material portion of NSBF’s legacy portfolio of SBA 7(a) loans reside in three securitization trusts.

Payments

Payments includes NMS, POS and Mobil Money. NMS markets credit and debit card processing services, check approval services, processing equipment, and software and:

– Assist merchants with initial installation of equipment and on-going service, as well as any other special processing needs that they may have.
– Handles payment processing for Mobil Money’s merchant portfolio of taxi cabs and related licensed payment processing software.
– POS is a provider of a cloud based Point of Sale (POS) system for a variety of restaurant, retail, assisted living, parks and golf course businesses, which provides not only payments and purchase technology solutions, but also inventory, customer management, reporting, employee time clock, table and menu layouts, and ecommerce solutions as the central operating system for an SMB.

Corporate and Other

The information provided under the caption "Corporate and Other" represents operations not considered to be reportable segments and/or general operating expenses of the Company, and includes the parent company, other non-bank subsidiaries including NIA and PMT, and elimination adjustments to reconcile the results of the operating segments to the condensed consolidated financial statements prepared in conformity with GAAP.

F**ormer Reportable Segment**

Technology

NTS provided website hosting, web design and development, dedicated server hosting, cloud hosting, internet marketing, ecommerce, data storage, backup and disaster recovery, and other related services for commercial clients. As a result of commitments made to the Federal Reserve in connection with the Acquisition, the Company divested of NTS on January 2, 2025. As a result of the Company's completion of the NTS Sale, Technology is no longer be reported as a reportable segment. See NOTE 4—INVESTMENTS: Intelligent Protection Management Corp**.**

The following tables provide financial information for the Company's segments:

As of and for the nine months ended September 30, 2025

	Banking		Alternative Lending		NSBF		Payments		Corporate & Other		Consolidated
	Segment	Elim	Segment	Elim	Segment	Elim	Segment	Elim	Segment	Elim	
Interest income	$ 74,811	$ (7)	$ 19,566	$ (69)	$ 19,239	$ (372)	$ 1,872	$ (1,829)	$ 933	$ (642)	$ 113,502
Interest expense	30,943	(616)	6,141	—	9,521	—	2,088	(49)	25,318	(2,249)	71,097
Net interest income/(loss)	43,868	609	13,425	(69)	9,718	(372)	(216)	(1,780)	(24,385)	1,607	42,405
Provision for loan credit losses	30,334	—	—	—	—	—	—	—	—	—	30,334
Net interest income after provision for loan credit losses	13,534	609	13,425	(69)	9,718	(372)	(216)	(1,780)	(24,385)	1,607	12,071
Noninterest income	105,339	(21,734)	55,537	—	(7,491)	—	35,881	(1,910)	73,788	(70,349)	169,061
Electronic payment processing expense	—	—	—	—	—	—	14,333	(1,160)	131	—	13,304
Salaries and employee benefits expense	43,339	(3,463)	859	(859)	285	188	6,514	(1,007)	13,428	5,140	64,424
Professional services expense	4,049	—	216	—	1,447	—	329	—	5,491	—	11,532
Other loan origination and maintenance expense	19,160	(11,136)	5,483	(3,748)	11,449	(6,776)	—	—	100	(64)	14,468
Depreciation and amortization	129	—	—	—	155	—	265	—	—	—	549
Loss on extinguishment of debt	—	—	—	—	—	—	179	—	—	—	179
Other general and administrative costs	10,564	(316)	1,959	(43)	2,503	(3)	1,492	(261)	5,768	(474)	21,189
Income before taxes	41,632	(6,210)	60,445	4,581	(13,612)	6,219	12,553	(1,262)	24,485	(73,344)	55,487
Income tax expense (benefit)	10,766	(10,766)	—	—	—	—	(3)	—	3,753	10,766	14,516
Net income	$ 30,866	$ 4,556	$ 60,445	$ 4,581	$(13,612)	$ 6,219	$ 12,556	$ (1,262)	$ 20,732	$ (84,110)	$ 40,971
Assets	$1,520,476	$(31,544)	$625,297	$(152,070)	$415,364	$(48,251)	$120,028	$(98,083)	$762,879	$(714,997)	$ 2,399,099
Goodwill & intangible assets	$ 820		$ —		$ —		$ 13,813		$ —		$ 14,633
Amortization of intangible assets	$ 129		$ —		$ —		$ —		$ —		$ 129

As of and for the nine months ended September 30, 2024

	Banking		Alternative Lending		Technology		NSBF		Payments		Corporate & Other		Consolidated
	Segment	Elim	Segment	Elim	Segment	Elim	Segment	Elim	Segment	Elim	Segment	Elim	
Interest income	$ 48,884	$ —	$ 9,811	$ (10)	$ 3	$ (3)	$ 28,894	$ (315)	$ 1,776	$ (1,741)	$ 1,817	$ (1,425)	$ 87,691
Interest expense	20,635	(469)	2,855	—	—	—	16,733	—	2,289	(60)	19,660	(2,965)	58,678
Net interest income/(loss)	28,249	469	6,956	(10)	3	(3)	12,161	(315)	(513)	(1,681)	(17,843)	1,540	29,013
Provision for loan credit losses	16,742	—	—	—	—	—	—	—	—	—	—	—	16,742
Net interest income after provision for loan credit losses	11,507	469	6,956	(10)	3	(3)	12,161	(315)	(513)	(1,681)	(17,843)	1,540	12,271
Noninterest income	100,326	(20,389)	31,555	—	19,701	(5,232)	(15,475)	—	39,090	(3,044)	45,091	(38,385)	153,238
Technology services expense	—	—	—	—	8,846	(222)	—	—	—	—	—	—	8,624
Electronic payment processing expense	—	—	—	—	—	—	—	—	15,889	(912)	—	—	14,977
Salaries and employee benefits expense	35,134	(1,859)	—	—	6,636	—	381	341	5,659	11	12,635	1,507	60,445
Professional services expense	2,769	—	127	—	335	—	1,664	—	522	—	5,820	—	11,237
Other loan origination and maintenance expense	14,077	(10,011)	4,117	(2,633)	17	—	12,065	(8,460)	—	—	290	(71)	9,391
Depreciation and amortization	138	—	—	—	1,062	—	73	—	264	—	33	—	1,570
Other general and administrative costs	9,240	(1,909)	120	—	2,860	(204)	463	(9)	2,070	(1,313)	5,148	(2,140)	14,326
Income before taxes	50,475	(6,141)	34,147	2,623	(52)	(4,809)	(17,960)	7,813	14,173	(2,511)	3,322	(36,141)	44,939
Income tax expense (benefit)	15,136	(15,136)	—	—	—	—	—	—	—	—	(2,726)	15,136	12,410
Net income	$ 35,339	$ 8,995	$ 34,147	$ 2,623	$ (52)	$(4,809)	$(17,960)	$ 7,813	$14,173	$ (2,511)	$ 6,048	$ (51,277)	$ 32,529
Other Segment Disclosures:													
Assets	$935,319	$(22,719)	$336,605	$(116,051)	$21,919	$(1,400)	$536,000	$(82,082)	$62,710	$(36,007)	$651,769	$(611,893)	$ 1,674,170
Goodwill & intangible assets	$ 980		$ —		$ —		$ —		$13,814		$ —		$ 14,794
Amortization of intangible assets	$ 593		$ —		$ —		$ —		$ —		$ —		$ 593

The following tables provide financial information for the Company's segments:

As of and for the three months ended September 30, 2025

	Banking		Alternative Lending		NSBF		Payments		Corporate & Other		Consolidated
	Segment	Elim	Segment	Elim	Segment	Elim	Segment	Elim	Segment	Elim	
Interest income	$ 27,720	$ (3)	$ 5,529	$ (35)	$ 5,889	$ (115)	$ 737	$ (720)	$ 219	$ (127)	$ 39,094
Interest expense	11,154	(217)	2,110	—	2,974	—	806	(17)	8,496	(761)	24,545
Net interest income/(loss)	16,566	214	3,419	(35)	2,915	(115)	(69)	(703)	(8,277)	634	14,549
Provision for loan credit losses	7,712	—	—	—	—	—	—	—	—	—	7,712
Net interest income after provision for loan credit losses	8,854	214	3,419	(35)	2,915	(115)	(69)	(703)	(8,277)	634	6,837
Noninterest income	34,848	(7,424)	22,079	—	(2,208)	—	11,853	(636)	27,346	(25,470)	60,388
Electronic payment processing expense	—	—	—	—	—	—	4,767	(386)	47	1	4,429
Salaries and employee benefits expense	14,140	(1,152)	203	(204)	43	(44)	2,013	(289)	3,574	1,689	19,973
Professional services expense	1,482	—	50	—	480	—	147	—	1,634	—	3,793
Other loan origination and maintenance expense	7,056	(3,677)	2,529	(1,567)	4,724	(2,155)	—	—	(125)	(21)	6,764
Depreciation and amortization	43	—	—	—	—	—	86	—	—	—	129
Loss on extinguishment of debt	—	—	—	—	—	—	179	—	—	—	179
Other general and administrative costs	3,286	(119)	398	—	344	—	380	(79)	2,833	(151)	6,892
Income before taxes	17,695	(2,262)	22,318	1,736	(4,884)	2,084	4,212	(585)	11,106	(26,354)	25,066
Income tax expense (benefit)	5,121	—	—	—	—	—	—	—	2,044	—	7,165
Net income	$ 12,574	$ (2,262)	$ 22,318	$ 1,736	$ (4,884)	$ 2,084	$ 4,212	$ (585)	$ 9,062	$ (26,354)	$ 17,901
Assets	$1,520,476	$(31,544)	$625,297	$(152,070)	$415,364	$(48,251)	$120,028	$(98,083)	$762,879	$(714,997)	$ 2,399,099
Goodwill & intangible assets	$ 820		$ —		$ —		$ 13,813		$ —		$ 14,633
Amortization of intangible assets	$ 43		$ —		$ —		$ —		$ —		$ 43

As of and for the three months ended September 30, 2024

	Banking		Alternative Lending		Technology		NSBF		Payments		Corporate & Other		Consolidated
	Segment	Elim	Segment	Elim	Segment	Elim	Segment	Elim	Segment	Elim	Segment	Elim	
Interest income	$ 18,820	$ —	$ 3,528	$ (5)	$ 2	$ (2)	$ 8,871	$ (103)	$ 612	$ (601)	$ 594	$ (445)	$ 31,271
Interest expense	7,603	(158)	648	—	—	—	5,079	—	730	(16)	7,386	(982)	20,290
Net interest income/(loss)	11,217	158	2,880	(5)	2	(2)	3,792	(103)	(118)	(585)	(6,792)	537	10,981
Provision for loan credit losses	6,928	—	—	—	—	—	—	—	—	—	—	—	6,928
Net interest income after provision for loan credit losses	4,289	158	2,880	(5)	2	(2)	3,792	(103)	(118)	(585)	(6,792)	537	4,053
Noninterest income	35,424	(7,036)	15,237	—	5,494	(2,008)	(8,845)	—	12,469	(498)	21,299	(19,685)	51,851
Electronic payment processing expense	—	—	—	—	—	—	—	—	4,730	(292)	—	—	4,438
Salaries and employee benefits expense	11,337	(628)	—	—	2,123	—	117	113	1,665	—	3,908	514	19,149
Technology services expense	—	—	—	—	1,832	(36)	—	—	—	—	—	—	1,796
Professional services expense	853	—	25	—	160	—	679	—	156	—	2,056	—	3,929
Other loan origination and maintenance expense	5,207	(3,683)	1,666	(979)	11	—	4,509	(2,672)	—	—	96	(23)	4,132
Depreciation and amortization	44	—	—	—	362	—	25	—	80	—	6	—	517
Other general and administrative costs	3,026	(812)	49	—	908	(71)	407	(3)	665	(450)	2,008	(841)	4,886
Income before taxes	19,246	(1,755)	16,377	974	100	(1,903)	(10,790)	2,459	5,055	(341)	6,433	(18,798)	17,057
Income tax expense (benefit)	5,760	(11,101)	—	—	—	—	—	—	—	—	(637)	11,101	5,123
Net income	$ 13,486	$ 9,346	$ 16,377	$ 974	$ 100	$(1,903)	$(10,790)	$ 2,459	$ 5,055	$ (341)	$ 7,070	$ (29,899)	$ 11,934
Other Segment Disclosures:													
Assets	$935,319	$(22,719)	$336,605	$(116,051)	$21,919	$(1,400)	$536,000	$(82,082)	$62,710	$(36,007)	$651,769	$(611,893)	$ 1,674,170
Goodwill & intangible assets	$ 980		$ —		$ —		$ —		$13,814		$ —		$ 14,794
Amortization of intangible assets	$ 192		$ —		$ —		$ —		$ —		$ —		$ 192

NOTE 19—SUBSEQUENT EVENTS:

Note Purchase and Exchange

On October 21, 2025, the Company entered into agreements with two institutional investors that were existing holders of the Company’s 2026 Notes to exchange $20.0 million in total principal amount of the Company’s 2026 Notes held by such investors for an equal principal amount of the Company’s 2030 Notes. One of the investors also agreed to purchase $2.0 million in newly issued additional principal amount of the Company’s 2030 Notes. The transactions were conducted pursuant to exemptions from the registration requirements of the Securities Act.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

Forward-Looking Statements

The matters discussed in this report, as well as in future oral and written statements by Company management that are forward-looking statements, are based on current management expectations that involve substantial risks and uncertainties which could cause actual results to differ materially from the results expressed in, or implied by, these forward-looking statements. These forward-looking statements are not historical facts, but rather are based on current expectations, estimates and projections about us, our industry, our beliefs, and our assumptions. Words such as “may,” “will,” “should,” “expects,” “plans,” “anticipates,” “could,” “intends,” “target,” “projects,” “contemplates,” “believes,” “estimates,” “predicts,” “potential” or “continue” or the negative of these terms or variations of these words and similar expressions are intended to identify forward-looking statements. Important assumptions include our ability to originate new investments, achieve certain margins and levels of profitability, the availability of additional capital, and the ability to maintain certain debt to asset ratios. In light of these and other uncertainties, including recent economic and market events and unrelated bank failures and declines in depositor confidence in certain types of depository institutions, the inclusion of a projection or forward-looking statement in this report should not be regarded as a representation by us that our plans or objectives will be achieved. The forward-looking statements contained in this report, including the documents we incorporate by reference, involve risks and uncertainties, including statements as to:

- our future operating results;
- our business prospects and the prospects of our subsidiaries;
- our contractual arrangements and relationships with third parties;
- the dependence of our future success on the general economy and its impact on the industries in which we and our borrowers operate;
- the ability of our business to achieve its objectives;
- the impact of a protracted decline in the liquidity of credit markets on our business;
- the adequacy of our cash resources and working capital;
- our ability to operate as a financial holding company and our ability to operate our subsidiary Newtek Bank, a national bank regulated and supervised by the OCC, and the increased compliance and other costs associated with such operations;
- our ability to adequately manage liquidity, deposits, capital levels and interest rate risk;
- the timing of cash flows, if any, from the operations of our subsidiaries;

These statements are not guarantees of future performance and are subject to risks, uncertainties, and other factors, some of which are beyond our control and difficult to predict and could cause actual results to differ materially from those expressed or forecasted in any and all of the forward-looking statements, including without limitation:

- an economic downturn, which could impair our subsidiaries’ ability to continue to operate or repay their borrowings, which could adversely affect our results;
- a contraction of available credit and/or an inability to access the equity markets could impair our lending and business activities;
- impacts to financial markets and the global macroeconomic and geopolitical environment, including higher inflation, tariffs and their impacts;
- higher interest rates and the impacts on macroeconomic conditions and our funding costs;
- changes to the SBA 7(a) loan program, including recent revisions to SBA Standard Operating Procedure (“SOP”) as well as the impact of the current Federal government shutdown on the SBA, including the SBA 7(a) Program and SBA 504 program, each of which are currently frozen as a result of the current Federal government shutdown and could materially and adversely affect Newtek Bank’s lending business; and
- the risks, uncertainties and other factors we identify in “Risk Factors” and elsewhere in this report and in our filings with the SEC, including the documents we incorporate by reference.

The following discussion should be read in conjunction with our consolidated financial statements and related notes and other financial information appearing elsewhere in this report. In addition to historical information, the following discussion and other parts of this report contain forward-looking information that involves risks and uncertainties. Although we believe that the assumptions on which these forward-looking statements are based are reasonable, any of those assumptions could prove to be inaccurate, and as a result, the forward-looking statements based on those assumptions also could be inaccurate. Important assumptions include the ability of Newtek Bank to originate loans under the SBA 7(a) program, maintain PLP status, sell SBA guaranteed portions of SBA 7(a) loans at premiums and grow deposits; our ability to originate new loans; our subsidiaries' ability to generate revenue and obtain and maintain certain margins and levels of profitability; and the availability of additional capital. In light of these and other uncertainties, the inclusion of a projection or forward-looking statement in this report, including the documents that we incorporate by reference herein, should not be regarded as a representation by us that our plans and objectives will be achieved. Our actual results could differ materially from those anticipated by such forward-looking information due to the factors discussed under Part II "Item 1A. Risk Factors" of this quarterly report on Form 10-Q and "Item 1A. Risk Factors" of our 2024 Form 10-K, and in any subsequent filings we have made with the SEC that are incorporated by reference into this report.

You should not place undue reliance on these forward-looking statements, which apply only as of the date of this report. And while we believe such information forms, or will form, a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain and investors are cautioned not to unduly rely on these statements. Any forward-looking statements made by or on behalf of the Company speak only as to the date they are made, and the Company 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, except as required by applicable law.

Executive Overview

We are a financial holding company owning Newtek Bank - a branchless OCC nationally chartered bank. In 2023, we converted to a financial holding company from a BDC and a non-bank lender (see below). Our target market is owners and prospective owners of SMBs and our services are offered online and in some cases delivered and fulfilled by our staff via video and voice calls. We offer lending products, FDIC insured deposit products and services, payments processing, payroll services and insurance brokerage services. We source our business through our NewtekOne.com web site, our alliance partner network and our marketing database, which is facilitated through our patented NewTracker® platform. Our loan products include SBA 7(a), ALP, SBA 504, and traditional C&I and CRE bank loans. Our deposit products primarily include consumer high yield savings accounts, high yield certificates of deposit, zero-fee business checking, and business money market accounts. We offer business and financial solutions under the Newtek® and NewtekOne® brands to the independent business owner (SMB) market.

Our process to extend credit to borrowers begins with technology, but finishes with credit committee approval. We record CECL reserves on loans held for investment at amortized cost, which for unguaranteed SBA 7(a) loans exceeds 6%. For SBA7(a) loans, we hold the unguaranteed portion and sell portions guaranteed by the SBA, within approximately ninety days of origination (or we may hold guaranteed portions for longer periods), for premiums that have historically exceeded 10%, depending on loan characteristics and market conditions. Unlike traditional financial and bank holding companies, the majority of our income is driven and influenced by noninterest income, specifically gains on sales and market value adjustments on loans. We sell certain loans servicing retained, in which case we record a servicing asset that increases our gain on sale and provides a stream of future income to the extent the loan balance continues to be outstanding.

We fund our activities at Newtek Bank primarily through the aforementioned deposit products. We also offer loans outside of our bank (primarily ALP loans that have been funded by our JVs and our non-bank subsidiary Newtek ALP Holdings) that are initially funded with capital and lines of credit and hedged until a sufficient volume is attained at which time the loans are securitized. We are required by law to hold risk retention in securitization transactions, and the majority of our interests in securitizations are designed to absorb first loss on the loans held in the securitization trusts. Historically, we have participated in joint ventures as additional sources of funding and risk diversification for our ALP loans, and these joint ventures have also securitized their loans. We have also continued to actively issue bonds in the public and private capital markets.

We are subject to the regulation and supervision of the Federal Reserve and the Federal Reserve Bank of Atlanta. In addition Newtek Bank is regulated by the OCC and we are required to follow SBA rules and guidelines in the origination, servicing and sale of our SBA loans. Complying with this level of regulation requires investments in technology and process and personnel costs.

Conversion to a Financial Holding Company

As of January 6, 2023, we became a financial holding company that, together with our consolidated subsidiaries, provide a wide range of business and financial solutions under the Newtek® and NewtekOne® brands to the independent business owner (SMB) market. Effective January 6, 2023, following authorization by our shareholders, we withdrew our previous election to be regulated as a BDC under the 1940 Act. Contemporaneously with withdrawing our election to be regulated as a BDC, on January 6, 2023, we completed the Acquisition of NBNYC, a national bank regulated and supervised by the OCC, pursuant to which we acquired from NBNYC's shareholders all of the issued and outstanding stock of NBNYC. NBNYC was renamed Newtek Bank and became our wholly owned bank subsidiary. As a result of the Acquisition, we became a financial holding company subject to the regulation and supervision of the Federal Reserve and the Federal Reserve Bank of Atlanta. We no longer qualified as a RIC under Subchapter M of the Code for federal income tax purposes and no longer qualified for accounting treatment as an investment company. As a result, in addition to Newtek Bank and its consolidated subsidiary SBL, the following former portfolio companies and subsidiaries are consolidated non-bank subsidiaries in our financial statements: NSBF; NMS; Mobil Money; NBC; PMT; NIA; TAM; NALH; and POS. In addition, as a result of commitments made to the Federal Reserve, we divested of NTS on January 2, 2025. Refer to NOTE 4—INVESTMENTS: Intelligent Protection Management Corp.

Effective January 13, 2023, we filed Articles of Amendment amending our Charter to change the name of the Company to "NewtekOne, Inc."

On April 13, 2023, the Company, NSBF and the SBA entered into the Wind-down Agreement, pursuant to which NSBF is winding-down its operations and NSBF's SBA 7(a) pipeline of new loans was transitioned to Newtek Bank. During this wind-down process, NSBF continues to own the SBA 7(a) loans and PPP Loans currently in its SBA loan portfolio to maturity, liquidation, charge-off or (subject to SBA's prior written approval) sale or transfer. SBL is servicing and liquidating NSBF's SBA loan portfolio pursuant to an SBA approved lender service provider agreement. In addition, during the wind-down process, NSBF is subject to minimum capital requirements established by the SBA, required to continue to maintain certain amounts of restricted cash available to meet any obligations to the SBA, has restrictions on its ability to make dividends and distributions to the Company, and remains liable to the SBA for post-purchase denials and repairs on the guaranteed portions of SBA 7(a) loans originated and sold by NSBF, from the proceeds generated by NSBF's SBA loan portfolio. The Company has guaranteed certain of NSBF's obligations to the SBA and has funded a $10.0 million account to secure these potential obligations.

Historical Business Regulation and Taxation

Prior to January 6, 2023, we operated as an internally managed non-diversified closed-end management investment company that elected to be regulated as a BDC under the 1940 Act. As a BDC under the 1940 Act we were not permitted to acquire any asset other than assets of the type listed in Section 55(a) of the 1940 Act, which are referred to as qualifying assets, unless, at the time the acquisition is made, qualifying assets represent at least 70% of the company's total assets, and we were not permitted to issue senior securities unless the ratio of our total assets (less total liabilities other than indebtedness represented by senior securities) to our total indebtedness represented by senior securities plus preferred stock, if any, was at least 150%. As of December 31 2022, our asset coverage was 169%. Although we are no longer regulated as a BDC, certain covenants in our outstanding 2026 Notes require us to maintain an asset coverage of at least 150% as long as the 2026 Notes are outstanding. See 2024 Form 10-K, "ITEM 1A. RISK FACTORS – Risks Related to our Outstanding Indebtedness – We are subject to 150% asset coverage requirements due to covenants contained in certain of our outstanding debt."

Additionally, prior to January 6, 2023, due to our status as a BDC, we elected to be treated as a RIC for U.S. federal income tax purposes, beginning with our 2015 tax year. As an entity electing to be treated as a RIC, we generally did not have to pay U.S. federal income taxes at corporate rates on any ordinary income or capital gains that we distributed to our shareholders as dividends. The Company and its subsidiaries no longer qualify as a RIC for U.S. federal income tax purposes and filed a consolidated U.S. federal income tax return beginning with the 2023 fiscal year. Financial holding companies are subject to federal and state income taxes in essentially the same manner as other corporations. Taxable income is generally calculated under applicable sections of the Internal Revenue Code of 1986, as amended (the “Code”), including Sections 581 through 597 that apply specifically to financial institutions. Some modifications are required by state law and the 2017 tax legislation commonly referred to as the Tax Cuts and Jobs Act (the "Tax Act"). Among other things, the Tax Act (i) established a new, flat corporate federal statutory income tax rate of 21%, (ii) eliminates the corporate alternative minimum tax and allowed the use of any such carryforwards to offset regular tax liability for any taxable year, (iii) limited the deduction for net interest expense incurred by U.S. corporations, (iv) allowed businesses to immediately expense, for tax purposes, the cost of new investments in certain qualified depreciable assets, (v) eliminated or reduced certain deductions related to meals and entertainment expenses, (vi) modified the limitation on excessive employee remuneration to eliminate the exception for performance-based compensation and clarified the definition of a covered employee and (vii) limited the deductibility of deposit insurance premiums. There can be no assurance as to the actual effective rate because it will be dependent upon the nature and amount of future income and expenses as well as actual investments generating investment tax credits and transactions with discrete tax effects.

From 2012 through December 31, 2022, NSBF was consistently the largest non-bank SBA 7(a) lender in the U.S. based on dollar volume of loan approvals, and, as of December 31, 2022, was the third largest SBA 7(a) lender in the United States. Currently, Newtek Bank is ranked as the second largest SBA 7(a) lender based on dollar volume of loans approved. Historically, NSBF structured its loans so that it could both sell the government guaranteed portions of SBA 7(a) loans and securitize the unguaranteed portions. This structure generally allowed NSBF to recover its capital and earn excess capital on each loan, typically within a year. Pursuant to the Wind-down Agreement described above, in April 2023 NSBF transitioned its SBA 7(a) loan originations to Newtek Bank and is in the process of winding down its operations and will continue to own the 7(a) Loans and PPP Loans in its SBA loan portfolio to maturity, liquidation, charge-off or (subject to SBA’s prior written approval) sale or transfer.

Additionally, we and our subsidiaries provide a wide range of business and financial solutions to independent business owner relationships, including Business Lending, which includes SBA 7(a) loans, SBA 504 loans, ALP loans, C&I loans, CRE loans and ABL loans; Electronic Payment Processing, personal and commercial lines Insurance Services, and Payroll and Benefits Solutions to independent business owner relationships nationwide across all industries. With the divestiture of NTS, we no longer provide Managed Technology Solutions to our clients, however, we are currently referring our clients to IPM for its offering of Managed Technology Solutions and can earn a finder’s fee pursuant to a referral promotion agreement. We support the operations of our subsidiaries by providing access to our proprietary and patented technology platform, including NewTracker®, our patented prospect management software. We have historically defined independent business owners (SMBs) as companies having revenues of $1 million to $100 million, and we have generally estimated the SMB market to be over 34 million businesses in the United States. We make loans and provide business and financial solutions to the SMB market through our bank and non-bank subsidiaries. In addition, we now offer the Newtek Advantage®, the One Dashboard for All of Your Business Needs®, which provides independent business owners with instant access to a team of NewtekOne business and financial solutions experts in the areas of Business Lending, Electronic Payment Processing, personal and commercial lines Insurance Services and Payroll and Benefits Solutions. Moreover, the Newtek Advantage provides our independent business owner clients with analytics on their businesses, as well as transactional capabilities, including free unlimited document storage, free real-time updated traffic analytics, free real-time credit card processing and chargeback batch information for merchant solutions clients and the ability for PMT clients to make payroll directly from the Newtek Advantage business portal.

The Company has originated loans under its ALP since 2019. These loans have terms between 10 and 25 years, bear fixed interest rates that reset every five years, and have prepayment penalties. The criteria evaluated in underwriting ALP loans and the terms of these loans have been generally consistent over the ALP’s existence. Prior to July 1, 2024, the Company originated ALP loans with the intent to sell the loans to a JV. While the Company may continue to source JV partners to participate in the ALP, during the third quarter of 2024, we made the decision to originate with the intent to securitize ALP loans with our subsidiary Newtek ALP Holdings as the originator and sponsor. For example, during the second quarter of 2025, Newtek ALP Holdings closed a securitization backed by $216,564,700 of ALP loans. The Company could also originate ALP loans designated as HFI.

Following the Acquisition, there can be no assurance regarding our continued lending prospects or operations as a financial holding company. See 2024 Form 10-K, “ITEM 1A. RISK FACTORS – Risks Related to Operation as a Financial Holding Company – We are subject to extensive regulation and supervision as a financial holding company, which may adversely affect our business.”

Our common shares are currently listed on the Nasdaq Global Market under the symbol “NEWT”.

Newtek Bank is a national bank and nationally licensed SBA lender under the SBA 7(a) Program, and originates, sells and services SBA 7(a) loans. Newtek Bank has been granted PLP status and is authorized to place SBA guarantees on loans without seeking prior SBA review and approval. Being a national lender with PLP status allows Newtek Bank to expedite the origination of SBA 7(a) loans since Newtek Bank is not required to present applications to the SBA for concurrent review and approval. The loss of PLP status would adversely impact our marketing efforts and ultimately our loan origination volume, which would negatively impact our results of operations. See 2024 Form 10-K, “ITEM 1A. RISK FACTORS - Risks Related to SBA Lending - There can be no guarantee that Newtek Bank will be able to maintain its SBA 7(a) lending license and PLP status.” and “ITEM 1A. RISK FACTORS - Risks Related to SBA Lending - A governmental failure to fund the SBA could adversely affect Newtek Bank’s SBA 7(a) loan originations and our results of operations.”

Economic Developments

We have observed and continue to observe commodity inflation, rising interest rates, unrelated bank failures and declines in depositor confidence in certain types of depository institutions. In addition, the conflicts in the Middle East and the war between Russia and Ukraine, and resulting market volatility, could adversely affect our business, financial condition or results of operations. The ongoing conflicts have negatively affected the global economy and business activity and could have a material adverse effect on our business, financial condition, cash flows and results of operations. The severity and duration of conflicts and their impact on global economic and market conditions are impossible to predict. In 2024, numerous elections were held globally, including the recent U.S. presidential election. The outcomes of the elections are expected to result in changes in policy, which could also have adverse effects on us or the business environment in which we operate more generally. For example, the new U.S. presidential administration has imposed or increased tariffs, including on imports from China, and proposed imposing or increasing tariffs on U.S. trading partners, which could adversely affect markets, the business environment and our business. On July 4, 2025, federal legislation generally referred to as H.R. 1 - One Big Beautiful Bill Act (the “Act”) was signed into law. The Act includes a variety of tax provisions including permanently extending and modifying certain key aspects of existing federal tax law. U.S. GAAP requires the effects of changes in tax laws and rates to be recognized in its financial statements in the period in which legislation is enacted. Any of the above factors, including sanctions, export controls, tariffs, trade wars and other governmental actions, could have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our common shares and/or debt securities to decline. We monitor developments and seek to manage our investments in a manner consistent with achieving our investment objective, but there can be no assurance that we will be successful in doing so.

Income

For the quarterly period ended September 30, 2025, we generated income in the form of interest, net gains on the sales of loans originated (which primarily include sales of SBA 7(a) and ALP loans) and related servicing assets on such sales, dividends, electronic payment processing income, servicing income, and other fee income generated by loan originations and by our subsidiaries. We originated loans that typically have terms of 10 to 25 years and bear interest at prime plus a margin. In some instances, we received payments on our loans based on scheduled amortization of the outstanding balances. In addition, we received repayments of some of our loans prior to their scheduled maturity date. The frequency or volume of these repayments fluctuated significantly from period to period. Our portfolio activity for the quarterly period ended September 30, 2025, also reflects the proceeds of sales of guaranteed portions of SBA 7(a) loans we originated. In addition, we received servicing income related to the guaranteed portions of SBA 7(a) loans which we originated and sold into the secondary market as well as on the portfolios of ALP loans owned and then securitized by NCL JV (dissolved in September 2025), TSO JV and Newtek ALP Holdings. These recurring fees are outlined in servicing agreements and were recorded when earned. In addition, we generated revenue in the form of loan origination fees (packaging and legal fees) as well as loan prepayment and late fees. We recorded such fees related to loans held for sale as other income. Distributions of earnings from our joint ventures were evaluated to determine if the distribution was income, return of capital or realized gain.

We recognized realized gains or losses on loans based on the difference between (1) the net proceeds from the disposition and any servicing assets recognized and (2) the cost basis of the loan without regard to unrealized gains or losses previously recognized. We recorded current period changes in fair value of loans and assets that were measured at fair value as a component of the net change in unrealized appreciation (depreciation) on the loans or servicing assets, as appropriate, as well as amortization and impairment, if any, of LCM servicing rights in the consolidated statements of operations.

Expenses

For the quarterly period ended September 30, 2025, our primary operating expenses were salaries and benefits, interest expense including interest on deposits, electronic payment processing expense, loan origination and servicing expenses, and other general and administrative costs, such as professional fees, marketing, referral fees, servicing costs and rent.

Discussion and Analysis of Financial Condition

September 30, 2025 vs. December 31, 2024

ASSETS

Total assets at September 30, 2025 were $2.4 billion, an increase of $339.2 million, or 16.5%, compared to total assets of $2.1 billion at December 31, 2024. As of December 31, 2024, the Company held the assets and liabilities of NTS for sale. Refer to NOTE 4—INVESTMENTS: Intelligent Protection Management Corp**.**

Loans

	September 30, 2025	December 31, 2024	Change
Loans held for sale, at fair value	$ 757,001	$ 372,286	$ 384,715
Loans held for sale, at LCM	28,678	58,803	(30,125)
Loans held for investment, at fair value	305,720	369,746	(64,026)
Loans held for investment, at amortized cost, net of deferred fees and costs	834,087	621,651	212,436
Allowance for credit losses	(45,166)	(30,233)	(14,933)
Loans held for investment, at amortized cost, net	788,921	591,418	197,503
Total Loans	$ 1,880,320	$ 1,392,253	$ 488,067

Loans held for sale

Loans HFS, at fair value increased $384.7 million during the nine months ended September 30, 2025. The overall increase was primarily the result of holding guaranteed portions of SBA 7(a) loans for longer periods of time as well as new loan originations during 2025, in the amount of $310.6 million in SBA loans and an increase of $74.1 million for ALP loans.

	September 30, 2025	December 31, 2024	Change
SBA 504 First Lien	$ 155,459	$ 128,255	$ 27,204
SBA 504 Second Lien	31,009	26,678	4,331
SBA 7(a)	265,521	4,855	260,666
SBA 7(a) Partials[1]	18,384	—	18,384
Total SBA loans	470,373	159,788	310,585
ALP	286,628	212,498	74,130
Loans HFS, at fair value	$ 757,001	$ 372,286	$ 384,715

[1] Reclassified from Loans HFS, at LCM

Loans HFS, at LCM decreased $30.1 million during the same period. The overall decrease was primarily the result of loan sales that occurred in 2025.

	September 30, 2025	December 31, 2024	Change
SBA 504 First Lien	$ 22,119	$ 36,783	$ (14,664)
SBA 504 Second Lien	6,559	8,203	(1,644)
SBA 7(a) Partials[1]	—	13,817	(13,817)
Loans HFS, at LCM	$ 28,678	$ 58,803	$ (30,125)

[1] Reclassified to Loans HFS, at fair value

Loans held for investment

At Fair value: Loans HFI, at fair value were $305.7 million at September 30, 2025 compared to $369.7 million at December 31, 2024. The balance consists primarily of SBA 7(a) loans as well as $5.8 million of loans that the Company owns 100% as a result of originating the loan and subsequently repurchasing the guaranteed portion from the SBA. As previously discussed, NSBF ceased originating loans during 2023, resulting in the decrease in the balance of loans held for investment from December 31, 2024 to September 30, 2025, primarily due to the principal payments of existing loans held by NSBF.

At Amortized Cost: Loans HFI, at amortized cost consist of loans originated at or purchased by Newtek Bank. The $212.4 million increase in loans HFI, at amortized cost is the result of an increase in originations for the nine months ended September 30, 2025 over 2024.

Credit Quality: The following table presents an analysis of loans HFI with credit metrics, including a breakdown by days aged:

Credit Quality Ratios	September 30, 2025		December 31, 2024	
At Amortized Cost				
Current	$ 741,649	89.2 %	$ 575,444	92.8 %
Past Due 30-89 Days and accruing	23,994	2.9 %	20,585	3.3 %
Past Due 90 and more Days and accruing	399	— %	—	— %
Nonaccrual loans	65,678	7.9 %	24,341	3.9 %
Total, at amortized cost	$ 831,720	100.0 %	$ 620,370	100.0 %
Deferred fees and costs	2,367		1,281	
Total, at amortized cost, net of deferred fees and costs	$ 834,087		$ 621,651	
Allowance for credit losses	$ (45,166)	5.4 %	$ (30,233)	4.9 %
At Fair Value				
Current	$ 209,306	68.5 %	$ 251,616	68.1 %
Past Due 30-89 Days and accruing	21,087	6.9 %	41,558	11.2 %
Past Due 90 and more Days and accruing	2,182	0.7 %	9,268	2.5 %
Nonaccrual loans	73,145	23.9 %	67,304	18.2 %
Total	$ 305,720	100.0 %	$ 369,746	100.0 %
Past due and nonaccrual loans as % of Outstanding UPB	$ 96,414	31.5 %	$ 118,130	31.9 %
Nonperforming Assets, as a percentage of total assets				
Loans HFI, at amortized cost	$ 65,678	2.7 %	$ 24,341	1.2 %
Loans HFI, at fair value	73,145	3.0 %	67,304	3.2 %
Other real estate owned	7,890	0.3 %	3,764	0.2 %
Total Nonperforming Assets	$ 146,713	6.0 %	$ 95,409	4.6 %

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CRE exposure

The Company’s loan portfolio consists of loans to independent business owners (SMBs). The Company’s Loans HFI at amortized cost and Loans HFS at LCM include a total of $342.7 million of loans, including unfunded commitments, backed by CRE and considered non-owner occupied as of September 30, 2025. The average loan-to-value for this CRE portfolio was 58.3%.
The table below presents detail of the loans considered non-owner occupied CRE that are not carried at fair value:

	September 30, 2025				December 31, 2024			
	HFI at amortized cost, net of deferred fees and costs	HFS at LCM	Total	LTV by CRE type	HFI at amortized cost, net of deferred fees and costs	HFS at LCM	Total	LTV by CRE type
Loans not backed by NOO CRE	$ 577,166	$ —	$ 577,166		$ 429,820	$ —	$ 429,820	
Loans backed by NOO CRE	256,921	28,678	285,599		191,831	58,803	250,634	
Total loans	$ 834,087	$ 28,678	$ 862,765		$ 621,651	$ 58,803	$ 680,454	
Loans backed by NOO CRE by type:								
Retail	$ 69,288	$ —	$ 69,288	54.3 %	$ 45,594	$ —	$ 45,594	51.4 %
1-4 Family	21,212	—	21,212	54.3 %	25,139	—	25,139	56.1 %
Multifamily	65,934	—	65,934	57.9 %	35,713	—	35,713	52.6 %
Industrial	34,615	—	34,615	50.7 %	27,866	—	27,866	50.1 %
Office	30,977	—	30,977	49.7 %	21,586	—	21,586	47.7 %
Construction and land development[1]	16,318	22,119	38,437	66.6 %	22,775	44,986	67,761	65.1 %
Hotel	5,220	6,559	11,779	59.0 %	—	13,817	13,817	66.2 %
Other	13,357	—	13,357	61.7 %	13,158	—	13,158	61.5 %
Total NOO CRE	$ 256,921	$ 28,678	$ 285,599	58.3 %	$ 191,831	$ 58,803	$ 250,634	57.9 %
Unfunded Commitments								
Construction and land development[1]	$ —	$ 57,053	$ 57,053		$ —	$ 48,402	$ 48,402	
Hotel	—	—	—		—	13	13	
Total unfunded commitments	—	57,053	57,053		—	48,415	48,415	
Total CRE Loans	$ 256,921	$ 85,731	$ 342,652		$ 191,831	$ 107,218	$ 299,049	

[1] Construction and land development includes SBA 504 first and second lien loans. The LTV on first lien is generally 65%. Second liens are typically taken out by the SBA following project completion and occupancy by the borrower. The LTV calculated is based on total exposure.

Goodwill and Intangibles

The table below presents detail of the Company’s Goodwill and intangibles:

	September 30, 2025			December 31, 2024		
	Goodwill	Intangible Assets	Total	Goodwill	Intangible Assets	Total
Banking segment	$ 271	$ 548	$ 819	$ 271	$ 667	$ 938
Payments segment	13,814	—	13,814	13,814	—	13,814
Total	$ 14,085	$ 548	$ 14,633	$ 14,085	$ 667	$ 14,752

The change in goodwill and intangible assets relates to amortization of intangible assets during the nine months ended September 30, 2025.

A sensitivity analysis of the loan servicing assets at fair value to adverse changes in significant assumptions as of September 30, 2025 and December 31, 2024 is as follows:

	September 30, 2025	December 31, 2024
Discount factor		
Effect on fair value of a 100 basis point adverse change	$ (649)	$ (831)
Effect on fair value of a 200 basis point adverse change	(1,252)	(1,604)
Cumulative prepayment rate		
Effect on fair value of a 100 basis point adverse change	$ (53)	$ (85)
Effect on fair value of a 500 basis point adverse change	(265)	(423)
Average cumulative default rate		
Effect on fair value of a 100 basis point adverse change	$ (36)	$ (72)
Effect on fair value of a 500 basis point adverse change	(182)	(358)

The sensitivity analysis presents the hypothetical effect on fair value of the servicing assets due to the change in significant assumptions. Changes in fair value based on adverse changes in assumptions generally cannot be extrapolated because the relationship of the change in assumption to the change in fair value is not linear. Additionally, the sensitivity analysis shocks each significant assumption individually, while keeping all other assumptions unchanged. In practice, changes in one assumption generally impact other assumptions, which could increase or lessen the effect of the change.

Residuals in Securitizations, at Fair Value

The residuals in securitizations, at fair value arise from the NALP Business Loan Trust 2025-1 ALP securitization that the Company closed on April 23, 2025. Residuals in securitizations were $76.7 million as of September 30, 2025. The Securitization Trust meets the definition of a VIE. The Company holds a variable interest in the VIE, however, the Company is not considered the primary beneficiary of the VIE, because the power over the activities that have the most significant impact on the economic performance of the Securitization Trust is held by the Class C Noteholder, and therefore, the Company is not required to consolidate the Securitization Trust. The Company's beneficial interest in the Securitization Trust is evidenced by sole ownership of the Ownership Certificate and its beneficial interest in the credit risk of the securitized ALP Loans. As the Sponsor is a wholly owned subsidiary of the Company, the Company effectively owns 100% of the equity interest in the Trust. Refer to NOTE 3—SECURITIZATIONS AND VARIABLE INTEREST ENTITIES in the accompanying notes to the consolidated financial statements for additional information.

Settlement Receivable

Settlement receivables were $0.5 million as of September 30, 2025, a decrease of $52.0 million compared to December 31, 2024. The settlement receivable arises from the guaranteed portions of SBA 7(a) loans that were traded in the period but did not settle during the current period end and the cash was not received from the purchasing broker during the current period; the amount varies depending on loan origination volume and timing of sales at quarter end. The reduction in the settlement receivable was primarily the result of our holding guaranteed portions of SBA 7(a) loans for longer periods of time.

LIABILITIES

Total liabilities at September 30, 2025, were $2.0 billion, an increase of $248.8 million, or 14.1%, compared to total liabilities of $1.8 billion at December 31, 2024.

Deposits

Total deposits were $1.2 billion at September 30, 2025, consisting of $21.8 million in non-interest bearing deposits and $1.2 billion in interest bearing deposits, a $0.2 billion increase from the balance as of December 31, 2024. As of September 30, 2025 and December 31, 2024, insured deposits represent 78.3% and 80.3%, respectively, of deposits.

Borrowings

Borrowings Outstanding	September 30, 2025	December 31, 2024	Change
Bank Borrowings[1]:			
NMS Webster Note[2]	$ —	$ 32,688	$ (32,688)
NMS Goldman Facility[3]	88,617	—	88,617
SPV I Capital One Facility	23,155	21,192	1,963
SPV II Deutsche Bank Facility	103,970	54,036	49,934
SPV III One Florida Bank Facility	8,262	23,011	(14,749)
FHLB Advances	7,862	15,330	(7,468)
Total Lines of Credit	231,866	146,257	85,609
Parent Company Notes[1]:			
2025 Notes (5.00%)[4]	—	29,913	(29,913)
2026 Notes (5.50%)	114,820	114,282	538
2027 Notes (8.125%)[5]	49,960	49,944	16
2028 Notes (8.00%)	38,986	38,726	260
2029 Notes (8.50%)	69,938	69,622	316
2029 Notes (8.625%)	73,028	72,662	366
2030 Notes (8.375%)[6]	29,355	—	29,355
Total Parent Company Notes	376,087	375,149	938
Notes Payable - Securitization Trusts[1]	140,596	186,635	(46,039)
Total	$ 748,549	$ 708,041	$ 40,508

1 Net of deferred financing costs.
2 On September 26, 2025, the NMS Webster Note was repaid in full.
3 On September 26, 2025, NMS entered into the Goldman Facility.

4 On March 31, 2025, the 2025 5.00% Notes matured.
5 Effective December 11, 2024, the Company entered into the Amendment and Exchange Agreements with each of the holders of the 2025 8.125% Notes, pursuant to which the Company and the holders of the 2025 8.125% Notes agreed to exchange the 2025 8.125% Notes for the 2027 Notes.
6 On March 19, 2025, the Company closed an exempt offering of $30.0 million in aggregate principal amount of its 2030 Notes. The 2030 Notes bear interest at a rate of 8.375% per year payable semiannually on April 1 and October 1 each year, beginning October 1, 2025.

Borrowings were $748.5 million at September 30, 2025, compared to $708.0 million at December 31, 2024. This increase was primarily due to $88.6 million of new borrowings under the NMS Goldman Facility, additional borrowings of $49.9 million on the SPV II facility as well as $29.4 million issuance of the 2030 Notes. These increases were partially offset by $32.7 million repayment in full of the NMS Webster Note, the maturity of $29.9 million of the 2025 5.00% Notes, $46.0 million reduction in the notes payable on securitization trusts, and $14.7 million repayments of borrowings on the SPV III facility, and $7.5 million in maturities of FHLB advances.

Results of Operations

Set forth below is a comparison of the results of operations for the nine months ended September 30, 2025 and 2024.

Summary

For the nine months ended September 30, 2025, the Company reported net income of $41.0 million, or $1.57 per basic and $1.54 per diluted share, compared to net income of $32.5 million, or $1.26 per basic and diluted share, for the nine months ended September 30, 2024.

The net increase in net income before taxes was due to a $23.9 million increase of interest income on loans, and a $15.8 million increase in noninterest income, partially offset by a $13.6 million increase of provision for credit losses, a $10.3 million increase of interest expense on deposits. Below is a summary of changes in the components of Net income:

	Nine Months Ended September 30, 2025	Nine Months Ended September 30, 2024	Change
Net interest income after provision for credit losses	$ 12,071	$ 12,271	$ (200)
Noninterest income	169,061	153,238	15,823
Noninterest expense	125,645	120,570	5,075
Net income before taxes	55,487	44,939	10,548
Income tax expense	14,516	12,410	2,106
Net income	$ 40,971	$ 32,529	$ 8,442

Net Interest Income

	Nine Months Ended September 30, 2025	Nine Months Ended September 30, 2024	Change
Interest income			
Debt securities available-for-sale	$ 690	$ 1,168	$ (478)
Loans and fees on loans	104,213	80,346	23,867
Other interest earning assets	8,599	6,177	2,422
Total interest income	113,502	87,691	25,811
Interest expense			
Deposits	30,081	19,755	10,326
Notes and securitizations	32,592	33,427	(835)
Bank and FHLB borrowings	8,424	5,496	2,928
Total interest expense	71,097	58,678	12,419
Net interest income	42,405	29,013	13,392
Provision for credit losses	30,334	16,742	13,592
Net interest income after provision for credit losses	$ 12,071	$ 12,271	$ (200)

In response to market conditions and consistent with its business plan, Newtek Bank has been focused on increasing its liquidity position by raising additional deposits and maintaining a significant portion of its liquidity in the form of cash held at the Federal Reserve, approximately $187.7 million as of September 30, 2025, as opposed to long-term investments. In addition, Newtek Bank management continues to closely monitor market conditions with a focus on its asset liability management policies, as well as closely monitoring, among other things, capital levels, to ensure compliance with regulatory guidelines and the OCC Operating Agreement.

Interest Income

Loans and fees on loans: The $23.9 million increase in interest income on the Company's loan portfolio was attributable to increases in the average balances of loans HFI and HFS, which increased $200.5 million and $175.2 million, respectively, as well as the average outstanding accrual portfolio of loans held for investment increasing to $1.5 billion from $1.1 billion for the nine months ended September 30, 2025 and 2024, respectively. The increase in the average balance of loans HFS was attributable to originations of SBA 504 and ALP loans, and the increase in the average outstanding accrual loan portfolio resulted from the origination of new SBA 7(a) loans period over period.

Other interest earning assets: The $2.4 million increase in interest income from other interest earnings assets was attributable to higher interest rates on cash and due from banks, as well as interest bearing deposits in banks, including Newtek Bank earning interest on Federal Reserve Bank cash deposits.

Interest Expense

The following is a summary of interest expense by facility for the nine months ended September 30, 2025 and 2024:

	Nine Months Ended		
	September 30, 2025	**September 30, 2024**	**Change**
Deposits	$ 30,081	$ 19,755	$ 10,326
Notes and securitizations:			
Notes payable - Securitization Trusts	9,522	16,734	(7,212)
2024 Notes[1]	—	1,409	(1,409)
2025 5.00% Notes[2]	462	1,387	(925)
2025 8.125% Notes[3]	—	3,440	(3,440)
2026 Notes	5,282	5,282	—
2027 Notes[3]	3,068	—	3,068
2028 Notes[4]	2,661	2,661	—
2029 8.50% Notes[5]	4,965	2,224	2,741
2029 8.625% Notes[6]	5,217	290	4,927
2030 Notes[7]	1,415	—	1,415
Total notes and securitizations	32,592	33,427	(835)
Bank and FHLB Borrowings:			
Bank notes payable	8,180	5,085	3,095
FHLB Advances	244	411	(167)
Total bank and FHLB borrowings	8,424	5,496	2,928
Total interest expense	$ 71,097	$ 58,678	$ 12,419

1 On August 1, 2024, the 2024 Notes matured.
2 On March 31, 2025, the 2025 5.00% Notes matured.
3 Effective December 11, 2024, the Company entered into the Amendment and Exchange Agreements with each of the holders of the 2025 8.125% Notes, pursuant to which the Company and the holders of the 2025 8.125% Notes agreed to exchange the 2025 8.125% Notes for the 2027 Notes.
4 On August 31, 2023, the Company completed a public offering of $40.0 million aggregate principal amount of 8.00% notes due 2028. The Notes will mature on September 1, 2028. The Notes bear interest at a rate of 8.000% per year, payable quarterly on March 1, June 1, September 1, and December 1 each year, commencing on December 1, 2023.
5 On May 30, 2024, the Company completed a public offering of $62.5 million aggregate principal amount of 8.500% notes due 2029. On June 3, 2024, the underwriters exercised their option to purchase an additional $9.4 million in aggregate principal amount of the 2029 Notes. The Notes will mature on June 1, 2029. The Notes bear interest at a rate of 8.500% per year, payable quarterly on March 1, June 1, September 1, and December 1 each year, commencing on September 1, 2024.

[6] On September 16, 2024, the Company completed a public offering of $75.0 million aggregate principal amount of 8.625% notes due 2029. The Notes will mature on October 15, 2029. The Notes bear interest at a rate of 8.625% per year, payable quarterly on January 15, April 15, July 15, and October 15 each year, commencing on January 15, 2025.

[7] On March 19, 2025, the Company completed an exempt offering of $30.0 million aggregate principal amount of notes due 2030. The Notes will mature on April 1, 2030. The Notes bear interest at a rate of 8.375% per year, payable semiannually on April 1 and October 1 each year, commencing on October 1, 2025.

The increase in interest expense period over period is primarily from additional interest expense on deposits of $10.3 million, additional interest expense of $2.9 million on bank and FHLB borrowings, and additional interest expense of $3.1 million, $2.7 million, and $4.9 million on the 2027 Notes, 2029 8.50% Notes and the 2029 8.625% Notes, respectively. The increase is partially offset by a $7.2 million reduction in interest due to securitization payoffs, as well as a $3.4 million reduction in interest expense on the 2025 8.125% Notes.

Provision for Credit Losses

The provision for loan and lease credit losses represents the amount necessary to be charged against the current period's earnings to maintain the ACL on loans at a level that the Company believes is appropriate in relation to the estimated losses inherent in the loan portfolio.

For the nine months ended September 30, 2025 and 2024, there was a provision for credit losses of $30.3 million and $16.7 million, respectively. The increase was due to increases in net charge-offs, specific reserves on individually evaluated loans, and balances of loans held for investment at amortized cost, across all products but specifically SBA 7(a) loans.

Net Interest Income and Margin

Average Balances and Yields. The following table presents information regarding average balances for assets and liabilities, the total dollar amounts of interest income and dividends from average interest-earning assets, the total dollar amount of interest expense on average interest-bearing liabilities, and the resulting average yields and costs. The yields and costs for the periods indicated are derived by dividing the income or expense by the average balances for assets or liabilities, respectively, for the periods presented and annualizing that result. Loan fees are included in interest income on loans.

	Nine Months Ended September 30,					
	2025			2024		
	Average Balance	Interest	Average Yield / Rate	Average Balance	Interest	Average Yield / Rate
Interest-earning assets:						
Other interest-earning assets	$ 271,996	$ 8,599	4.23 %	$ 157,415	$ 6,177	5.24 %
Investment securities	17,485	690	5.28	29,641	1,168	5.26
Loans held for sale	413,150	31,348	10.14	210,110	17,743	11.28
Loans held for investment	1,152,504	72,865	8.45	934,010	62,603	8.95
Total interest-earning assets	1,855,135	113,502	8.18	1,331,176	87,691	8.80
Less: Allowance for credit losses on loans	(35,850)			(16,663)		
Noninterest earning assets	213,246			206,952		
Total assets	$ 2,032,531			$ 1,521,465		
Interest-bearing liabilities:						
Demand	$ 112,218	$ 788	0.94 %	$ 33,442	$ 282	1.13 %
Savings and NOW	404,063	13,409	4.44	252,295	9,603	5.08
Money Market	51,390	1,560	4.06	23,878	767	4.29
Time	395,975	14,324	4.84	239,477	9,103	5.08
Total deposits	963,646	30,081	4.17	549,092	19,755	4.81
Borrowings	693,298	41,016	7.91	641,106	38,923	8.11
Total interest-bearing liabilities	1,656,944	71,097	5.74	1,190,198	58,678	6.59
Noninterest-bearing deposits	—			9,511		
Noninterest-bearing liabilities	80,167			64,675		
Shareholders’ equity	295,420			257,081		
Total liabilities and shareholders' equity	$ 2,032,531			$ 1,521,465		
Net interest income and interest rate spread		$ 42,405	2.44 %		$ 29,013	2.21 %
Net interest margin			3.06 %			2.91 %
Ratio of average interest-earning assets to average interest bearing liabilities			111.96 %			111.84 %

In response to market conditions and consistent with its business plan, Newtek Bank has been focused on increasing its liquidity position by raising additional deposits and maintaining a significant portion of its liquidity in the form of cash held at the Federal Reserve, approximately $187.7 million as of September 30, 2025, as opposed to long-term investments. In addition, Newtek Bank management continues to closely monitor market conditions with a focus on its asset liability management policies, as well as closely monitoring, among other things, capital levels, to ensure compliance with regulatory guidelines and the OCC Operating Agreement. The increase in the average balance of loans HFS was attributable to originations of SBA 504, SBA 7(a) and ALP loans, and the increase in the average outstanding accrual loan portfolio resulted from the origination of new SBA 7(a) loans period over period.

Rate/Volume Analysis

The following table sets forth the effects of changing rates and volumes on net interest income. The rate column shows the effects attributable to changes in rate (changes in rate multiplied by prior volume). The volume column shows the effects attributable to changes in volume (changes in volume multiplied by prior rate). The total column represents the sum of the prior columns. For purposes of this table, increases or decreases attributable to changes in both rate and volume that cannot be segregated have been allocated proportionally based on the changes due to rate and the changes due to volume.

	Nine Months Ended September 30,		
	2025 vs. 2024		
	Increase (Decrease) Due to		
	Rate	Volume	Total
Interest income:			
Other interest-earning assets	$ (2,074)	$ 4,496	$ 2,422
Investment securities	1	(479)	(478)
Loans held for sale	(3,541)	17,146	13,605
Loans held for investment	(4,383)	14,645	10,262
Total interest income	(9,997)	35,808	25,811
Interest expense:			
Demand	(158)	664	506
Savings and NOW	(1,971)	5,777	3,806
Money Market	(91)	884	793
Time	(728)	5,949	5,221
Borrowings	(1,076)	3,169	2,093
Total interest expense	(4,024)	16,443	12,419
Net interest income	$ (5,973)	$ 19,365	$ 13,392

Noninterest Income

	Nine months ended September 30,		2025/2024 Increase/(Decrease)	
	2025	2024	Amount	Percent
Dividend income	$ 2,711	$ 1,128	$ 1,583	140.3 %
Net loss on loan servicing assets	(12,500)	(5,383)	(7,117)	132.2
Servicing income	17,655	14,922	2,733	18.3
Net gains on sales of loans	38,050	68,531	(30,481)	(44.5)
Net gain on residuals in securitizations	30,015	—	30,015	100.0
Net gain (loss) on loans under the fair value option	35,566	(4,181)	39,747	(950.7)
Technology and IT support income	—	14,255	(14,255)	(100.0)
Electronic payment processing income	33,401	35,409	(2,008)	(5.7)
Other noninterest income	24,163	28,557	(4,394)	(15.4)
Total noninterest income	$ 169,061	$ 153,238	$ 15,823	10.3 %

Dividend Income

For the nine months ended September 30, 2025 and 2024, dividend income was dependent on the earnings of our joint ventures.

Net Loss on Loan Servicing Assets

The Company accounts for servicing assets in accordance with ASC Topic 860-50 - Transfers and Servicing - Servicing Assets and Liabilities. The Company earns servicing fees from the guaranteed portions of SBA 7(a) loans it originates and sells, from the SBA 7(a) loan securitizations sponsored by NSBF, and from servicing the ALP portfolios in securitizations sponsored by NCL JV (terminated in August 2025), TSO JV and Newtek ALP Holdings. Servicing assets for loans originated by the Company's nonbank subsidiaries are measured at FV at each reporting date and the Company reports changes in the FV of servicing assets in earnings in the period in which the changes occur. The valuation model for servicing assets incorporates assumptions including, but not limited to, servicing costs, discount rate, prepayment rate, and default rate. Considerable judgment is required to estimate the fair value of servicing assets and, as such, these assets are classified as Level 3 in our fair value hierarchy. Servicing assets for loans originated by Newtek Bank are measured at LCM and amortized based on their estimated life, and impairment is recorded to the extent the amortized cost exceeds the asset's FV. Net loss on loan servicing assets is shown net of amortization expense.

The larger loss in Net loss on loan servicing assets is due to the decrease in NSBF's total portfolio of loans during the wind-down.

Servicing Income

The increase in servicing income was related to an increase of $127.2 million in the average total loan portfolio for which we earn servicing income period over period.

Net Gains on Sales of Loans

Net gains on sales of loans for the nine months ended September 30, 2025 and 2024 were as follows:

	Nine Months Ended	
	September 30, 2025	September 30, 2024
Gains recognized on sales of loans	$ 38,239	$ 72,089
Losses recognized on sales of loans	(189)	(3,558)
Net gains on sales of loans	$ 38,050	$ 68,531

	Nine Months Ended			
	September 30, 2025		September 30, 2024	
	# of Loans	$ Amount	# of Loans	$ Amount
SBA 7(a) loans originated	1,589	$ 606,228	1,732	$ 680,659
SBA 7(a) guaranteed loans sold	788	211,772	1,449	501,570
Average net sale price as a percent of principal balance[1]		110.67 %		111.00 %

[1] Realized gains greater than 110.00% must be split 50/50 with the SBA in accordance with SBA regulations. The realized gains recognized above reflect amounts net of split with the SBA.

For the nine months ended September 30, 2025, the average sale price on SBA 7(a) loans as a percent of principal balance was 110.67% compared to 111.00% for the prior period. The decrease in sales prices in 2025 resulted from lower demand. The decrease in overall net gains on sales of loans resulted from lower volumes of sales compared to the prior year at lower market premiums than the prior year. Additionally, the decrease in SBA 7(a) guaranteed loans sold is primarily due to management holding the loans for a longer period of time.

The table below provides selected statistics on the historical net premiums on sales of guaranteed portions of SBA 7(a) loans realized by NewtekOne:

	SBA 7(a) Sales Price as Percent of Principal Balance (%)			
	Average	High	Low	Median
Year ended December 31, 2023	110.20 %	114.04 %	106.00 %	110.42 %
Year ended December 31, 2024	110.97 %	114.80 %	107.18 %	111.19 %
Nine months ended September 30, 2025	111.41 %	114.06 %	108.31 %	110.71 %
Weighted Average	110.62 %	114.80 %	106.00 %	110.81 %

During the wind-down of NSBF's operations, NSBF is required to continue to own its SBA 7(a) loans and PPP Loans in its SBA loan portfolio to maturity, liquidation, charge-off, or (subject to SBA's prior written approval) sale or transfer. In addition, SBL will service and liquidate NSBF's SBA Loan Portfolio, including processing forgiveness and loan reviews for PPP Loans pursuant to an SBA approved lender service provider agreement with SBL. The Company will continue to measure NSBF's SBA 7(a) loan portfolio at fair value until the portfolio is completely runoff. The Company will report both realized and unrealized gains and losses relating to the fair value adjustments on the legacy NSBF SBA 7(a) portfolio.

Net Gain on Residuals in Securitizations

Net gains on residuals in securitizations for the nine months ended September 30, 2025 were $30.0 million. There were no net gains on residuals in securitizations for the nine months ended September 30, 2024. This resulted from the Company's equity interest in the 2025-1 Securitization Trust which closed on April 23, 2025. To consummate the transaction, $216.6 million of ALP loans held for sale at fair value were sold into the securitization trust at par. This resulted in $35.4 million of previously recorded gains on ALP loans under the fair value option to be reversed, which was a large driver of the change described in the section below. The residual in the securitization (represented by the ownership certificate) was then valued resulting in a gain that was netted against the transaction costs. Refer to NOTE 3—SECURITIZATIONS AND VARIABLE INTEREST ENTITIES in the accompanying notes to the consolidated financial statements for additional information.

Net Gain (Loss) on Loans under the Fair Value Option

Net gain (loss) on loans accounted for under the fair value option for the nine months ended September 30, 2025 and 2024 were as follows:

	For the nine months ended		
	September 30, 2025	September 30, 2024	Change
SBA 7(a) Unguaranteed Loans	$ (10,665)	$ (17,216)	$ 6,551
SBA 7(a) Guaranteed Loans	30,080	326	29,754
SBA 504 and Non-SBA Loans	16,151	12,709	3,442
Net Gain (Loss) on Loans Accounted for Under the Fair Value Option	$ 35,566	$ (4,181)	$ 39,747

Net unrealized gain (loss) on loans accounted for under the fair value option relates to the guaranteed portions of SBA loans made which the Company sells into a secondary market, the unguaranteed portions of SBA loans made which the Company holds, SBA 504 loans that are held for sale, and ALP loans that are held for sale. This unrealized gain (loss) represents the fair value adjustment of loans**.** The amount of the unrealized gain (loss) is determined by the quantity of loans held for sale at quarter end, the change in secondary market pricing conditions, and the valuation of the loans that are not held for sale.

During the nine months ended September 30, 2025 and 2024, the Company recorded unrealized gains on SBA 7(a) unguaranteed loans accounted for under the fair value option as the portfolio paid down. During the nine months ended September 30, 2025 and 2024, the Company recorded unrealized gains on SBA 7(a) guaranteed loans accounted for under the fair value option primarily due to holding guaranteed portions of SBA 7(a) loans for longer periods of time.

The $3.4 million increase in unrealized gain (loss) on loans accounted for under the fair value option from SBA 504 and Non-SBA loans is primarily volume driven from the reversal of the previous gains on ALP loans to consummate the NALP 2025-1 transaction as noted above.

Technology and IT Support Income

Technology and IT support income was $14.3 million for the nine months ended September 30, 2024. There was no Technology and IT support income for the nine months ended September 30, 2025, due to the sale of NTS. Refer to NOTE 4—INVESTMENTS: Intelligent Protection Management Corp**.**

Other Noninterest Income

For the nine months ended September 30, 2025 and 2024, other noninterest income was related primarily to loan origination fees (legal and packaging) on loans sold or carried at fair value. Other items that contributed to the $4.4 million decrease included a decrease on prepayment and late fees earned from SBA 7(a) loans. The Company originated 1,589 of SBA 7(a) loans compared to 1,732 loans for the nine months ended September 30, 2025 and 2024, respectively. Adding to the decrease was $(0.7) million of net unrealized losses on joint ventures and other non-control investments for the nine months ended September 30, 2025 compared to none in the prior period.

Non-Interest Expense

	Nine months ended September 30,		2025/2024 Increase/(Decrease)	
	2025	2024	Amount	Percent
Salaries and employee benefits expense	$ 64,424	$ 60,445	$ 3,979	6.6 %
Technology services expense	—	8,624	(8,624)	(100.0)
Electronic payment processing expense	13,304	14,977	(1,673)	(11.2)
Professional services expense	11,532	11,237	295	2.6
Other loan origination and maintenance expense	14,468	9,391	5,077	54.1
Depreciation and amortization	549	1,570	(1,021)	(65.0)
Loss on extinguishment of debt	179	—	179	—
Other general and administrative costs	21,189	14,326	6,863	47.9
Total noninterest expense	$ 125,645	$ 120,570	$ 5,075	4.2 %

Salaries and Employee Benefits Expense

The increase in salaries and employee benefits was primarily attributable to higher benefit costs, including medical and other insurance expenses, as well as an increase in stock-based compensation expense.

Technology Services Expense

The $8.6 million decrease in technology services expenses for the nine months ended September 30, 2025 corresponded with the NTS Sale. Refer to NOTE 4—INVESTMENTS: Intelligent Protection Management Corp**.**

Other Loan Origination and Maintenance Expense

Other loan origination and maintenance expenses during the nine months ended September 30, 2025, was $14.5 million compared to $9.4 million for the nine months ended September 30, 2024 due to a larger dollar volume and count of loan originations in 2025 compared to 2024.

Depreciation and Amortization

The decrease in depreciation and amortization period over period is primarily attributable to the full amortization of intangible assets during the second half of 2024, which resulted in less amortization in 2025 compared to the prior year.

Loss on Extinguishment of Debt

The increase in loss on extinguishment of debt period over period is attributable to the repayment in full of the NMS Webster Note on September 26, 2025.

Other General and Administrative Costs

The increase in other general and administrative costs of $6.9 million is primarily driven by higher technology-related costs following the sale of NTS in 2025. These costs were previously eliminated in consolidation but are now recognized as standalone expenses post-divestiture.

Results of Segment Operations

The Company has four reportable segments Banking, Alternative Lending, NSBF, and Payments. A description of each segment and the methodologies used to measure financial performance is described in NOTE 18—SEGMENTS in the accompanying Notes to the Consolidated Financial Statements. Net income (loss) by operating segment is presented below:

	Nine Months Ended		2025/2024 Increase/(Decrease)	
	September 30, 2025	September 30, 2024	Amount	Percent
Banking	$ 30,866	$ 35,339	$ (4,473)	(13)%
Alternative Lending	60,445	34,147	26,298	77 %
Technology[1]	—	(52)	52	(100)%
NSBF	(13,612)	(17,960)	4,348	(24)%
Payments	12,556	14,173	(1,617)	(11)%
Corporate & Other	20,732	6,048	14,684	243 %
Eliminations	(70,016)	(39,166)	(30,850)	79 %
Consolidated net income	$ 40,971	$ 32,529	$ 8,442	26 %

[1] As a result of commitments made to the Federal Reserve, the Company divested of NTS on January 2, 2025, and is no longer a reportable segment. See NOTE 4—INVESTMENTS: Intelligent Protection Management Corp**.**

Banking

The banking segment includes Newtek Bank as well as its consolidated subsidiary SBL. The financial results include the origination, sale, and servicing of SBA 7(a) loans, SBA 504 loans, C&I loans, CRE loans and ABL loans. In addition, Newtek Bank offers depository services. The results include $43.9 million of net interest income during the nine months ended September 30, 2025 compared to $28.2 million of net interest income during the nine months ended September 30, 2024. During 2025, the Company increased the average balances of loans HFI and HFS as well as the average outstanding accrual portfolio of loans HFI, which was partially offset by an increase in the provision for credit losses, resulting in higher net income for the nine months ended September 30, 2025 compared to the nine months ended September 30, 2024.

Alternative Lending

Alternative Lending includes Newtek ALP Holdings (NALH) and its subsidiaries. The Company has originated loans under its Alternative Lending Program since 2019. Prior to July 1, 2024, the Company originated ALP loans with the intent to sell to a JV. While the Company continues to source JV partners to participate in this program, during the third quarter of 2024, the Company made the decision to originate with the intent to securitize ALP loans with our subsidiary Newtek ALP Holdings as the originator and sponsor without a joint venture partner; the Company's first such securitization transaction was consummated during the second quarter of 2025. The Company could also originate ALP loans designated as HFI. On August 27, 2025, NALH entered into an interest purchase agreement with TCP to acquire TCP's 50% ownership interest in NCL JV for $15.75 million, resulting in NALH owning 100% of NCL JV. Compared to the nine months ended September 30, 2024, there were more loans originations that drove higher income for the nine months ended September 30, 2025, as well as larger gains on loans at fair value.

NSBF

NSBF includes NSBF's legacy portfolio of SBA 7(a) loans held outside Newtek Bank. The change in net income is due to the wind-down of NSBF's operations.

Payments

Payments includes NMS, POS and Mobil Money. Within the segment's results are $35.9 million of noninterest income for the nine months ended September 30, 2025 resulting from marketing credit and debit card processing services, check approval services, processing equipment, and software, compared to $39.1 million during the nine months ended September 30, 2024. The net income also included $23.1 million and $24.4 million of noninterest expense for the nine months ended September 30, 2025 and 2024, respectively.

Corporate and Other

Corporate and Other represents operations not considered to be reportable segments and/or general operating expenses of the Company, and includes the parent company, other non-bank subsidiaries including NIA, PMT, and elimination adjustments to reconcile the results of the operating segments to the consolidated financial statements prepared in conformity with GAAP.

Results of Operations

Set forth below is a comparison of the results of operations for the three months ended September 30, 2025 and 2024.

Summary

For the three months ended September 30, 2025, the Company reported net income of $17.9 million, or $0.68 per basic and $0.67 per diluted share, compared to net income of $11.9 million, or $0.45 per basic and diluted share, for the three months ended September 30, 2024.

The net increase in net income was attributable to the following items:

	Three Months Ended September 30,		
	2025	2024	Change
Net interest income after provision for credit losses	$ 6,837	$ 4,053	$ 2,784
Noninterest income	60,388	51,851	8,537
Noninterest expense	42,159	38,847	3,312
Net income before taxes	25,066	17,057	8,009
Income tax expense	7,165	5,123	2,042
Net income	$ 17,901	$ 11,934	$ 5,967

Net Interest Income

	Three Months Ended September 30,		
	2025	2024	Change
Interest income			
Debt securities available-for-sale	$ 200	$ 334	$ (134)
Loans and fees on loans	36,376	28,588	7,788
Other interest earning assets	2,518	2,349	169
Total interest income	39,094	31,271	7,823
Interest expense			
Deposits	10,879	7,314	3,565
Notes and securitizations	10,710	11,482	(772)
Bank and FHLB borrowings	2,956	1,494	1,462
Total interest expense	24,545	20,290	4,255
Net interest income	14,549	10,981	3,568
Provision for credit losses	7,712	6,928	784
Net interest income after provision for credit losses	$ 6,837	$ 4,053	$ 2,784

Interest Income

Loans and fees on loans: The $7.8 million increase in interest income on the Company's loan portfolio was attributable to an increase in the average outstanding accrual portfolio of loans held for investment increasing to $1.6 billion from $1.2 billion for the three months ended September 30, 2025 and 2024, respectively. The increase in the average outstanding accrual loan portfolio resulted from the origination of new SBA 7(a) loans period over period.

Interest Expense

The following is a summary of interest expense by facility for the three months ended September 30, 2025 and 2024:

	Three Months Ended		
	September 30, 2025	September 30, 2024	Change
Deposits	$ 10,879	$ 7,314	$ 3,565
Notes and securitizations:			
Notes payable - Securitization Trusts	2,974	5,078	(2,104)
2024 Notes[1]	—	201	(201)
2025 5.00% Notes[2]	—	462	(462)
2025 8.125% Notes[3]	—	1,147	(1,147)
2026 Notes	1,761	1,761	—
2027 Notes[3]	1,023	—	1,023
2028 Notes[4]	887	887	—
2029 8.50% Notes[5]	1,655	1,655	—
2029 8.625% Notes[6]	1,739	291	1,448
2030 Notes[7]	671	—	671
Total notes and securitizations	10,710	11,482	(772)
Bank and FHLB Borrowings:			
Bank notes payable	2,900	1,362	1,538
FHLB Advances	56	132	(76)
Total bank and FHLB borrowings	2,956	1,494	1,462
Total interest expense	$ 24,545	$ 20,290	$ 4,255

1 On August 1, 2024, the 2024 Notes matured.
2 On March 31, 2025, the 2025 5.00% Notes matured.
3 Effective December 11, 2024, the Company entered into the Amendment and Exchange Agreements with each of the holders of the 2025 8.125% Notes, pursuant to which the Company and the holders of the 2025 8.125% Notes agreed to exchange the 2025 8.125% Notes for the 2027 Notes.
4 On August 31, 2023, the Company completed a public offering of $40.0 million aggregate principal amount of 8.00% notes due 2028. The Notes will mature on September 1, 2028. The Notes bear interest at a rate of 8.000% per year, payable quarterly on March 1, June 1, September 1, and December 1 each year, commencing on December 1, 2023.
5 On May 30, 2024, the Company completed a public offering of $62.5 million aggregate principal amount of 8.50% notes due 2029, and on June 3, 2024, the underwriters exercised their option to purchase an additional $9.4 million in aggregate principal amount of the 2029 Notes. The Notes will mature on June 1, 2029. The Notes bear interest at a rate of 8.500% per year, payable quarterly on March 1, June 1, September 1, and December 1 each year, commencing on September 1, 2024.
6 On September 16, 2024, the Company completed a public offering of $75.0 million aggregate principal amount of 8.625% notes due 2029. The Notes will mature on October 15, 2029. The Notes bear interest at a rate of 8.625% per year, payable quarterly on January 15, April 15, July 15, and October 15 each year, commencing on January 15, 2025.
7 On March 19, 2025, the Company completed an exempt offering of $30.0 million aggregate principal amount of notes due 2030. The Notes will mature on April 1, 2030. The Notes bear interest at a rate of 8.375% per year, payable semiannually on April 1 and October 1 each year, commencing on October 1, 2025.

The increase in interest expense period over period is primarily due to the Company's continued growth in deposits that increased interest expense by $3.6 million. In addition, there was additional interest expense on the 2027, 2029 8.625% Notes and 2030 Notes of $1.0 million, $1.4 million and $0.7 million, respectively and an increase in interest expense on bank and FHLB borrowings of $1.5 million. The increase was partially offset by a reduction in Notes payable - Securitization Trusts of $2.1 million, and the 2025 8.125% Notes of $1.1 million.

Provision for Credit Losses

The provision for loan and lease credit losses represents the amount necessary to be charged against the current period's earnings to maintain the ACL on loans at a level that the Company believes is appropriate in relation to the estimated losses inherent in the loan portfolio.

For the three months ended September 30, 2025 and 2024, there was a provision for loan credit losses of $7.7 million and $6.9 million, respectively. The increase was due to an increase in loans held for investment at amortized cost, specifically SBA 7(a) loans, as well as a sequential build of the provision year over year.

Net Interest Income and Margin

Average Balances and Yields. The following table presents information regarding average balances for assets and liabilities, the total dollar amounts of interest income and dividends from average interest-earning assets, the total dollar amount of interest expense on average interest-bearing liabilities, and the resulting average yields and costs. The yields and costs for the periods indicated are derived by dividing the income or expense by the average balances for assets or liabilities, respectively, for the periods presented and annualizing that result. Loan fees are included in interest income on loans.

	Three Months Ended September 30,					
	2025			2024		
	Average Balance	Interest	Average Yield / Rate	Average Balance	Interest	Average Yield / Rate
Interest-earning assets:						
Other interest-earning assets	$ 275,885	$ 2,518	3.62 %	$ 171,193	$ 2,349	5.46 %
Investment securities	13,015	200	6.10	25,472	334	5.22
Loans held for sale	624,531	11,516	7.32	248,507	6,634	10.62
Loans held for investment	1,105,354	24,860	8.92	971,396	21,954	8.99
Total interest-earning assets	2,018,785	39,094	7.68	1,416,568	31,271	8.78
Less: Allowance for credit losses on loans	(42,724)			(21,152)		
Noninterest earning assets	286,617			215,433		
Total assets	$ 2,262,678			$ 1,610,849		
Interest-bearing liabilities:						
Demand	$ 157,657	$ 277	0.70 %	$ 67,270	$ 191	1.13 %
Savings and NOW	447,058	4,660	4.14	252,325	3,240	5.11
Money Market	64,113	576	3.56	30,049	311	4.12
Time	479,078	5,366	4.44	279,215	3,572	5.09
Total deposits	1,147,906	10,879	3.76	628,859	7,314	4.63
Borrowings	674,017	13,666	8.04	630,796	12,976	8.18
Total interest-bearing liabilities	1,821,923	24,545	5.34	1,259,655	20,290	6.41
Noninterest-bearing deposits	—			10,893		
Noninterest-bearing liabilities	101,678			65,413		
Shareholders' equity	339,077			274,888		
Total liabilities and shareholders' equity	$ 2,262,678			$ 1,610,849		
Net interest income and interest rate spread		$ 14,549	2.34 %		$ 10,981	2.37 %
Net interest margin			2.86 %			3.08 %
Ratio of average interest-earning assets to average interest bearing liabilities			110.81 %			112.46 %

Rate/Volume Analysis

The following table sets forth the effects of changing rates and volumes on net interest income. The rate column shows the effects attributable to changes in rate (changes in rate multiplied by prior volume). The volume column shows the effects attributable to changes in volume (changes in volume multiplied by prior rate). The total column represents the sum of the prior columns. For purposes of this table, increases or decreases attributable to changes in both rate and volume that cannot be segregated have been allocated proportionally based on the changes due to rate and the changes due to volume.

	Three Months Ended September 30, 2025 vs. 2024 Increase (Decrease) Due to		
	Rate	Volume	Total
Interest income:			
Other interest-earning assets	$ (1,225)	$ 1,392	$ 167
Investment securities	78	(211)	(133)
Loans held for sale	(18,021)	22,904	4,883
Loans held for investment	(3,847)	6,753	2,906
Total interest income	(23,015)	30,838	7,823
Interest expense:			
Demand	(986)	1,072	86
Savings and NOW	(1,244)	2,664	1,420
Money Market	(181)	446	265
Time	(6,608)	8,402	1,794
Borrowings	583	107	690
Total interest expense	(8,436)	12,691	4,255
Net interest income	$ (14,579)	$ 18,147	$ 3,568

Non-Interest Income

	Three Months Ended September 30,		2025/2024 Increase/(Decrease)	
	2025	2024	Amount	Percent
Dividend income	$ 425	$ 374	$ 51	13.6 %
Net loss on loan servicing assets	(4,493)	(1,786)	(2,707)	151.6
Servicing income	6,076	4,958	1,118	22.5
Net gains on sales of loans	9,563	25,675	(16,112)	(62.8)
Net (loss) gain on residuals in securitizations	(1,450)	—	(1,450)	100.0
Net gain (loss) on loans under the fair value option	29,250	(4,085)	33,335	(816.0)
Technology and IT support income	—	3,311	(3,311)	(100.0)
Electronic payment processing income	11,053	11,777	(724)	(6.1)
Other noninterest income	9,964	11,627	(1,663)	(14.3)
Total noninterest income	$ 60,388	$ 51,851	$ 8,537	16.5 %

Dividend Income

For the three months ended September 30, 2025 and 2024, dividend income was dependent on the earnings of our joint ventures.

Net Loss on Loan Servicing Assets

The Company accounts for servicing assets in accordance with ASC Topic 860-50 - Transfers and Servicing - Servicing Assets and Liabilities. The Company earns servicing fees from the guaranteed portions of SBA 7(a) loans it originates and sells, from the SBA 7(a) loan securitizations sponsored by NSBF, and from servicing the ALP portfolios in securitizations sponsored by NCL JV (dissolved in September 2025), TSO JV and Newtek ALP Holdings. Servicing assets for loans originated by the Company's nonbank subsidiaries are measured at FV at each reporting date and the Company reports changes in the FV of servicing assets in earnings in the period in which the changes occur. The valuation model for servicing assets incorporates assumptions including, but not limited to, servicing costs, discount rate, prepayment rate, and default rate. Considerable judgment is required to estimate the fair value of servicing assets and, as such, these assets are classified as Level 3 in our fair value hierarchy. Servicing assets for loans originated by Newtek Bank are measured at LCM and amortized based on their estimated life, and impairment is recorded to the extent the amortized cost exceeds the asset's FV. Net loss on loan servicing assets is shown net of amortization expense.

The larger loss in Net loss on loan servicing assets is due to the decrease in NSBF's total portfolio of loans during the wind-down.

Servicing Income

The increase in servicing income was related to an increase of $159.2 million in the average total loan portfolio for which we earn servicing income period over period.

Net Gains on Sales of Loans

Net gains on sales of loans for the three months ended September 30, 2025 and 2024 were as follows:

	Three Months Ended	
	September 30, 2025	September 30, 2024
Gains recognized on sales of loans	$ 9,563	$ 27,336
Losses recognized on sales of loans	—	(1,661)
Net gains on sales of loans	$ 9,563	$ 25,675

	Three Months Ended			
	September 30, 2025		September 30, 2024	
	# of Loans	$ Amount	# of Loans	$ Amount
SBA loans originated	547	$ 187,253	639	$ 226,513
SBA guaranteed loans sold	210	69,086	525	176,002
Average sale price as a percent of principal balance[1]		110.12 %		110.78 %

[1] Realized gains greater than 110.00% must be split 50/50 with the SBA in accordance with SBA regulations. The realized gains recognized above reflect amounts net of split with the SBA.

For the three months ended September 30, 2025, the average sale price on SBA 7(a) loans as a percent of principal balance was 110.12% compared to 110.78% for the prior period. The decrease in sales prices in 2025 resulted from lower demand. The decrease in overall net gains on sales of loans resulted from lower volumes of sales compared to the prior year at lower market premiums than the prior year. Additionally, the decrease in SBA 7(a) guaranteed loans sold is primarily due to management holding the loans for a longer period of time.

The table below provides selected statistics on the historical net premiums on sales of guaranteed portions of SBA 7(a) loans realized by NewtekOne:

	SBA 7(a) Sales Price as Percent of Principal Balance (%)			
	Average	High	Low	Median
Year ended December 31, 2023	110.20 %	114.04 %	106.00 %	110.42 %
Year ended December 31, 2024	110.97 %	114.80 %	107.18 %	111.19 %
Three months ended September 30, 2025	110.21 %	112.59 %	108.31 %	110.16 %
Weighted Average	110.59 %	114.80 %	106.00 %	110.80 %

Net (Loss) Gain on Residuals in Securitizations

Net (loss) gain on residuals in securitizations for the three months ended September 30, 2025 were $(1.5) million. There were no net gains on residuals in securitizations for the three months ended September 30, 2024. This resulted from the Company's equity interest in the 2025-1 Securitization Trust which closed on April 23, 2025. To consummate the transaction, $216.6 million of ALP loans held for sale at fair value were sold into the securitization trust at par. This resulted in $35.4 million of previously recorded gains on ALP loans under the fair value option to be reversed, which was a large driver of the change described in the section below. The residual in the securitization (represented by the ownership certificate) was then valued resulting in a gain that was netted against the transaction costs. Refer to NOTE 3—SECURITIZATIONS AND VARIABLE INTEREST ENTITIES in the accompanying notes to the consolidated financial statements for additional information.

Net Gain (Loss) on Loans Accounted for Under the Fair Value Option

Net gain (loss) on loans accounted for under the fair value option for the three months ended September 30, 2025 and 2024 were as follows:

	For the three months ended		
	September 30, 2025	September 30, 2024	Change
SBA 7(a) Unguaranteed Loans	$ (3,319)	$ (11,538)	$ 8,219
SBA 7(a) Guaranteed Loans	11,484	300	11,184
SBA 504 and Non-SBA Loans	21,085	7,153	13,932
Net Gain (Loss) on Loans Accounted for Under the Fair Value Option	$ 29,250	$ (4,085)	$ 33,335

Net unrealized gain (loss) on loans accounted for under the fair value option relates to the guaranteed portions of SBA loans made which the Company sells into a secondary market, the unguaranteed portions of SBA loans made which the Company holds, SBA 504 loans that are HFS, and ALP loans that are held for sale. This unrealized gain (loss) represents the fair value adjustment of loans**.** The amount of the unrealized gain (loss) is determined by the quantity of loans held for sale at quarter end, the change in secondary market pricing conditions, and the valuation of the loans that are not held for sale.

During the three months ended September 30, 2025 and 2024, the Company recorded unrealized losses on SBA 7(a) unguaranteed loans accounted for under the fair value option as the portfolio paid down. During the three months ended September 30, 2024, the Company recorded unrealized gains on SBA 7(a) guaranteed loans accounted for under the fair value option primarily due to holding guaranteed portions of SBA 7(a) loans for longer periods of time.

The $13.9 million increase in unrealized gain on loans accounted for under the fair value option from SBA 504 and Non-SBA loans is primarily volume driven from the reversal of the previous gains on ALP loans to consummate the NALP 2025-1 transaction as noted above.

Technology and IT Support Income

Technology and IT support income was $3.3 million for the three months ended September 30, 2024. There was no Technology and IT support income for the three months ended September 30, 2025, due to the sale of NTS. Refer to NOTE 4—INVESTMENTS: Intelligent Protection Management Corp**.**

Other Noninterest Income

For the three months ended September 30, 2025 and 2024, other noninterest income related primarily to loan origination fees (legal and packaging) on loans sold or carried at fair value. Other items that contributed to the $1.7 million decrease included a decrease on prepayment and late fees earned from SBA 7(a) loans. The Company originated 547 of SBA 7(a) loans compared to 639 loans for the three months ended September 30, 2025 and 2024, respectively. Adding to the decrease was $0.6 million of net unrealized losses on joint ventures and other non-control investments for the three months ended September 30, 2025 compared to none in the prior period.

Non-Interest Expense

	Three Months Ended September 30,		2025/2024 Increase/(Decrease)	
	2025	September 30, 2024	Amount	Percent
Salaries and employee benefits expense	$ 19,973	$ 19,149	$ 824	4.3 %
Technology services expense	—	1,796	(1,796)	(100.0)
Electronic payment processing expense	4,429	4,438	(9)	(0.2)
Professional services expense	3,793	3,929	(136)	(3.5)
Other loan origination and maintenance expense	6,764	4,132	2,632	63.7
Depreciation and amortization	129	517	(388)	(75.0)
Loss on extinguishment of debt	179	—	179	100.0
Other general and administrative costs	6,892	4,886	2,006	41.1
Total noninterest expense	$ 42,159	$ 38,847	$ 3,312	8.5 %

Technology Services Expenses

The $1.8 million decrease in technology services expenses for the three months ended September 30, 2025 corresponded with the NTS Sale. Refer to NOTE 4—INVESTMENTS: Intelligent Protection Management Corp**.**

Other Loan Origination and Maintenance Expense

Other loan origination and maintenance expenses during the three months ended September 30, 2025, was $6.8 million compared to $4.1 million for the three months ended September 30, 2024. The increase was due to the increase in loans originated during the period.

Depreciation and Amortization

The decrease in depreciation and amortization period over period is primarily attributable to the full amortization of intangible assets during the second half of 2024, which results in less amortization in 2025 as compared to the prior year.

Loss on Extinguishment of Debt

The increase in loss on extinguishment of debt period over period is attributable to the repayment in full of the NMS Webster Note on September 26, 2025.

Other General and Administrative Costs

The increase in other general and administrative costs of $2.0 million is primarily driven by higher technology-related costs following the sale of NTS in 2025. These costs were previously eliminated in consolidation but are now recognized as standalone expenses post-divestiture.

Results of Segment Operations

The Company has four reportable segments Banking, Alternative Lending, NSBF, and Payments. A description of each segment and the methodologies used to measure financial performance is described in NOTE 18—SEGMENTS in the accompanying Notes to the Consolidated Financial Statements. Net income (loss) by operating segment is presented below:

	Three Months Ended September 30,		2025/2024 Increase/(Decrease)	
	2025	September 30, 2024	Amount	Percent
Banking	$ 12,574	$ 13,485	$ (911)	(7)%
Alternative Lending	22,318	16,377	5,941	36 %
Technology[1]	—	100	(100)	(100)%
NSBF	(4,884)	(10,790)	5,906	(55)%
Payments	4,212	5,055	(843)	(17)%
Corporate & Other	9,062	7,070	1,992	28 %
Eliminations	(25,381)	(19,363)	(6,018)	31 %
Consolidated net income	$ 17,901	$ 11,934	$ 5,967	50 %

[1] As a result of commitments made to the Federal Reserve, the Company divested of NTS on January 2, 2025, and is no longer a reportable segment. See NOTE 4—INVESTMENTS: Intelligent Protection Management Corp**.**

Banking

The banking segment includes Newtek Bank as well as its consolidated subsidiary SBL. The financial results include the origination, sale, and servicing of SBA 7(a) loans, SBA 504 loans, C&I loans, CRE loans and ABL loans. In addition, Newtek Bank offers depository services. The results include $16.6 million of net interest income during the three months ended September 30, 2025 compared to $11.2 million of net interest income during the three months ended September 30, 2024.

Alternative Lending

Alternative Lending includes Newtek ALP Holdings (NALH) and its subsidiaries. The Company has originated loans under its Alternative Lending Program since 2019. Prior to July 1, 2024, the Company originated ALP loans with the intent to sell to a JV. While the Company continues to source JV partners to participate in this program, during the third quarter of 2024, the Company made the decision to originate with the intent to securitize ALP loans with our subsidiary Newtek ALP Holdings as the originator and sponsor without a joint venture partner; the Company's first such securitization transaction was consummated during the second quarter of 2025. The Company could also originate ALP loans designated as HFI. On August 27, 2025, NALH entered into an interest purchase agreement with TCP to acquire TCP's 50% ownership interest in NCL JV for $15.75 million, resulting in NALH owning 100% of NCL JV. Compared to the three months ended September 30, 2024, there were more loans originations that drove higher income for the three months ended September 30, 2025, as well as larger gains on loans at fair value.

NSBF

NSBF relates to NSBF's legacy portfolio of SBA 7(a) loans held outside Newtek Bank. The change in net income is due to the wind-down of NSBF's operations.

Payments

Payments includes NMS, POS and Mobil Money. Within the segment's results are $11.9 million of noninterest income for the three months ended September 30, 2025, resulting from marketing credit and debit card processing services, check approval services, processing equipment, and software, compared to $12.5 million during the three months ended September 30, 2024. The net income also included $7.6 million and $7.3 million of noninterest expense for the three months ended September 30, 2025 and 2024, respectively.

Corporate and Other

Corporate and Other represents operations not considered to be reportable segments and/or general operating expenses of the Company, and includes the parent company, other non-bank subsidiaries including NIA, PMT, and elimination adjustments to reconcile the results of the operating segments to the consolidated financial statements prepared in conformity with GAAP.

Liquidity and Capital Resources

Overview

Our liquidity and capital resources are derived from our deposits, Company notes, securitization transactions and earnings and cash flows from operations, including loan sales and repayments. In the nine months ended September 30, 2025, our primary use of funds from operations included originations of loans and payments of fees, interest, and other operating expenses we incurred. We may raise additional equity or debt capital through both registered offerings off of a shelf registration, including "at-the-market" (ATM), and private offerings of securities. On January 27, 2023, the Company submitted a Form S-3 with the SEC in order to commence the process of re-establishing an effective shelf registration statement. The registration statement on Form S-3 was declared effective by the SEC on July 27, 2023. On November 17, 2023, the Company entered into the Original ATM Equity Distribution Agreement, which was amended and restated on June 6, 2025. The Amended and Restated Equity Distribution Agreement provides that the Company may offer and sell up to 5,000,000 shares of Common Stock from time to time through the placement agents. On November 1, 2024, the Company's Board of Directors approved a new stock repurchase program granting the Company authority to repurchase up to 1.0 million shares of Company common stock during the next twelve months. In addition, on September 11, 2025, the Board approved a debt repurchase program granting the Company authority to repurchase up to $5.0 million aggregate principal amount of the Company's 2029 Notes during the following six months.

Public Offerings

Equity ATM Program

The Company's shelf registration statement on Form S-3 was declared effective by the SEC on July 27, 2023. On November 17, 2023, the Company entered into the Original ATM Equity Distribution Agreement. The Original ATM Equity Distribution Agreement provided that the Company may offer and sell up to 3.0 million shares of Common Stock from time to time through the placement agents thereunder. The Original ATM Equity Distribution Agreement was amended and restated on June 6, 2025. The Amended and Restated Equity Distribution Agreement provides that the Company may offer and sell up to 5.0 million shares of Common Stock from time to time through the placement agents thereunder (inclusive of shares of Common Stock sold under the Original ATM Distribution Agreement) and added certain additional placement agents. The Company may, subject to market conditions, engage in activity under the ATM Program.

The following table summarizes the total shares sold and net proceeds received under the ATM Equity Distribution Agreement:

	Three Months Ended September 30,		Nine months ended September 30,	
2023 ATM Program	**2025**	**2024**	**2025**	**2024**
Shares sold	425	—	425	1,100
Net weighted average price per share	$ 12.22	$ —	$ 12.22	$ 12.56
Net proceeds	$ 5,090	$ —	$ 5,090	$ 13,818
Placement agent fees paid	$ 104	$ —	$ 104	$ 282

Stock and Debt Repurchase Programs

On November 1, 2024, the Company's Board approved a new stock repurchase program granting the Company authority to repurchase up to 1.0 million shares of Company common stock during the following twelve months. The actual timing and amount of any repurchases under the plan will be determined by the Company in its discretion, and will depend on a number of factors, including market conditions, applicable legal requirements, the Company's capital needs and whether there is a better alternative use of capital. The Company has no obligation to repurchase any amount of its common stock under its new stock repurchase program. In addition, on September 11, 2025, the Board approved a debt repurchase program granting the Company authority to repurchase up to $5.0 million aggregate principal amount of the Company's 2029 Notes during the following six months. The actual timing and amount of any repurchases under the debt repurchase plan will be determined by the Company in its discretion, and will depend on a number of factors, including market conditions, applicable legal requirements, the Company's capital needs and whether there is a better alternative use of capital. The Company has no obligation to repurchase any amount of its debt securities under this debt repurchase program. Pursuant to the debt repurchase program, the Company repurchased 2,700 shares of it s 2029 8.50% Notes on September 22, 2025.A

The following table summarizes the total shares repurchased and net proceeds received under the stock repurchase program:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Shares repurchased	—	—	16	—
Net weighted average price per share	$ —	$ —	$ 10.42	$ —
Net proceeds	$ —	$ —	$ 167	$ —

2029 Notes

On May 30, 2024, the Company completed a registered offering of $71.9 million in aggregate principal amount of its 2029 8.50% Notes, which includes the underwriters' exercise of the option granted by the Company to purchase an additional $9.4 million in aggregate principal amount of the 2029 8.50% Notes. The Company received $69.6 million in proceeds, before expenses, from the sale of the 2029 8.50% Notes. The 2029 8.50% Notes bear interest at a rate of 8.50% per year payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing on September 1, 2024, and trade on the Nasdaq Global Market under the trading symbol "NEWTG." At September 30, 2025, the Company was in compliance with all covenants related to the 2029 8.50% Notes.

On September 16, 2024, the Company completed a registered offering of $75.0 million aggregate principal amount of 2029 8.625% Notes. The 2029 8.625% Notes will mature on October 15, 2029. The Company received $72.8 million in proceeds, before expenses, from the sale of the 2029 8.625% Notes. These Notes bear interest at a rate of 8.625% per year, payable quarterly on January 15, April 15, July 15, and October 15 each year, commencing on January 15, 2025. , and trade on the Nasdaq Global Market under the trading symbol "NEWTH." At September 30, 2025, the Company was in compliance with all covenants related to the 2029 8.625% Notes.

2028 Notes

On August 31, 2023, the Company completed a registered offering of $40.0 million in aggregate principal amount of its 8.00% 2028 Notes. The Company received $38.0 million in proceeds, before expenses, from the sale of the 2028 Notes. The 2028 Notes bear interest at a rate of 8.00% per year payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing on December 1, 2023, and trade on the Nasdaq Global Market under the trading symbol "NEWTI." At September 30, 2025, the Company was in compliance with all covenants related to the 2028 Notes.

2026 Notes

In January 2021, the Company completed a registered offering of $115.0 million aggregate principal amount of 5.50% 2026 Notes. The sale of the 2026 Notes generated proceeds of approximately $111.3 million, net of underwriter's fees and expenses. The 2026 Notes will mature on February 1, 2026 and may be redeemed in whole or in part at any time or from time to time at the Company's option upon not less than 30 days nor more than 60 days written notice by mail prior to the date fixed for redemption thereof, at a redemption price equal to 100% of the principal amount of the 2026 Notes to be redeemed, plus accrued and unpaid interest, if any, to, but excluding, the date of redemption. The 2026 Notes bear interest at a rate of 5.50% per year payable quarterly on February 1, May 1, August 1 and November 1 of each year, commencing on May 1, 2021, and trade on the Nasdaq Global Market under the trading symbol "NEWTZ." At September 30, 2025, the Company was in compliance with all covenants related to the 2026 Notes.

The 2029, 2028 and 2026 Notes are the Company's direct unsecured obligations and rank: (i) *pari passu* with the Company's other outstanding and future unsecured indebtedness; (ii) senior to any of the Company's future indebtedness that expressly provides it is subordinated to these Notes; (iii) effectively subordinated to all the Company's existing and future secured indebtedness (including indebtedness that is initially unsecured to which the Company subsequently grants security), to the extent of the value of the assets securing such indebtedness; and (iv) structurally subordinated to all existing and future indebtedness and other obligations of any of the Company's subsidiaries. The Base Indenture, and each supplemental indenture thereto, contains certain covenants. The Base Indenture provides for customary events of default and further provides that the Trustee or the holders of 25% in aggregate principal amount of the outstanding Notes may declare such Notes immediately due and payable upon the occurrence of any event of default after expiration of any applicable grace period. In addition, the supplemental indenture for the 2026 Notes includes covenants requiring the Company to comply with (regardless of whether it is subject to) the asset coverage requirements set forth in Section 18(a)(1)(A) of the 1940 Act as modified by Section 61(a) of the 1940 Act (or any successor provisions), to comply with (regardless of whether it is subject to) the restrictions on dividends, distributions and purchase of capital stock set forth in Section 18(a)(1)(B) of the 1940 Act as modified by Section 61(a) of the 1940 Act and to provide financial information to the holders of the 2026 Notes and the Trustee if the Company should no longer be subject to the reporting requirements under the Exchange Act ("BDC Covenants"). These covenants are subject to important limitations and exceptions that are described in the Base Indenture, as supplemented by the supplemental indentures. At September 30, 2025, the Company was in compliance with all covenants related to the Notes.

2024 Notes

In July 2019, the Company completed a registered offering of $63.25 million aggregate principal amount of 5.75% 2024 Notes. On February 16, 2021 and May 20, 2021, the Company issued an additional $5.0 million and $10.0 million in aggregate principal amount of the 2024 Notes, respectively. On December 29, 2021, the Company redeemed $40.0 million in aggregate principal amount of the $78.25 million of principal amount of 2024 Notes outstanding at 100% of their principal amount ($25 per Note), plus the accrued and unpaid interest thereon from November 1, 2021 through, but excluding, the redemption date. The 2024 Notes traded on the Nasdaq Global Market under the trading symbol "NEWTL" until the 2024 Notes matured on August 1, 2024.

Private Placements

2030 Notes

On March 19, 2025, the Company closed an exempt offering of $30.0 million in aggregate principal amount of its 2030 Notes. The offering was consummated pursuant to the terms of a purchase agreement dated March 19, 2025 among the Company and eleven institutional accredited investors. The purchase agreement provided for the 2030 Notes to be issued to the Purchaser in a private placement in reliance on Section 4(a)(2) of the Securities Act. The 2030 Notes are scheduled to mature on April 1, 2030 and could be redeemed in whole or in part at any time. The 2030 Notes bear interest at a rate of 8.375% per year payable semiannually on April 1 and October 1 each year, beginning October 1, 2025.

2027 Notes

On January 23, 2023, we completed a private placement offering of $50.0 million aggregate principal amount of 8.125% notes due 2025. The net proceeds from the sale of the notes were approximately $48.94 million after deducting estimated offering expenses payable by the Company. The Notes were scheduled to mature on February 1, 2025. Effective December 11, 2024, the Company entered into the Amendment and Exchange Agreements with each of the holders of the 2025 8.125% Notes, pursuant to which the Company and the holders of the 2025 8.125% Notes agreed to exchange the 2025 8.125% Notes for the 2027 Notes, effecting amendments solely to (i) extend the February 1, 2025 maturity date of the 2025 8.125% Notes to the new maturity date of February 1, 2027 (the “New Maturity Date”) and (ii) provide that the 2027 Notes will be redeemable in whole, but not in part, at any time, at the option of the Company, from November 1, 2026 to the New Maturity Date, at a redemption price of 100% of the outstanding principal amount being redeemed plus any accrued but unpaid interest, to but excluding the redemption date. The Notes bear interest at a rate of 8.125% per year payable semiannually on February 1 and August 1 each year.

2025 Notes

On March 31, 2022, the Company completed a private placement of $15.0 million aggregate principal amount of its 2025 5.00% Notes. The offering was consummated pursuant to the terms of a purchase agreement dated March 31, 2022 among the Company and an accredited investor, which provided for the 2025 5.00% Notes to be issued to the purchaser in a transaction that relied on Section 4(a)(2) of the Securities Act to be exempt from registration under the Securities Act. The net proceeds from the sale of the notes were approximately $14.5 million, after deducting structuring fees and estimated offering expenses. On May 2, 2022, the Company issued an additional $15.0 million in aggregate principal amount of the 2025 5.0% Notes. The 2025 5.00% Notes were issued under the Base Indenture and the Tenth Supplemental Indenture, dated as of March 31, 2022. The 2025 5.00% Notes matured on March 31, 2025.

NMS Webster Note

On September 26, 2025, the Company’s wholly-owned subsidiary NMS repaid in full all of the outstanding obligations under that certain Credit Agreement, dated as of November 8, 2018. As a result, the Webster Credit Agreement and the other loan documents executed in connection therewith have been terminated, including that certain Parent Guaranty Agreement, dated as of November 8, 2018, by and between the Company and Webster Bank. No early termination penalties were incurred by the Company or the Loan Parties as a result of the termination. As a result of the termination, the Company recognized a $0.2 million loss on extinguishment of debt.

NMS Goldman Facility

On September 26, 2025, NMS and its wholly-owned subsidiary, Mobil Money, LLC (collectively, the “Borrowers”), together with NBSH Holdings, LLC, the direct sole member of NMS, as guarantor, entered into a Credit and Guaranty Agreement (the “Goldman Credit Agreement”), with Private Credit at Goldman Sachs Alternatives ("Goldman") as Administrative Agent and Collateral Agent thereunder and the lenders party thereto from time to time (the “Lenders”). Pursuant to the terms of the Goldman Credit Agreement, the Lenders made available to the Borrowers term loans up to an aggregate principal amount of $90.0 million (the “Term Loans”) and a revolving facility up to an aggregate principal amount of $5.0 million (together with the Term Loans, collectively the “Goldman Facility”). The Goldman Facility will mature on September 26, 2030. At September 30, 2025, total principal outstanding was $88.6 million. The Company incurred approximately $1.4 million of deferred financing costs in connection with the Goldman Facility.

SPV I, II, and III Facilities

Newtek ALP Holdings’ subsidiaries (our indirect subsidiaries) SPV I, II, and III maintain credit facilities with third party lenders. SPV I has a Capital One facility with maximum borrowings of $100.0 million. Capital One’s commitment terminates in July 2027, with all amounts due under the SPV I Facility maturing in July 2028. At September 30, 2025, total principal owed by SPV I was $23.7 million. SPV II has a Deutsche Bank facility with maximum borrowings $170.0 million. The Deutsche Bank Facility matures in December 2027. At September 30, 2025, total principal owed by SPV II was $104.7 million. SPV III has a One Florida Bank facility with maximum borrowings of $35.0 million. On August 7, 2025, the One Florida Bank Facility was amended and upsized to maximum borrowings of $35.0 million; One Florida Bank’s facility matures in August 2028. At September 30, 2025, total principal owed by SPV III was $8.3 million.

Securitization Transactions

On April 23, 2025, the Company's subsidiary Newtek ALP Holdings closed a securitization pursuant to which it sold $155,930,000 of Class A Notes, $23,820,000 of Class B Notes, and $4,330,000 of a Class C Note (collectively, the "2025-1 Notes") issued by NALP Business Loan Trust 2025-1 (the "Securitization Trust"). The 2025-1 Notes were backed by $216,564,700 of collateral, consisting of Newtek ALP Holdings originated ALP loans. The Class A Notes received a Morningstar DBRS rating of "A (low) (sf)" and were priced at a yield of 6.338%; the Class B Notes received a Morningstar DBRS rating of "BBB (sf)" and were priced at a yield of 7.838%; and the Class C Note received a Morningstar DBRS rating of "BB (sf)" and was priced at a yield of 10.338%. The 2025-1 Notes had a weighted average yield of 6.62% and an 85% advance rate.

From 2010 through June 2023, NSBF engaged in thirteen (13) securitizations of the unguaranteed portions of its SBA 7(a) loans. In the securitizations, NSBF used a special purpose entity (the "Trust") which is considered a variable interest entity. Applying the consolidation requirements for VIEs under the accounting rules in ASC Topic 860, Transfers and Servicing, and ASC Topic 810, Consolidation, which became effective January 1, 2010, the Company determined that as the primary beneficiary of the securitization vehicle, based on its power to direct activities through its role as servicer for the Trust and its obligation to absorb losses and right to receive benefits, it needed to consolidate the Trusts. NSBF therefore consolidated the entity using the carrying amounts of the Trust's assets and liabilities. NSBF reflects the legacy portfolio of SBA 7(a) loans and reflects the associated financing in Notes Payable - Securitization trusts on the Consolidated Statements of Financial Condition.

In June 2023, NSBF completed its thirteenth securitization which resulted in the transfer of $103.9 million of unguaranteed portions of SBA loans to the 2023-1 Trust. The 2023-1 Trust in turn issued securitization notes for the par amount of $103.9 million, consisting of $84.3 million of Class A notes and $19.6 million Class B notes, against the 2023-1 Trust assets in a private placement. The Class A and Class B notes received an "A-" and "BBB-" rating by S&P, respectively, and the final maturity date of the notes is October 2049. The Class A and Class B notes bear interest at an average rate of 30-day average compounded SOFR plus 3.24% across both classes. At such time as the sum of the principal amount of the Class A Notes and the Class B Notes is less than or equal to 20.00% of the sum of the principal amount of the Class A Notes and Class B Notes as of the closing date of the transaction, NSBF has the right, with the consent of the SBA, to terminate the 2023-1 Trust by purchasing the 2023-1 Trust assets, with the Class A and B noteholders receiving the redemption price from the proceeds.

In September 2022, NSBF completed its twelfth securitization which resulted in the transfer of $116.2 million of unguaranteed portions of SBA loans to the 2022-1 Trust. The 2022-1 Trust in turn issued securitization notes for the par amount of $116.2 million, consisting of $95.4 million of Class A notes and $20.8 million Class B notes, against the 2022-1 Trust assets in a private placement. The Class A and Class B notes received an "A-" and "BBB-" rating by S&P, respectively, and the final maturity date of the notes is October 2049. The Class A and Class B notes bear interest at an average rate of 30-day average compounded SOFR plus 2.97% across both classes. At such time as the sum of the principal amount of the Class A Notes and the Class B Notes is less than or equal to 20.00% of the sum of the principal amount of the Class A Notes and Class B Notes as of the closing date of the transaction, NSBF has the right, with the consent of the SBA, to terminate the 2022-1 Trust by purchasing the 2022-1 Trust assets, with the Class A and B noteholders receiving the redemption price from the proceeds.

In December 2021, NSBF completed its eleventh securitization which resulted in the transfer of $103.4 million of unguaranteed portions of SBA loans to the 2021-1 Trust. The 2021-1 Trust in turn issued securitization notes for the par amount of $103.4 million, consisting of $79.7 million of Class A notes and $23.8 million Class B notes, against the 2021-1 Trust assets in a private placement. The Class A and Class B notes received an "A" and "BBB-" rating by S&P, respectively, and the final maturity date of the notes is December 2048. The Class A and Class B notes bear interest at an average rate of adjusted SOFR plus 1.92% across both classes. At such time as the sum of the principal amount of the Class A Notes and the Class B Notes is less than or equal to 20.00% of the sum of the principal amount of the Class A Notes and Class B Notes as of the closing date of the transaction, NSBF has the right, with the consent of the SBA, to terminate the 2021-1 Trust by purchasing the 2021-1 Trust assets, with the Class A and B noteholders receiving the redemption price from the proceeds.

In October 2019, NSBF completed its tenth securitization which resulted in the transfer of $118.9 million of unguaranteed portions of SBA loans to the 2019-1 Trust. The 2019-1 Trust in turn issued securitization notes for the par amount of $118.9 million, consisting of $93.5 million of Class A notes and $25.4 million Class B notes, against the 2019-1 Trust assets in a private placement. The Class A and Class B notes received an "A" and "BBB-" rating by S&P, respectively, and the final maturity date of the notes is December 2044. The Class A and Class B notes bear interest at an average rate of adjusted SOFR plus 1.83% across both classes. In October, 2024, the 2019-1 Trust was terminated as a result of NSBF purchasing the 2019-1 Trust assets, with the 2019-1 Trust's noteholders receiving the redemption price.

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In November 2018, NSBF completed its ninth securitization which resulted in the transfer of $108.6 million of unguaranteed portions of SBA loans to the 2018-1 Trust. The 2018-1 Trust in turn issued securitization notes for the par amount of $108.6 million, consisting of $82.9 million Class A notes and $25.7 million of Class B notes, against the assets in a private placement. The Class A and Class B notes received an "A" and "BBB-" rating by S&P, respectively, and the final maturity date of the notes is February 2044. In October, 2024, the 2018-1 Trust was terminated as a result of NSBF purchasing the 2018-1 Trust assets, with the 2018-1 Trust's noteholders receiving the redemption price.

In December 2017, NSBF completed its eighth securitization which resulted in the transfer of $76.2 million of unguaranteed portions of SBA loans to the 2017-1 Trust. The 2017-1 Trust in turn issued securitization notes for the par amount of $75.4 million, consisting of $58.1 million Class A notes and $17.3 million of Class B notes, against the assets in a private placement. The Class A and Class B notes received an "A" and "BBB-" rating by S&P, respectively, and the final maturity date of the notes is February 2043. On February 27, 2023, the 2017-1 Trust was terminated as a result of NSBF purchasing the 2017-1 Trust assets, with the 2017-1 Trust's noteholders receiving the redemption price.

Regulatory Capital

The Company strives to maintain prudent capital levels to absorb risk and maximizing returns to shareholders. The Company and Newtek Bank are primarily constrained by the Total Capital and Leverage ratios given the mix of assets vis-a-vis capital.

Capital amounts and ratios for the Company as of September 30, 2025 and 2024 are presented in the table below:

	Actual		For Capital Adequacy Purposes[1]		For Consideration as Well-Capitalized	
NewtekOne, Inc. - September 30, 2025	Amount	Ratio	Amount	Ratio	Amount	Ratio
Tier 1 Capital (to Average Assets)	$ 351,998	15.8 %	$ 89,119	4.0 %	N/A	N/A
Common Equity Tier 1 (to Risk-Weighted Assets)	303,817	18.0 %	76,062	4.5 %	N/A	N/A
Tier 1 Capital (to Risk-Weighted Assets)	351,998	20.8 %	101,416	6.0 %	N/A	N/A
Total Capital (to Risk-Weighted Assets)	373,429	22.1 %	135,222	8.0 %	N/A	N/A
NewtekOne, Inc. - September 30, 2024						
Tier 1 Capital (to Average Assets)	$ 218,604	13.9 %	$ 62,703	4.0 %	N/A	N/A
Common Equity Tier 1 (to Risk-Weighted Assets)	218,604	17.7 %	55,678	4.5 %	N/A	N/A
Tier 1 Capital (to Risk-Weighted Assets)	218,604	17.7 %	74,237	6.0 %	N/A	N/A
Total Capital (to Risk-Weighted Assets)	253,942	20.5 %	98,983	8.0 %	N/A	N/A

[1] Exclusive of the capital conservation buffer of 2.5% of risk-weighted assets.

Capital amounts and ratios for Newtek Bank as of September 30, 2025, and 2024 are presented in the table below. As of September 30, 2025 and 2024, Newtek Bank was categorized as "well-capitalized" under the prompt corrective action measures and met the capital conservation buffer requirements.

	Actual		For Capital Adequacy Purposes[1]		For Consideration as Well-Capitalized	
Newtek Bank - September 30, 2025	Amount	Ratio	Amount	Ratio	Amount	Ratio
Tier 1 Capital (to Average Assets)	$ 150,178	11.2 %	$ 53,683	4.0 %	$ 67,103	5.0 %
Common Equity Tier 1 (to Risk-Weighted Assets)	150,178	13.0 %	52,066	4.5 %	75,206	6.5 %
Tier 1 Capital (to Risk-Weighted Assets)	150,178	13.0 %	69,421	6.0 %	92,562	8.0 %
Total Capital (to Risk-Weighted Assets)	165,026	14.3 %	92,562	8.0 %	115,702	10.0 %
Newtek Bank - September 30, 2024						
Tier 1 Capital (to Average Assets)	$ 112,836	13.3 %	33,941	4.0 %	$ 42,426	5.0 %
Common Equity Tier 1 (to Risk-Weighted Assets)	112,836	15.5 %	32,742	4.5 %	47,294	6.5 %
Tier 1 Capital (to Risk-Weighted Assets)	112,836	15.5 %	43,656	6.0 %	58,208	8.0 %
Total Capital (to Risk-Weighted Assets)	122,144	16.8 %	58,207	8.0 %	72,759	10.0 %

[1] Exclusive of the capital conservation buffer of 2.5% of risk-weighted assets.

Cash Flows and Liquidity

The following table summarizes the Company’s available sources of liquidity as of September 30, 2025 and December 31, 2024:

	Availability as of	
	September 30, 2025	December 31, 2024
Unrestricted cash	$ 3,980	$ 6,941
Lines of credit at other commercial banks[1]	58,256	60,903
Newtek Bank:		
Interest bearing deposits in banks	188,214	346,207
FHLB borrowing availability[1]	61,004	39,780
Lines of credit at other financial institutions	30,000	30,000
Total liquidity sources	$ 341,454	$ 483,831

[1] Availability as of September 30, 2025 and December 31, 2024 is based on collateral pledged as of that date.

The Company has restricted cash of $24.7 million as of September 30, 2025. NSBF holds $7.6 million of the Company’s restricted cash, which includes reserves in the event payments are insufficient to cover interest and/or principal with respect to securitizations and loan principal and interest collected which are due to loan participants. In addition, the Company has funded a $10.0 million account at Newtek Bank to fund certain of NSBF’s potential obligations to the SBA pursuant to the Wind-down Agreement. of which the Company is a guarantor. The majority of the Company’s remaining restricted cash is held by the parent company.

The Company generated and used cash as follows:

	Nine Months Ended September 30,	
	2025	2024
Net cash used in operating activities	$ (427,836)	$ (61,419)
Net cash used in investing activities	(193,876)	(122,833)
Net cash provided by financing activities	457,269	192,132
Net (decrease) increase in cash and restricted cash	(164,443)	7,880
Cash and restricted cash—beginning of period (NOTE 2)	381,374	184,006
Deconsolidation of cash and restricted cash from controlled investments related to business dispositions	—	(1,464)
Cash and restricted cash—end of period (NOTE 2)	$ 216,931	$ 190,422

During the nine months ended September 30, 2025, operating activities used cash of $427.8 million, consisting primarily of $778.0 million of funding loans held for sale. This use of cash was partially offset by (i) $310.2 million of proceeds from the sale of loans; and (ii) $52.0 million from the payment of settlement receivables.

Cash used by investing activities was $193.9 million primarily comprised (i) $242.8 million in the net increase in loans held for investment, at cost; (ii) $15.8 million in contributions to joint ventures and other non-control investments; and (iii) $11.6 million in purchases of available-for-sale securities. These uses were partially offset by (i) a $53.9 million principal received on loans held for investment, at fair value; and (ii) $18.0 million in maturities of available-for-sale securities.

Net cash provided by financing activities was $457.3 million consisting primarily of a (i) $390.2 million of borrowings on bank notes payable; (ii) $204.4 million net increase in deposits; (iii) $48.2 million of proceeds from preferred stock, net of offering costs; and (iv) $30.0 million of proceeds from the 2030 Notes. These sources of cash were partially offset by (i) $295.5 million repayment of bank notes payable; (ii) $46.7 million of principal payments related to Notes Payable - Securitization Trusts; (iii) $30.0 million maturity of the 2025 5.00% Notes; and (iv) $16.2 million of dividends paid.

Contractual Obligations

The following table represents the Company's obligations and commitments as of September 30, 2025. Amounts represent principal only and are not shown net of unamortized debt issuance costs. See NOTE 11—BORROWINGS.

	Payments due by period						
Contractual Obligations	Total	2025	2026	2027	2028	2029	Thereafter
Deposits:							
Demand	$ 21,771	$ 21,771	$ —	$ —	$ —	$ —	$ —
Checking	154,754	154,754	—	—	—	—	—
Money market	64,284	64,284	—	—	—	—	—
Savings	455,624	455,624	—	—	—	—	—
Time deposits	481,531	158,023	275,302	37,559	10,509	117	21
NMS Goldman Facility[1]	90,000	225	894	885	877	868	86,251
FHLB Advances	7,861	513	2,094	5,254	—	—	—
SPV I Capital One Facility[2]	23,740	23,740	—	—	—	—	—
SPV II Deutsche Bank Facility[2]	104,691	—	—	104,691	—	—	—
SPV III One Florida Bank Facility[2]	8,307	8,307	—	—	—	—	—
Securitization Notes Payable	142,560	—	—	—	—	—	142,560
Parent Company Notes:							
2026 Notes	115,000	—	115,000		—	—	—
2027 Notes[3]	50,000	—	—	50,000		—	—
2028 Notes	40,000	—	—	—	40,000		—
2029 8.625% Notes	75,000	—	—	—	—	75,000	—
2029 8.50% Notes	71,808	—	—	—	—	71,808	—
2030 Notes	30,000	—	—	—	—	—	30,000
Employment Agreements4	1,404	702	702	—	—	—	—
Operating Leases	3,723	167	499	329	242	249	2,237
Totals	$ 1,942,058	$ 888,110	$ 394,491	$ 198,718	$ 51,628	$ 148,042	$ 261,069

1 Guaranteed by NBSH.
2 Guaranteed by the parent company
3 Effective December 11, 2024, the Company entered into the Amendment and Exchange Agreements with each of the holders of the 2025 8.125% Notes, pursuant to which the Company and the holders of the 2025 8.125% Notes agreed to exchange the 2025 8.125% Notes for the 2027 Notes.
4 Employment agreements with the Company's named executive officers

Guarantees

The Company is a guarantor on several warehouse lines of credit as noted in the above table under Contractual Obligations. Refer to NOTE 11—BORROWINGS to the consolidated financial statements for the amounts outstanding, line availability, and term. The Company is also a guarantor on an NMS term loan facility. At September 30, 2025, the Company determined that it is not probable that payments would be required to be made under the guarantees. The Company is also a guarantor on certain of NSBF's potential obligations to the SBA pursuant to the Wind-down Agreement. Specifically, pursuant to the Wind-down Agreement, the Company has guaranteed NSBF's obligations to the SBA for post-purchase repairs or denials on the guaranteed portion of 7(a) Loans sold by NSBF on the secondary market or servicing/liquidation post-purchase repairs or denial, and has funded a $10.0 million account to secure these potential obligations.

Critical Accounting Policies and Estimates

The preparation of financial statements and related disclosures in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the periods reported. Actual results could materially differ from those estimates. We have identified the following items as critical accounting policies for the quarterly period ended September 30, 2025.

Valuation of Loans at Fair Value

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date. In determining fair value, management used various valuation approaches. ASC 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three levels for disclosure purposes. We consider our loans HFI, at fair value and HFS, at fair value to be Level 3 within the fair value hierarchy as described in Note 10. Determining the fair value of the Level 3 loans held for sale and loans held for investment, which are measured at fair value requires management to make significant judgments about the valuation methodologies and inputs and assumptions used in the fair value calculation, including, but not limited to, historical credit losses, discounts for lack of marketability, underlying cash flows, and the impact of economic conditions.

On a quarterly basis, management determines the fair values of the retained unguaranteed portions of SBA 7(a) loans HFI, and unrealized changes in FV are recognized in the income statement. The loans within this portfolio were originated by NSBF. NSBF ceased originating new loans in April 2023 when all new SBA 7(a) loan originations were transitioned to Newtek Bank. (See *Historical Business Regulation and Taxation,* for a discussion of the wind-down of NSBF's operations.)

The Company originated SBA 504 loans HFS prior to the Acquisition through its nonbank subsidiaries. SBA 504 loans HFS held at NALH are accounted for under the FV option. Additionally, the existing government guaranteed portion of SBA 7(a) loans held at NSBF and certain SBA 504 loans held at Newtek Bank are also HFS at FV.

The Company also originates ALP loans (formerly referred to as our nonconforming conventional loans), which are either HFS or HFI, via its nonbank subsidiary. ALP loans are carried at FV. ALP loans are held at NALH and TSO JV and are also accounted for under the FV option.

Allowance for Credit Losses

The allowance for credit losses consists of the allowance for credit losses and the reserve for unfunded commitments. As a result of the Company's Acquisition the adoption of ASU 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments* ("CECL") and its related amendments, we developed a methodology for estimating the reserve for credit losses. The standard replaced the "incurred loss" approach with an "expected loss" approach known as current expected credit loss. The CECL approach requires an estimate of the credit losses expected over the life of an exposure (or pool of exposures). It removes the incurred loss approach's threshold that delayed the recognition of a credit loss until it was "probable" a loss event was "incurred." The estimate of expected credit losses under the CECL approach is based on relevant information about past events, current conditions, and reasonable and supportable forecasts that affect the collectability of the reported amounts. Historical loss experience is generally the starting point for estimating expected credit losses. The Company then considers whether the historical loss experience should be adjusted for asset-specific risk characteristics or current conditions at the reporting date that did not exist over the period from which historical experience was used. Finally, the Company considers forecasts about future economic conditions that are reasonable and supportable. The reserve for unfunded commitments represents the expected credit losses on off-balance sheet commitments such as unfunded commitments to extend credit and standby letters of credit. However, a liability is not recognized for commitments unconditionally cancellable by the Company. The reserve for unfunded commitments is determined by estimating future draws and applying the expected loss rates on those draws.

Management of the Company considers the accounting policy relating to the allowance for credit losses to be a critical accounting policy given the uncertainty in evaluating the level of the allowance required to cover management's estimate of all expected credit losses over the expected contractual life of our loan portfolio. Determining the appropriateness of the allowance is complex and requires judgment by management about the effect of matters that are inherently uncertain. Subsequent evaluations of the then-existing loan portfolio and other financial assets to which CECL applies, in light of the factors then prevailing, may result in significant changes in the allowance for credit losses in those future periods. While management's current evaluation of the allowance for credit losses indicates that the allowance is appropriate, the allowance may need to be increased under adversely different conditions or assumptions. Going forward, the impact of utilizing the CECL approach to calculate the reserve for credit losses will be significantly influenced by the composition, characteristics, and quality of our loan portfolio, as well as the prevailing economic conditions and forecasts utilized. Material changes to these and other relevant factors may result in greater volatility in the reserve for credit losses, and therefore, greater volatility to our reported earnings.

Consideration of losses occurs when serious doubt regarding the repayment of the loan is present. For real estate loans, current appraisals will aid in determining the amount to be charged off. For commercial loans, collateral valuations and borrower guarantees should be considered; however, weight to these two sources should be limited. Once a deficiency in collateral is determined, a reserve equal to the deficiency should be made immediately to the Allowance for Credit Losses (ACL). A charge off should be made within 90 days if a full analysis confirms the deficiency cannot be covered via additional collateral or resources of the borrower or guarantors.

Valuation of Servicing Assets

For the quarterly period ended September 30, 2025, the Company accounted for servicing assets in accordance with ASC Topic 860-50 - Transfers and Servicing - Servicing Assets and Liabilities. The Company and Newtek Bank earn servicing fees primarily from the guaranteed portions of SBA 7(a) loans and to a lesser extent ALP and SBA 504 loans they originate and sell. Servicing assets for loans originated by the Company's nonbank subsidiaries are measured at FV at each reporting date and the Company reports changes in the FV of servicing assets in earnings in the period in which the changes occur. The valuation model for servicing assets incorporates assumptions including, but not limited to, servicing costs, discount rate, prepayment rate, and default rate. Considerable judgment is required to estimate the fair value of servicing assets and as such these assets are classified as Level 3 in our fair value hierarchy. Servicing assets for loans originated by Newtek Bank are measured at LCM and amortized based on their estimated life and impairment is recorded to the extent the amortized cost exceeds the asset's FV.

Recently Adopted Accounting Pronouncements and New Accounting Standards

Refer to NOTE 2—SIGNIFICANT ACCOUNTING POLICIES for information on recently adopted accounting pronouncements and new accounting standards.

Off Balance Sheet Arrangements

In the normal course of business, the Company enters into various transactions to meet the financing needs of clients, which, in accordance with GAAP, are not included in the consolidated balance sheets. These transactions may include commitments to extend credit, standby letters of credit, and the construction phase of SBA 504 loans, which involve, to varying degrees, elements of credit risk and interest rate risk in excess of the amounts recognized in the consolidated balance sheets. The SBA 504 loans are expected to partially draw, if not fully draw. All off-balance sheet commitments are included in the determination of the amount of risk-based capital that the Company and Newtek Bank are required to hold.

The Company's exposure to credit loss in the event of non-performance by the other party to the financial instrument for commitments to extend credit, standby letters of credit, and commercial letters of credit is represented by the contractual or notional amount of those instruments. The Company manages risk of exposure to credit losses under these commitments by subjecting them to credit approval and monitoring procedures. The Company assesses the credit risk associated with certain commitments to extend credit and establishes a liability for credit losses.

Further information related to financial instruments can be found in NOTE 13—COMMITMENTS AND CONTINGENCIES.

Residuals in Securitizations, at Fair Value

On April 23, 2025, the Company's subsidiary Newtek ALP Holdings closed a securitization pursuant to which it sold $155.9 million of Class A Notes, $23.8 million of Class B Notes, and $4.3 million of a Class C Note (collectively, the "2025-1 Notes") issued by NALP Business Loan Trust 2025-1 (the "Securitization Trust"). The 2025-1 Notes were backed by $216.6 million of collateral, consisting of Newtek ALP Holdings originated ALP loans. The Class A Notes received a Morningstar DBRS rating of "A (low) (sf)" and were priced at a yield of 6.338%; the Class B Notes received a Morningstar DBRS rating of "BBB (sf)" and were priced at a yield of 7.838%; and the Class C Note received a Morningstar DBRS rating of "BB (sf)" and was priced at a yield of 10.338%. The 2025-1 Notes had a weighted average yield of 6.62% and an 85% advance rate.

The 2025-1 Trust meets the definition of a VIE and the Company holds a variable interest in the 2025-1 Trust, however, the Company is not considered the primary beneficiary of the 2025-1 Trust, because the power over the activities that have the most significant impact on the economic performance of the Securitization Trust is held by a single noteholder who has the ability to remove the Company as decision maker over the activities that most significantly impact the economic performance of the 2025-1 Trust. Consequently the Company is not required to consolidate the 2025-1 Trust. The Company's beneficial interest in the 2025-1 Trust is evidenced by sole ownership of the Ownership Certificate and its beneficial interest in the credit risk of the securitized ALP Loans. Newtek ALP Holdings, the sponsor of the Securitization Trust, is a wholly owned subsidiary of the Company, therefore the Company effectively owns 100% of the equity interest in the 2025-1Trust.

Further information related to financial instruments can be found in NOTE 3—SECURITIZATIONS AND VARIABLE INTEREST ENTITIES.

Recent Developments

Note Purchase and Exchange

On October 21, 2025, the Company entered into agreements with two institutional investors that were existing holders of the Company's 2026 Notes to exchange the $20.0 million in total principal amount of the Company's 2026 Notes held by such investors for an equal principal amount of the Company's 2030 Notes. One of the investors also agreed to purchase $2.0 million in newly issued additional principal amount of the Company's 2030 Notes. The transactions were conducted pursuant to exemptions from the registration requirements of the Securities Act.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

We consider the principal types of risk in our business activities to be fluctuations in interest rates, the ability to raise funds (deposits, debt, and or equity) to fund our operations, and the availability of the secondary market for our SBA loans. Risk management systems and procedures are designed to identify and analyze our risks, to set appropriate policies and limits and to continually monitor these risks and limits by means of reliable administrative and information systems and other policies and programs.

The Company's interest rate profile on loans is based on a mix of fixed and variable rates. The same is true for its sources of funding (deposits, warehouse lines of credit, securitization trust notes, public notes, etc.). Some of our assets and liabilities are match funded, meaning that the interest rate and duration profiles are closely linked. Managing interest rate risk with matched funding means that movements in interest rates are expected to largely offset between income from assets and expenses on liabilities. For the remainder of our balance sheet, we largely take a portfolio approach to managing interest rate and liquidity risk that is inherently imprecise.

The Company depends on the availability of secondary market purchasers of our loans held for sale, but primarily for the guaranteed portions of SBA loans and the premium received on such sales to support its lending operations. Sale prices for guaranteed portions of SBA 7(a) loans could be negatively impacted by market conditions, in particular a higher interest rate environment, which typically lead to higher prepayments during the period, resulting in lower sale prices in the secondary market. A reduction in the price of guaranteed portions of SBA 7(a) loans or disruptions in the markets to which we sell could negatively impact our business.

The Company has cash and cash equivalents, which includes cash and due from banks, restricted cash, and interest bearing deposits in banks, of $216.9 million. We do not purchase or hold derivative financial instruments for trading purposes. All of our transactions are conducted in U.S. dollars and we do not have any foreign currency or foreign exchange risk. We do not trade commodities or have any commodity price risk.

We believe that we have placed our cash investments and their equivalents, which include deposits at other institutions, with high credit-quality financial institutions. As of September 30, 2025, cash deposits in excess of insured amounts totaled approximately $29.0 million. The Company and its non-bank subsidiaries have deposit accounts at Newtek Bank that total $105.9 million, of which $105.5 million is uninsured.

Interest rate risk is a significant market risk and can result from timing and volume differences in the repricing of rate-sensitive assets and liabilities, widening or tightening of credit spreads, changes in the general level of market interest rates and changes in the shape and level of market yield curves. The Company manages the interest rate sensitivity of interest-bearing liabilities and interest-earning assets in an effort to minimize the adverse effects of changes in the interest rate environment balanced against maximizing profit. Management of interest rate risk is carried out primarily through strategies involving cash, loan portfolio, and available funding sources.

The Newtek Bank board of directors has established an Asset/Liability Committee (the "ALCO Committee") to oversee the implementation of an effective process for managing the risk profile inherent in Newtek Bank's balance sheet and related business activities as well as the ongoing monitoring and reporting thereon. Risks inherent in Newtek Bank's balance sheet include interest rate risk (i.e., the risk to liquidity and capital resulting from changes in interest rates), liquidity risk (the risk to the availability of funds to execute its business strategy and meet its obligations), and similar risks. The ALCO Committee, subject to Newtek Bank board approval, is responsible for establishing policies, risk limits and capital levels (collectively "ALM Policies") as well overseeing and monitoring compliance therewith. Newtek Bank's ALM Policies set forth a risk management framework relating to managing liquidity, managing fluctuations in interest rates, capital management, investments, and hedging and the use of derivatives. The ALCO Committee and Newtek Bank's board may implement additional policies and procedures relating to these areas in order to manage risk to an appropriate level.

The matching of assets and liabilities may be analyzed by examining the extent to which such assets and liabilities are "interest rate sensitive." An asset or liability is said to be interest rate sensitive within a specific time period if it will mature or reprice within that time period. The Company analyzes interest rate sensitivity position to manage the risk associated with interest rate movements through the use of two simulation models: economic value of equity ("EVE") and net interest income ("NII") simulations. These simulations project both short-term and long-term interest rate risk under a variety of instantaneous parallel rate shocks applied to a static balance sheet. The EVE simulation provides a long-term view of interest rate risk because it analyzes all of the Company's future cash flows. EVE is defined as the present value of the Company's assets, less the present value of its liabilities, adjusted for any off-balance sheet items. The results show a theoretical change in the economic value of shareholders' equity as interest rates change.

EVE and NII simulations are completed routinely on Newtek Bank's balance sheet and presented to the ALCO Committee. Other positions outside of Newtek Bank are typically match funded or hedged with instruments that have similar terms and/or interest rate features. The simulations provide an estimate of the impact of changes in interest rates on equity and net interest income under a range of assumptions. The numerous assumptions used in the simulation process are provided to the ALCO Committee on at least an annual basis. Changes to these assumptions can significantly affect the results of the simulation. The simulation incorporates assumptions regarding the potential timing in the repricing of certain assets and liabilities when market rates change and the changes in spreads between different market rates. The simulation analysis incorporates management's current assessment of the risk that pricing margins will change adversely over time due to competition or other factors. Simulation analysis is only an estimate of interest rate risk exposure at a particular point in time. The Company regularly models various forecasted rate projections with non-parallel shifts that are reflective of potential current rate environment outcomes. Under these scenarios, the Company's interest rate risk profile may increase in asset sensitivity, decrease in asset sensitivity, or depending on the scenario and timing of anticipated rate changes, may transition to a liability sensitive interest rate risk profile. Regular, robust modeling of various interest rate outcomes allows the Company to properly assess and manage potential risks from various rate shifts.

Estimated Changes in EVE and NII. The table below sets forth, as of September 30, 2025, the estimated changes in our (i) EVE that would result from the designated instantaneous changes in the forward rate curves; and (ii) NII that would result from the designated instantaneous changes in the U.S. Treasury yield curve, Prime Rate and the Secured Overnight Finance Rate. Computations of prospective effects of hypothetical interest rate changes are based on numerous assumptions including relative levels of market interest rates, loan prepayments and deposit decay, and should not be relied on as indicative of actual results.

Basis Point ("bp") Change in Interest Rates	**Estimated Increase/Decrease in Net Interest Income**		**Estimated Percentage Change in EVE**
	12 Months Beginning September 30, 2025	12 Months Beginning September 30, 2026	As of September 30, 2025
+200	13.8%	15.4%	(0.4)%
+100	6.8	7.6	(0.2)
-100	(8.0)	(8.6)	0.4
-200	(15.8)	(17.0)	1.0

Rates are increased instantaneously at the beginning of the projection. The Company is asset sensitive, as the Company's variable rate loan portfolio reprices the full amount of the assumed change in interest rates, while fixed-rate Company notes will reprice on maturity and the retail savings and short-term retail certificates of deposits portfolio will reprice with an assumed beta. Interest rates do not normally move all at once or evenly over time, but management believes that the analysis is useful to understanding the potential direction and magnitude of net interest income changes due to changing interest rates.

The EVE analysis shows that the Company would theoretically modestly increase market value in a rising rate environment. The EVE asset sensitivity results from the combination of fixed-rate debt and variable-rate debt which funds the variable-rate loan portfolio outside of Newtek Bank.

ITEM 4. CONTROLS AND PROCEDURES.

Evaluation of Disclosure Controls and Procedures:

Our management, under the supervision and with the participation of the Chief Executive Officer (who is our principal executive officer) and Chief Financial Officer (who is our principal financial officer), evaluated the effectiveness of our disclosure controls and procedures, as defined in Rule 13a-15(e) and 15d15(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as of September 30, 2025. The term "disclosure controls and procedures" means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the issuer's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that as of September 30, 2025, our disclosure controls and procedures were effective.

Changes in Internal Control over Financial Reporting:

There were no changes in the Company's internal control over financial reporting during the quarter ended September 30, 2025 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II—OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS.

Refer to "NOTE 13—COMMITMENTS AND CONTINGENCIES" within the accompanying Notes to the Consolidated Financial Statements, which is incorporated by reference herein. While the final outcomes of legal proceedings are inherently unpredictable, management is currently of the opinion that the outcomes of pending and threatened matters will not have a material effect on the Company's business, consolidated financial position, results of operations or cash flows as a whole.

In addition, as a result of a litigation brought by the Federal Trade Commission (the "FTC") in October 2012, NMS voluntarily entered into, and is presently operating under, a permanent injunction with respect to certain of its business practices.

ITEM 1A. RISK FACTORS.

In addition to the other information set forth in this report, you should carefully consider the factors discussed in Part I, "Item 1A. Risk Factors" in our 2024 Form 10-K, which could materially affect our business, financial condition and/or operating results. The risks described in our 2024 Form 10-K are not the only risks we face. Additional risks and uncertainties that are not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition and/or operating results. There have been no material changes from the risk factors set forth in our 2024 Form 10-K.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

We issue shares of common stock that are not subject to the registration requirements of the Securities Act in connection with dividends on unvested restricted stock awards. A breakdown of the shares related to dividends on unvested restricted stock awards is presented below:

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2025		2024		2025		2024	
	#	$	#	$	#	$	#	$
Dividend shares on unvested RSAs	3	$ 54	8	$ 114	38	$ 420	$ 20	$ 263

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

None.

ITEM 4. MINE SAFETY DISCLOSURES.

None.

ITEM 5. OTHER INFORMATION.

None.

ITEM 6. EXHIBITS.

Number	Description
3.1	Amended and Restated Articles of Incorporation of Newtek Business Services Corp. (Previously filed in connection with Pre-Effective Amendment No. 3 to the Registration Statement on Form N-2 (File No. 333-191499) filed on November 3, 2014, and incorporated by reference herein).
3.2	Amended Bylaws of NewtekOne, Inc. (Incorporated by reference to Exhibit 99.1 of NewtekOne, Inc's Current Report on Form 8-K, filed January 24, 2023).
3.3	Articles of Amendment to Newtek Business Services Corp.'s Charter (Incorporated by reference to Exhibit 99.1 to Newtek's Current Report on Form 8-K filed January 17, 2025).
3.4	NewtekOne, Inc. Articles Supplementary, dated August 19, 2025. (Incorporated by reference to Exhibit 3.1 to Newtek's Current Report on Form 8-K, filed August 21, 2025).
3.5	NewtekOne, Inc. Articles Supplementary, dated September 16, 2025. (Incorporated by reference to Exhibit 3.1 to Newtek's Current Report on Form 8-K, filed September 18, 2025).
3.6	Articles of Amendment to the Amended and Restated Articles of Incorporation of NewtekOne, Inc. (Incorporated by reference to Exhibit 99.1 to Newtek's Current Report on Form 8-K, filed June 18, 2024).
31.1*	Certification by Principal Executive Officer required by Rules 13a-14 and 15d-14(a) under the Securities Exchange Act of 1934, as amended, filed herewith.
31.2*	Certification by Principal Financial Officer required by Rule 13a-14 under the Securities Exchange Act of 1934, as amended, furnished herewith.
32.1**	Certification by Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 filed herewith.
32.2**	Certification by Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 filed herewith.
101	Interactive Data Files Pursuant to Rule 405 of Regulation S-T: (i) the Consolidated Balance Sheets as of September 30, 2025 and December 31, 2024; (ii) the Consolidated Statements of Operations for the three and nine months ended September 30, 2025 and 2024; (iii) the Consolidated Statements of Changes in Shareholders' Equity for the three and nine months ended September 30, 2025 and 2024; (iv) the Consolidated Statements of Cash Flows for the nine months ended September 30, 2025 and 2024; and (v) the Notes to the Consolidated Financial Statements.
104	Cover Page Interactive Data File (formatted in inline XBRL and contained in Exhibit 101)

* Filed herewith
** Furnished herewith

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

		NEWTEKONE, INC.
Date: November 7, 2025	By:	/s/ Barry Sloane
		Barry Sloane **Chief Executive Officer, President and Chairman of the Board** **(Principal Executive Officer)**
Date: November 7, 2025	By:	/s/ Frank M. DeMaria
		Frank M. DeMaria **Chief Financial Officer** **(Principal Financial Officer)**

Exhibit 31.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 302 OF THE
SARBANES-OXLEY ACT OF 2002

I, Barry Sloane, certify that:

1. I have reviewed this quarterly report on Form 10-Q of NewtekOne, Inc. (the “registrant”).

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this annual report;

4. The registrant’s other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting.

5. The registrant’s other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: November 7, 2025

/S/ BARRY SLOANE

Barry Sloane
Principal Executive Officer

Exhibit 31.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 302 OF THE
SARBANES-OXLEY ACT OF 2002

I, Frank M. DeMaria, certify that:

1. I have reviewed this quarterly report on Form 10-Q of NewtekOne, Inc. (the “registrant”).

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting.

5. The registrant’s other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: November 7, 2025

/S/ FRANK M. DEMARIA

Frank M. DeMaria
Principal Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q for the period ended September 30, 2025 (the "Report") of NewtekOne Inc.(the "Company"), as filed with the Securities and Exchange Commission on the date hereof, I, Barry Sloane, as Principal Executive Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of the operations of the Company.

Date: November 7, 2025

/S/ BARRY SLOANE

Barry Sloane,
Principal Executive Officer

Exhibit 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q for the period ended September 30, 2025 (the “Report”) of NewtekOne, Inc. (the “Company”), as filed with the Securities and Exchange Commission on the date hereof, I, Frank M. DeMaria, as Principal Financial Officer of the Company, hereby certify pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of the operations of the Company.

Date: November 7, 2025

/S/ FRANK M. DEMARIA

Frank M. DeMaria
Principal Financial Officer