



Northeast Bank Reports Third Quarter Results and Declares Dividend

April 27, 2026 at 4:16 PM EDT

PORTLAND, Maine, April 27, 2026 (GLOBE NEWSWIRE) -- Northeast Bank (the "Bank") (NASDAQ: NBN), a Maine-based bank, today reported net income of \$29.9 million, or \$3.53 per diluted common share, for the quarter ended March 31, 2026, compared to net income of \$18.7 million, or \$2.23 per diluted common share, for the quarter ended March 31, 2025. Net income for the nine months ended March 31, 2026 was \$73.1 million, or \$8.67 per diluted common share, compared to \$58.2 million, or \$7.07 per diluted common share, for the nine months ended March 31, 2025.

The Board of Directors declared a cash dividend of \$0.01 per share, payable on May 26, 2026, to shareholders of record as of May 12, 2026.

"I am pleased to report another quarter of excellent earnings and record origination volume," said Rick Wayne, Chief Executive Officer. "Net income of \$29.9 million resulted in a return on average equity of 21.7% and a return on average assets of 2.4%. Quarterly loan volume totaled \$344.7 million, which included a record \$253.9 million of National Lending originated loans. We crossed five billion dollars in total assets this quarter, with total loans, including loans held for sale, at March 31, 2026 of \$4.56 billion, representing an increase of \$769.5 million, or 20.3%, over June 30, 2025."

As of March 31, 2026, total assets were \$5.03 billion, an increase of \$755.0 million, or 17.6%, from total assets of \$4.28 billion as of June 30, 2025, due to the following:

1. The following table highlights the changes in the loan portfolio, including loans held for sale, for the nine months ended March 31, 2026:

	Loan Portfolio Changes			
	March 31, 2026	June 30, 2025	Change (\$)	Change (%)
	(Dollars in thousands)			
National Lending Purchased	\$ 2,810,887	\$ 2,375,157	\$ 435,730	18.35%
National Lending Originated	1,501,080	1,251,768	249,312	19.92%
Small Business	233,085	144,974	88,111	60.78%
Community Banking	14,637	18,258	(3,621)	(19.83%)
Total	<u>\$ 4,559,689</u>	<u>\$ 3,790,157</u>	<u>\$ 769,532</u>	<u>20.30%</u>

Loans generated during the quarter ended March 31, 2026 totaled \$344.7 million, which consisted of \$25.3 million of National Lending purchased loans at an average price of 97.6% of unpaid principal balance, \$253.9 million of National Lending originated loans, \$38.5 million of Small Business Administration ("SBA") 7(a) loans, and \$27.0 million of insured small balance business loans.

An overview of the Bank's National Lending Division portfolio follows:

National Lending Portfolio						
Three Months Ended March 31,						
2026			2025			
Purchased	Originated	Total	Purchased	Originated	Total	
(Dollars in thousands)						
Loans purchased or originated during the period:						
Unpaid principal balance	\$ 25,924	\$ 253,881	\$ 279,805	\$ 79,144	\$ 217,983	\$ 297,127
Initial net investment basis (1)	25,291	253,881	279,172	74,553	217,983	292,536
Loan returns during the period:						
Yield	9.30%	7.72%	8.78%	8.33%	8.73%	8.46%
Total Return on Purchased Loans (2)	9.51%	N/A	9.51%	8.43%	N/A	8.43%

Nine Months Ended March 31,						
2026			2025			
Purchased	Originated	Total	Purchased	Originated	Total	
(Dollars in thousands)						
Loans purchased or originated during the period:						
Unpaid principal balance	\$ 754,123	\$ 640,061	\$ 1,394,184	\$ 901,693	\$ 591,292	\$ 1,492,985
Initial net investment basis (1)	702,822	640,061	1,342,883	821,485	591,292	1,412,777

Loan returns during the period:

Yield	8.56%	8.11%	8.41%	8.65%	9.02%	8.77%
Total Return on Purchased Loans (2)	8.68%	N/A	8.68%	8.70%	N/A	8.70%

Total loans as of period end:

Unpaid principal balance	\$ 2,964,683	\$ 1,501,080	\$ 4,465,763	\$ 2,638,438	\$ 1,185,153	\$ 3,823,591
Net investment basis	2,810,887	1,501,080	4,311,967	2,443,822	1,185,153	3,628,975

(1) Initial net investment basis on purchased loans is the initial amortized cost basis net of initial allowance for credit losses (credit mark).

(2) The total return on purchased loans represents scheduled accretion, accelerated accretion, gains (losses) on real estate owned, release of allowance for credit losses on purchased loans, and other noninterest income recorded during the period divided by the average invested balance on an annualized basis. The total return on purchased loans does not include the effect of purchased loan charge-offs or recoveries during the period. Total return on purchased loans is considered a non-GAAP financial measure. See reconciliation in below table entitled "Total Return on Purchased Loans."

2. Deposits increased by \$275.6 million, or 8.2%, from June 30, 2025. The increase was primarily attributable to an increase in time deposits of \$262.5 million, or 11.7%. The significant drivers in the change in time deposits were an increase in brokered time deposits, which increased by \$155.1 million, combined with an increase in Community Banking Division time deposits of \$125.4 million.

3. Federal Home Loan Bank ("FHLB") advances increased by \$399.9 million, or 124.9%, from June 30, 2025. The increase was attributable to advances taken to fund a portion of the loan purchases during the quarter ended December 31, 2025.

4. Shareholders' equity increased by \$73.4 million, or 14.8%, from June 30, 2025, primarily due to net income of \$73.1 million for the fiscal year to date through March 31, 2026 and stock-based compensation of \$5.8 million, partially offset by the cancellation of restricted stock to cover tax obligations on restricted stock vests, which resulted in a \$5.3 million decrease in shareholders' equity.

Net income increased by \$11.2 million to \$29.9 million for the quarter ended March 31, 2026, compared to net income of \$18.7 million for the quarter ended March 31, 2025, due to the following:

1. Net interest and dividend income before provision for credit losses increased by \$17.1 million to \$63.1 million for the quarter ended March 31, 2026, compared to \$46.0 million for the quarter ended March 31, 2025. The increase was primarily due to the following:

- An increase in interest income earned on loans of \$20.9 million, primarily due to higher transactional income and higher average balances in the National Lending Division and Small Business portfolios; partially offset by,
- An increase in deposit interest expense of \$2.2 million, due to higher average balances; and
- An increase in interest expense on FHLB advances of \$1.7 million, due to higher average balances.

The following table summarizes interest income and related yields recognized on the loan portfolios:

Interest Income and Yield on Loans						
Three Months Ended March 31,						
	2026			2025		
	Average Balance (1)	Interest Income	Yield	Average Balance (1)	Interest Income	Yield
(Dollars in thousands)						
Community Banking	\$ 15,950	\$ 303	7.70%	\$ 20,074	\$ 349	7.05%
Small Business	226,354	5,442	9.75%	121,521	2,975	9.93%
National Lending:						
Originated	1,405,687	26,768	7.72%	1,120,756	24,120	8.73%
Purchased	2,827,998	64,875	9.30%	2,387,715	49,034	8.33%
Total National Lending	4,233,685	91,643	8.78%	3,508,471	73,154	8.46%
Total	\$ 4,475,989	\$ 97,388	8.82%	\$ 3,650,066	\$ 76,478	8.50%

Nine Months Ended March 31,						
	2026			2025		
	Average Balance (1)	Interest Income	Yield	Average Balance (1)	Interest Income	Yield
(Dollars in thousands)						
Community Banking	\$ 16,582	\$ 901	7.24%	\$ 21,330	\$ 1,088	6.79%
Small Business	176,069	12,963	9.81%	91,481	8,145	11.86%
National Lending:						
Originated	1,302,525	79,283	8.11%	1,052,656	71,297	9.02%
Purchased	2,515,772	161,738	8.56%	2,183,068	141,831	8.65%
Total National Lending	3,818,297	241,021	8.41%	3,235,724	213,128	8.77%

Total	\$ 4,010,948	\$ 254,885	8.47%	\$ 3,348,535	\$ 222,361	8.85%
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(1) Includes loans held for sale.

The components of total income on purchased loans are set forth in the table below entitled "Total Return on Purchased Loans." When compared to the quarter ended March 31, 2025, transactional income increased by \$7.3 million for the quarter ended March 31, 2026, and regularly scheduled interest and accretion increased by \$9.4 million, primarily due to higher average balances. The total return on purchased loans for the quarter ended March 31, 2026 was 9.5%, an increase from 8.4% for the quarter ended March 31, 2025. The following table details the total return on purchased loans:

Total Return on Purchased Loans					
Three Months Ended March 31,					
2026			2025		
Income	Return (1)		Income	Return (1)	
(Dollars in thousands)					
Regularly scheduled interest and accretion	\$ 57,525	8.25%	\$ 48,149		8.18%
Transactional income:					
Release of allowance for credit losses on purchased loans	1,454	0.21%	573		0.10%
Accelerated accretion and loan fees	7,350	1.05%	885		0.15%
Total transactional income	8,804	1.26%	1,458		0.25%
Total	\$ 66,329	9.51%	\$ 49,607		8.43%
Nine Months Ended March 31,					
2026			2025		
Income	Return (1)		Income	Return (1)	
(Dollars in thousands)					
Regularly scheduled interest and accretion	\$ 149,380	7.91%	\$ 136,055		8.30%
Transactional income:					
Release of allowance for credit losses on purchased loans	2,240	0.12%	734		0.05%
Accelerated accretion and loan fees	12,358	0.65%	5,775		0.35%
Total transactional income	14,598	0.77%	6,509		0.40%
Total	\$ 163,978	8.68%	\$ 142,564		8.70%

(1) The total return on purchased loans represents scheduled accretion, accelerated accretion, gains (losses) on real estate owned, release of allowance for credit losses on purchased loans, and other noninterest income recorded during the period divided by the average invested balance on an annualized basis. The total return on purchased loans does not include the effect of purchased loan charge-offs or recoveries during the period. Total return on purchased loans is considered a non-GAAP financial measure.

2. Provision for credit losses decreased by \$3.1 million reflecting a credit of \$218 thousand for the quarter ended March 31, 2026, compared to a provision of \$2.9 million for the quarter ended March 31, 2025. The decrease was primarily due to decreases in individual reserves required in the quarter ended March 31, 2026 compared to increased reserves on the unguaranteed portion of the SBA portfolio and increased reserves due to loan growth in the quarter ended March 31, 2025.

3. Noninterest income decreased by \$3.1 million for the quarter ended March 31, 2026, compared to the quarter ended March 31, 2025, primarily due to a decrease in gain on sale of SBA loans of \$3.1 million, due to a lower sale volume of \$33.0 million in SBA loans during the quarter ended March 31, 2026 as compared to \$73.6 million during the quarter ended March 31, 2025.

4. Noninterest expense increased by \$3.5 million for the quarter ended March 31, 2026, compared to the quarter ended March 31, 2025, primarily due to the following:

- An increase in salaries and employee benefits expense of \$2.4 million, primarily due to an increase to the projected incentive compensation accrual, along with increases in regular and stock compensation expense;
- An increase in loan expense of \$914 thousand, primarily related to increased expenses in connection with the origination of SBA and insured small balance business loans; and
- An increase in Federal Deposit Insurance Corporation ("FDIC") insurance expense of \$106 thousand, due to changes in the Bank's assessment rate and growth in the balance sheet.

5. Income tax expense increased by \$2.5 million to \$13.3 million, or an effective tax rate of 30.9%, for the quarter ended March 31, 2026, compared to income tax expense of \$10.8 million, or an effective tax rate of 36.7%, for the quarter ended March 31, 2025. The decrease in effective tax rate is primarily due to changes in state tax law.

As of March 31, 2026, nonperforming assets totaled \$39.3 million, or 0.8% of total assets, compared to \$35.6 million, or 0.8% of total assets, as of June 30, 2025.

As of March 31, 2026, past due loans totaled \$28.4 million, or 0.6% of total loans, compared to past due loans totaling \$30.1 million, or 0.8% of total loans, as of June 30, 2025.

As of March 31, 2026, the Bank's Tier 1 leverage capital ratio was 11.4%, compared to 11.6% at June 30, 2025, and the Bank's Total risk-based capital ratio was 14.2% at March 31, 2026, compared to 14.7% at June 30, 2025. The Total risk-based capital ratio decreased primarily due to the increase in risk-weighted assets from significant loan growth from purchases during the quarter ended December 31, 2025.

Investor Call Information

Rick Wayne, Chief Executive Officer, Santino Delmolino, Chief Financial Officer, and Pat Dignan, Chief Operating Officer and Chief Credit Officer, of Northeast Bank, will host a **conference call to discuss third quarter financial results and business outlook at 10:00 a.m. Eastern Time on Tuesday, April 28th**. To access the conference call by phone, please go to this link ([Phone Registration](#)), and you will be provided with dial in details. The call will be available via live webcast, which can be viewed by accessing the Bank's website at www.northeastbank.com and clicking on the About Us - Investor Relations section. To listen to the webcast, attendees are encouraged to visit the website at least 15 minutes early to register, download, and install any necessary audio software. Please note there will also be a slide presentation that will accompany the webcast. This presentation is also available in the Investor Relations section of the Bank's website at www.northeastbank.com. For those who cannot listen to the live broadcast, a replay will be available online for one year at www.northeastbank.com.

About Northeast Bank

Northeast Bank (NASDAQ: NBN) is headquartered in Portland, Maine and operates as both a national lender and a community bank. The Bank's National Lending Division originates and purchases commercial real estate loans across the country. The National Lending Division specializes in complex credit structures and secondary market loan acquisitions, providing tailored financing solutions to a diverse national clientele. Complementing this segment, the Bank's Small Business segment serves as a nationwide SBA Preferred Lender, offering government-guaranteed loans and small-balance insured financing. On a regional and national level, Northeast Bank provides a comprehensive suite of depository products and cash management and treasury services through a network of seven full-service branches in Maine alongside the Bank's digital banking Division, ableBanking. Information regarding Northeast Bank can be found at www.northeastbank.com.

Non-GAAP Financial Measures

In addition to results presented in accordance with generally accepted accounting principles ("GAAP"), this press release contains certain non-GAAP financial measures, including tangible common shareholders' equity, tangible book value per share, total return on purchased loans, and efficiency ratio. The Bank's management believes that the supplemental non-GAAP information is utilized by regulators and market analysts to evaluate a company's financial condition and therefore, such information is useful to investors. These disclosures should not be viewed as a substitute for financial results determined in accordance with GAAP, nor are they necessarily comparable to non-GAAP performance measures that may be presented by other companies. Because non-GAAP financial measures are not standardized, it may not be possible to compare these financial measures with other companies' non-GAAP financial measures having the same or similar names.

Forward-Looking Statements

Statements in this press release that are not historical facts are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and are intended to be covered by the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. We may also make forward-looking statements in other documents we file with the Federal Deposit Insurance Corporation ("FDIC"), in our annual reports to our shareholders, in press releases and other written materials, and in oral statements made by our officers, directors, or employees. You can identify forward-looking statements by the use of the words "believe," "expect," "anticipate," "intend," "estimate," "assume," "outlook," "will," "should," and other expressions that predict or indicate future events and trends and which do not relate to historical matters. Although the Bank believes that these forward-looking statements are based on reasonable estimates and assumptions, they are not guarantees of future performance and are subject to known and unknown risks, uncertainties, contingencies, and other factors. You should not place undue reliance on our forward-looking statements. You should exercise caution in interpreting and relying on forward-looking statements because they are subject to significant risks, uncertainties, and other factors which are, in some cases, beyond the Bank's control. The Bank's actual results could differ materially from those expressed or implied by such forward-looking statements as a result of, among other factors: changes in interest rates and real estate values; changes in employment levels and general business and economic conditions on a national basis and in the local markets in which the Bank operates; changes in customer behavior due to changing business and economic conditions (including the impact of ongoing armed conflicts, tariffs, inflation, and concerns about liquidity) or legislative or regulatory initiatives; the possibility that future credit losses are higher than currently expected due to changes in economic assumptions, customer behavior, or adverse economic developments; turbulence in the capital and debt markets; competitive pressures from other financial institutions; changes in loan defaults and charge-off rates; changes in the value of securities and other assets, adequacy of credit loss reserves, or deposit levels necessitating increased borrowing to fund loans and investments; changes in, and evolving interpretations of, existing and future laws, rules, and regulations; operational risks including, but not limited to, cybersecurity, fraud, natural disasters, climate change, and future pandemics; the risk that the Bank may not be successful in the implementation of its business strategy; the risk that intangibles recorded in the Bank's financial statements will become impaired; changes in assumptions used in making such forward-looking statements; and the other risks and uncertainties detailed in the Bank's Annual Report on Form 10-K, as updated in the Bank's Quarterly Reports on Form 10-Q and other filings submitted to the FDIC. These statements speak only as of the date of this release and the Bank does not undertake any obligation to update or revise any of these forward-looking statements to reflect events or circumstances occurring after the date of this release or to reflect the occurrence of unanticipated events.

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NORTHEAST BANK BALANCE SHEETS

(Unaudited)

(Dollars in thousands, except share and per share data)

March 31, 2026

June 30, 2025

Assets		
Cash and due from banks	\$ 2,399	\$ 2,908
Short-term investments	398,731	410,711
Total cash and cash equivalents	401,130	413,619
Available-for-sale debt securities, at fair value	4,724	15,308
Equity securities, at fair value	7,632	7,396
Total securities	12,356	22,704
Loans held for sale	109,877	33,768
Loans:		
Commercial real estate	3,301,869	2,733,794
Commercial and industrial	1,029,721	903,278
Residential real estate	118,115	119,158
Consumer	107	159
Total loans	4,449,812	3,756,389
Less: Allowance for credit losses	60,313	47,930
Loans, net	4,389,499	3,708,459
Premises and equipment, net	23,206	24,704
Real estate owned and other possessed collateral, net	9,155	560
Federal Home Loan Bank stock, at cost	30,844	15,295
Loan servicing rights, net	604	699
Bank-owned life insurance	18,660	19,329
Accrued interest receivable	19,200	16,897
Other assets	19,565	23,034
Total assets	<u>\$ 5,034,096</u>	<u>\$ 4,279,068</u>
Liabilities and Shareholders' Equity		
Deposits:		
Demand	\$ 170,639	\$ 159,274
Savings and interest checking	898,850	880,016
Money market	75,643	92,716
Time	2,506,049	2,243,594
Total deposits	3,651,181	3,375,600
Federal Home Loan Bank advances	720,064	320,191
Lease liability	17,723	19,044
Other liabilities	77,464	69,947
Total liabilities	4,466,432	3,784,782
Commitments and contingencies		
Shareholders' equity		
Preferred stock, \$1.00 par value, 1,000,000 shares authorized; no shares issued and outstanding at March 31, 2026 and June 30, 2025	—	—
Voting common stock, \$1.00 par value, 25,000,000 shares authorized; 8,555,360 and 8,525,362 shares issued and outstanding at March 31, 2026 and June 30, 2025, respectively	8,555	8,525
Non-voting common stock, \$1.00 par value, 3,000,000 shares authorized; No shares issued and outstanding at March 31, 2026 and June 30, 2025	—	—
Additional paid-in capital	99,204	98,728
Retained earnings	459,908	387,035
Accumulated other comprehensive loss	(3)	(2)
Total shareholders' equity	567,664	494,286
Total liabilities and shareholders' equity	<u>\$ 5,034,096</u>	<u>\$ 4,279,068</u>

NORTHEAST BANK
STATEMENTS OF INCOME
(Unaudited)
(Dollars in thousands, except share and per share data)

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2026	2025	2026	2025
Interest and dividend income:				
Interest and fees on loans	\$ 97,388	\$ 76,478	\$ 254,885	\$ 222,361
Interest on available-for-sale securities	116	352	446	1,383
Other interest and dividend income	4,367	3,996	13,834	12,104
Total interest and dividend income	101,871	80,826	269,165	235,848
Interest expense:				
Deposits	32,811	30,593	95,067	89,959
Federal Home Loan Bank advances	5,778	4,057	13,383	11,754
Obligation under capital lease agreements	209	225	650	691
Total interest expense	38,798	34,875	109,100	102,404
Net interest and dividend income before provision for credit losses	63,073	45,951	160,065	133,444
(Credit) provision for credit losses	(218)	2,908	223	5,275
Net interest and dividend income after provision for credit losses	63,291	43,043	159,842	128,169
Noninterest income:				
Fees for other services to customers	328	362	1,035	1,197
Gain on sales of SBA loans	2,905	6,014	9,169	14,915
Net unrealized (loss) gain on equity securities	(35)	79	40	106
Loss on real estate owned, other repossessed collateral and premises and equipment, net	-	-	(7)	-
Bank-owned life insurance income	284	124	796	372
Correspondent fee income	26	16	46	69
Other noninterest income	37	24	112	28
Total noninterest income	3,545	6,619	11,191	16,687
Noninterest expense:				
Salaries and employee benefits	14,830	12,477	40,016	34,947
Occupancy and equipment expense	1,221	1,275	3,482	3,456
Professional fees	631	669	2,497	1,985
Data processing fees	1,583	1,496	4,869	4,605
Marketing expense	129	89	363	318
Loan acquisition and collection expense	3,184	2,270	9,182	5,626
FDIC insurance expense	574	468	1,341	1,756
Other noninterest expense	1,488	1,399	4,550	4,203
Total noninterest expense	23,640	20,143	66,300	56,896
Income before income tax expense	43,196	29,519	104,733	87,960
Income tax expense	13,343	10,838	31,598	29,734
Net income	\$ 29,853	\$ 18,681	\$ 73,135	\$ 58,226
Weighted-average shares outstanding:				
Basic	8,313,715	8,216,746	8,305,343	8,047,775
Diluted	8,447,028	8,394,964	8,433,401	8,232,435
Earnings per common share:				
Basic	\$ 3.59	\$ 2.27	\$ 8.81	\$ 7.24
Diluted	3.53	2.23	8.67	7.07
Cash dividends declared per common share	\$ 0.01	\$ 0.01	\$ 0.03	\$ 0.03

NORTHEAST BANK
AVERAGE BALANCE SHEETS AND ANNUALIZED YIELDS

(Unaudited)
(Dollars in thousands)

Three Months Ended March 31,						
2026			2025			
Average Balance	Interest Income/ Expense (1)	Average Yield/ Rate (1)	Average Balance	Interest Income/ Expense (1)	Average Yield/ Rate (1)	
(Dollars in thousands)						
Assets:						
Interest-earning assets:						
Investment securities	\$ 12,482	\$ 116	3.77%	\$ 32,963	\$ 352	4.33%
Loans (2) (3)	4,475,989	97,388	8.82%	3,650,066	76,478	8.50%
Federal Home Loan Bank stock	25,292	320	5.13%	16,657	301	7.33%
Short-term investments (4)	450,342	4,047	3.64%	336,877	3,695	4.45%
Total interest-earning assets	4,964,105	101,871	8.32%	4,036,563	80,826	8.12%
Cash and due from banks	1,673			2,332		
Other non-interest earning assets	14,391			39,847		
Total assets	\$ 4,980,169			\$ 4,078,742		
Liabilities & Shareholders' Equity:						
Interest-bearing liabilities:						
NOW accounts	\$ 656,086	\$ 5,204	3.22%	\$ 566,932	\$ 5,190	3.71%
Money market accounts	76,207	322	1.71%	116,647	754	2.62%
Savings accounts	206,508	1,113	2.19%	198,094	1,365	2.79%
Time deposits	2,648,227	26,172	4.01%	2,129,320	23,284	4.43%
Total interest-bearing deposits	3,587,028	32,811	3.71%	3,010,993	30,593	4.12%
Federal Home Loan Bank advances	580,504	5,778	4.04%	372,029	4,057	4.42%
Lease liability	17,880	209	4.74%	19,340	225	4.72%
Total interest-bearing liabilities	4,185,412	38,798	3.76%	3,402,362	34,875	4.16%
Non-interest bearing liabilities:						
Demand deposits and escrow accounts	159,807			183,348		
Other liabilities	76,281			33,025		
Total liabilities	4,421,500			3,618,735		
Shareholders' equity	558,669			460,007		
Total liabilities and shareholders' equity	\$ 4,980,169			\$ 4,078,742		
Net interest income						
	\$ 63,073			\$ 45,951		
Interest rate spread						
		4.56%			3.96%	
Net interest margin (5)						
		5.15%			4.62%	
Cost of funds (6)						
		3.62%			3.94%	

(1) Interest income and yield are stated on a fully tax-equivalent basis using the statutory tax rate.

(2) Includes loans held for sale.

(3) Nonaccrual loans are included in the computation of average, but unpaid interest has not been included for purposes of determining interest income.

(4) Short-term investments include FHLB overnight deposits and other interest-bearing deposits.

(5) Net interest margin is calculated as net interest income divided by total interest-earning assets.

(6) Cost of funds is calculated as total interest expense divided by total interest-bearing liabilities plus demand deposits and escrow accounts.

NORTHEAST BANK

AVERAGE BALANCE SHEETS AND ANNUALIZED YIELDS

(Unaudited)
(Dollars in thousands)

Nine Months Ended March 31,					
2026			2025		
Average Balance	Interest Income/ Expense (1)	Average Yield/ Rate (1)	Average Balance	Interest Income/ Expense (1)	Average Yield/ Rate (1)

Assets:

Interest-earning assets:

Investment securities	\$ 15,411	\$ 446	3.86%	\$ 42,865	\$ 1,383	4.30%
Loans (2) (3)	4,010,948	254,885	8.47%	3,348,535	222,361	8.85%
Federal Home Loan Bank stock	19,441	888	6.08%	16,190	977	8.04%
Short-term investments (4)	<u>429,932</u>	<u>12,946</u>	4.01%	<u>302,262</u>	<u>11,127</u>	4.90%
Total interest-earning assets	<u>4,475,732</u>	<u>269,165</u>	8.01%	<u>3,709,852</u>	<u>235,848</u>	8.47%
Cash and due from banks	1,979			2,219		
Other non-interest earning assets	<u>45,290</u>			<u>55,078</u>		
Total assets	<u>\$ 4,523,001</u>			<u>\$ 3,767,149</u>		

Liabilities & Shareholders' Equity:

Interest-bearing liabilities:

NOW accounts	\$ 655,491	\$ 17,213	3.50%	\$ 570,906	\$ 17,014	3.97%
Money market accounts	80,327	1,184	1.96%	131,481	2,972	3.01%
Savings accounts	208,299	3,893	2.49%	188,053	4,575	3.24%
Time deposits	<u>2,367,702</u>	<u>72,777</u>	4.09%	<u>1,864,771</u>	<u>65,398</u>	4.67%
Total interest-bearing deposits	<u>3,311,819</u>	<u>95,067</u>	3.82%	<u>2,755,211</u>	<u>89,959</u>	4.35%
Federal Home Loan Bank advances	427,110	13,383	4.17%	357,020	11,754	4.39%
Lease liability	<u>18,326</u>	<u>650</u>	4.72%	<u>19,655</u>	<u>691</u>	4.68%
Total interest-bearing liabilities	<u>3,757,255</u>	<u>109,100</u>	3.87%	<u>3,131,886</u>	<u>102,404</u>	4.36%

Non-interest bearing liabilities:

Demand deposits and escrow accounts	161,899			182,877		
Other liabilities	<u>73,248</u>			<u>29,877</u>		
Total liabilities	<u>3,992,402</u>			<u>3,344,640</u>		
Shareholders' equity	<u>530,599</u>			<u>422,509</u>		
Total liabilities and shareholders' equity	<u>\$ 4,523,001</u>			<u>\$ 3,767,149</u>		

Net interest income \$ 160,065 \$ 133,444

Interest rate spread	4.14%	4.11%
Net interest margin (5)	4.76%	4.79%
Cost of funds (6)	3.71%	4.12%

(1) Interest income and yield are stated on a fully tax-equivalent basis using the statutory tax rate.

(2) Includes loans held for sale.

(3) Nonaccrual loans are included in the computation of average, but unpaid interest has not been included for purposes of determining interest income.

(4) Short-term investments include FHLB overnight deposits and other interest-bearing deposits.

(5) Net interest margin is calculated as net interest income divided by total interest-earning assets.

(6) Cost of funds is calculated as total interest expense divided by total interest-bearing liabilities plus demand deposits and escrow accounts.

NORTHEAST BANK

SELECTED FINANCIAL HIGHLIGHTS AND OTHER DATA

(Unaudited)

(Dollars in thousands, except share and per share data)

	Three Months Ended				
	March 31, 2026	December 31, 2025	September 30, 2025	June 30, 2025	March 31, 2025
Net interest income	\$ 63,073	\$ 48,801	\$ 48,192	\$ 53,931	\$ 45,951
(Credit) provision for credit losses	(218)	875	(435)	3,469	2,908
Noninterest income	3,545	2,964	4,683	8,768	6,619
Noninterest expense	23,640	20,771	21,890	21,495	20,143
Net income	29,853	20,740	22,541	25,216	18,681
Weighted-average common shares outstanding:					
Basic	8,313,715	8,312,859	8,272,801	8,233,002	8,216,746
Diluted	8,447,028	8,405,541	8,430,980	8,413,895	8,394,964

Earnings per common share:

Basic	\$ 3.59	\$ 2.49	\$ 2.72	\$ 3.06	\$ 2.27
Diluted	3.53	2.47	2.67	3.00	2.23
Dividends declared per common share	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.01
Return on average assets	2.43%	1.87%	2.13%	2.38%	1.86%
Return on average equity	21.67%	15.62%	17.64%	20.74%	16.47%
Net interest rate spread (1)	4.56%	3.89%	3.91%	4.49%	3.96%
Net interest margin (2)	5.15%	4.49%	4.59%	5.10%	4.62%
Efficiency ratio (non-GAAP) (3)	35.49%	40.13%	41.40%	34.28%	38.32%
Noninterest expense to average total assets	1.93%	1.87%	2.07%	2.03%	2.00%
Average interest-earning assets to average interest-bearing liabilities	118.60%	118.40%	120.43%	119.07%	118.64%

	As of:				
	March 31, 2026	December 31, 2025	September 30, 2025	June 30, 2025	March 31, 2025
Nonperforming loans:					
Total originated portfolio	\$ 16,714	\$ 12,761	\$ 10,817	\$ 10,587	\$ 12,552
Total purchased portfolio	13,439	21,842	22,976	24,424	19,680
Total nonperforming loans	30,153	34,603	33,793	35,011	32,232
Real estate owned and other repossessed collateral, net	9,155	719	1,279	560	1,200
Total nonperforming assets	<u>\$ 39,308</u>	<u>\$ 35,322</u>	<u>\$ 35,072</u>	<u>\$ 35,571</u>	<u>\$ 33,432</u>
Past due loans to total loans	0.64%	0.84%	0.77%	0.80%	0.91%
Nonperforming loans to total loans	0.68%	0.80%	0.90%	0.93%	0.86%
Nonperforming assets to total assets	0.78%	0.71%	0.84%	0.83%	0.79%
Allowance for credit losses to total loans	1.36%	1.47%	1.24%	1.28%	1.23%
Allowance for credit losses to nonperforming loans	200.02%	184.42%	138.23%	136.90%	142.79%
Net charge-offs	\$ 3,378	\$ 2,942	\$ 1,887	\$ 1,723	\$ 2,082
Commercial real estate loans to total capital (4)	509.14%	533.21%	470.01%	486.07%	521.47%
Net loans to deposits	120.22%	112.25%	114.02%	109.86%	112.10%
Purchased loans to total loans	63.17%	65.66%	64.12%	63.23%	65.33%
Equity to total assets	11.28%	10.83%	12.31%	11.55%	11.06%
Common equity tier 1 capital ratio	12.95%	12.47%	13.86%	13.44%	12.72%
Total risk-based capital ratio	14.20%	13.73%	15.11%	14.69%	13.97%
Tier 1 leverage capital ratio	11.40%	12.19%	12.21%	11.64%	11.45%
Total shareholders' equity	\$ 567,664	\$ 536,018	\$ 513,647	\$ 494,286	\$ 467,516
Less: Preferred stock	—	—	—	—	—
Common shareholders' equity	567,664	536,018	513,647	494,286	467,516
Less: Intangible assets	—	—	—	—	—
Tangible common shareholders' equity (non-GAAP)	<u>\$ 567,664</u>	<u>\$ 536,018</u>	<u>\$ 513,647</u>	<u>\$ 494,286</u>	<u>\$ 467,516</u>
Common shares outstanding	8,555,360	8,555,360	8,562,960	8,525,362	8,525,362
Book value per common share	\$ 66.35	\$ 62.65	\$ 59.98	\$ 57.98	\$ 54.84
Tangible book value per share (non-GAAP) (5)	66.35	62.65	59.98	57.98	54.84

(1) The net interest rate spread represents the difference between the weighted-average yield on interest-earning assets and the weighted-average cost of interest-bearing liabilities for the period.

(2) Net interest margin is calculated as net interest income divided by total interest-earning assets.

(3) The efficiency ratio represents noninterest expense divided by the sum of net interest income (before the credit loss provision) plus noninterest income.

(4) For purposes of calculating this ratio, commercial real estate includes all non-owner occupied commercial real estate loans defined as such by regulatory guidance, including all land development and construction loans.

(5) Tangible book value per share represents total shareholders' equity less the sum of preferred stock and intangible assets divided by common shares outstanding.

For More Information:

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