

FY22 Q3 Investor Call

April 26, 2022

Forward-Looking Statement

Statements in this presentation 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. 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, 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 projected in the forward-looking statements as a result of, among other factors, the ongoing disruption due to the ongoing COVID-19 pandemic and measures taken to contain its spread on our employees, customers, business operations, credit quality, financial position, liquidity and results of operations; changes in employment levels, general business and economic conditions on a national basis and in the local markets in which the Bank operates, including changes which adversely affect borrowers' ability to service and repay our loans; changes in customer behavior due to political, business and economic conditions or legislative or regulatory initiatives; turbulence in the capital and debt markets; reductions in net interest income resulting from interest rate volatility as well as changes in the balances and mix of loans and deposits; changes in interest rates and real estate values; changes in loan collectability, increases in defaults and charge-off rates; decreases in the value of securities and other assets, adequacy of loan loss reserves, or deposit levels necessitating increased borrowing to fund loans and investments; changing government regulation; competitive pressures from other financial institutions; changes in legislation or regulation and accounting principles, policies and guidelines; operational risks including, but not limited to, cybersecurity incidents, fraud, natural disasters 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; reputational risk relating to its participation in the Paycheck Protection Program and other pandemic-related legislative and regulatory initiatives and programs; 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 and updated by Quarterly Reports on Form 10-Q and other filings submitted to the Federal Deposit Insurance Corporation. 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 communication or to reflect the occurrence of unanticipated events.

Financial Highlights

	Q3 FY22	YTD FY22
Total Loan Volume	\$176.3 million	\$573.3 million
National Lending:		
Purchased Loans	\$23.9 million invested on \$32.1 million of UPB ⁽¹⁾ (74.6% purchase price)	\$151.4 million invested on \$162.5 million of UPB ⁽¹⁾ (93.2% purchase price)
Originated Loans ⁽²⁾	\$152.1 million	\$415.0 million
Weighted Average Rate as of 3/31/2022 ⁽³⁾	5.82%	5.88%
Correspondent Fee Income	\$5.0 million	\$18.8 million
Average Cost of Deposits	0.30%	0.35%
Net Interest Margin	5.71%	5.22%
Net Interest Margin excluding PPP and Collection Account ⁽⁴⁾	6.72%	6.41%
Purchased Loan Return ⁽⁵⁾	8.30%	8.80%
Share Repurchases ⁽⁶⁾	79,588 at \$34.71	535,489 at \$33.28
Net Income	\$10.6 million	\$31.9 million
EPS (Diluted)	\$1.36	\$3.98
Return on Equity	17.57%	17.69%
Return on Assets	2.79%	2.69%

(1) Unpaid principal balance.

(2) National Lending originations during Q3 and YTD FY22 were 100% and 93% variable rate, respectively, of which 86% and 95% were Prime-rate based respectively.

(3) Q3 and YTD FY22 National Lending originations had a weighted average floor rate of 5.79% and 5.56%, respectively.

(4) NIM excluding PPP and Collection Account for Q3 and YTD FY22 excludes PPP loan interest income of \$3 thousand and \$17 thousand, respectively, interest income on short-term investments of \$60 thousand and \$217 thousand, respectively, average PPP loan balances of \$462 thousand and \$827 thousand, respectively, and average short-term investment balances of \$244.0 million and \$289.0 million, respectively.

(5) Purchased loan return for Q3 and YTD FY22 included \$2.6 million and \$8.5 million of transactional income, respectively.

(6) From the inception of the repurchase program, the Bank has purchased 3,552,904 shares at \$15.43.

Q3 FY22 Correspondent Fee Income Summary

Income Summary

Income Source	Amount Recognized
	<i>In thousands</i>
Correspondent Fee	\$1,087
Amortization of Purchased Accrued Interest	1,690
Earned Net Servicing Interest	<u>2,193</u>
Total Correspondent Fee Income	\$4,970

Correspondent Fee Summary

Quarter	PPP Loans Purchased by Loan Source	Correspondent Fee	Purchased Accrued Interest ⁽¹⁾	Total ⁽²⁾
				<i>In thousands</i>
Q4 FY20	\$1,272,900	\$2,891	\$688	\$3,579
Q1 FY21	2,112,100	5,348	2,804	8,152
Q2 FY21	1,333,500	495	3,766	4,261
Q3 FY21	2,141,900	0	598	598
Q4 FY21	4,371,000	171	2,703	2,874
Q1 FY 22	6,300	0	1	1
Total	\$11,237,700⁽³⁾	\$8,905	\$10,560	\$19,465
Less amounts recognized in Q3 FY22	N/A	1,087	1,690	2,777
Income Recognized - To Date	N/A	<u>\$6,255</u>	<u>\$6,193</u>	<u>\$12,448</u>
Remainder to be Recognized	N/A	\$1,563	\$2,677	\$4,240

(1) Northeast Bank's share

(2) Expected to be recognized into income over approximate life of loans

(3) Loan Source's ending PPP loan balance was \$2.79 billion as of March 31, 2022.

Correspondent Activity Summary

Correspondent Activity by Round

	Round 1	Round 2	Total
		<i>In thousands</i>	
\$ Purchased	\$5,086,941	\$6,150,759	\$11,237,700
\$ Paid off/Forgiven	(4,930,427)	(3,516,145)	(8,446,573)
\$ Remaining	\$156,513	\$2,634,614	\$2,791,127
% Remaining	3%	43%	25%

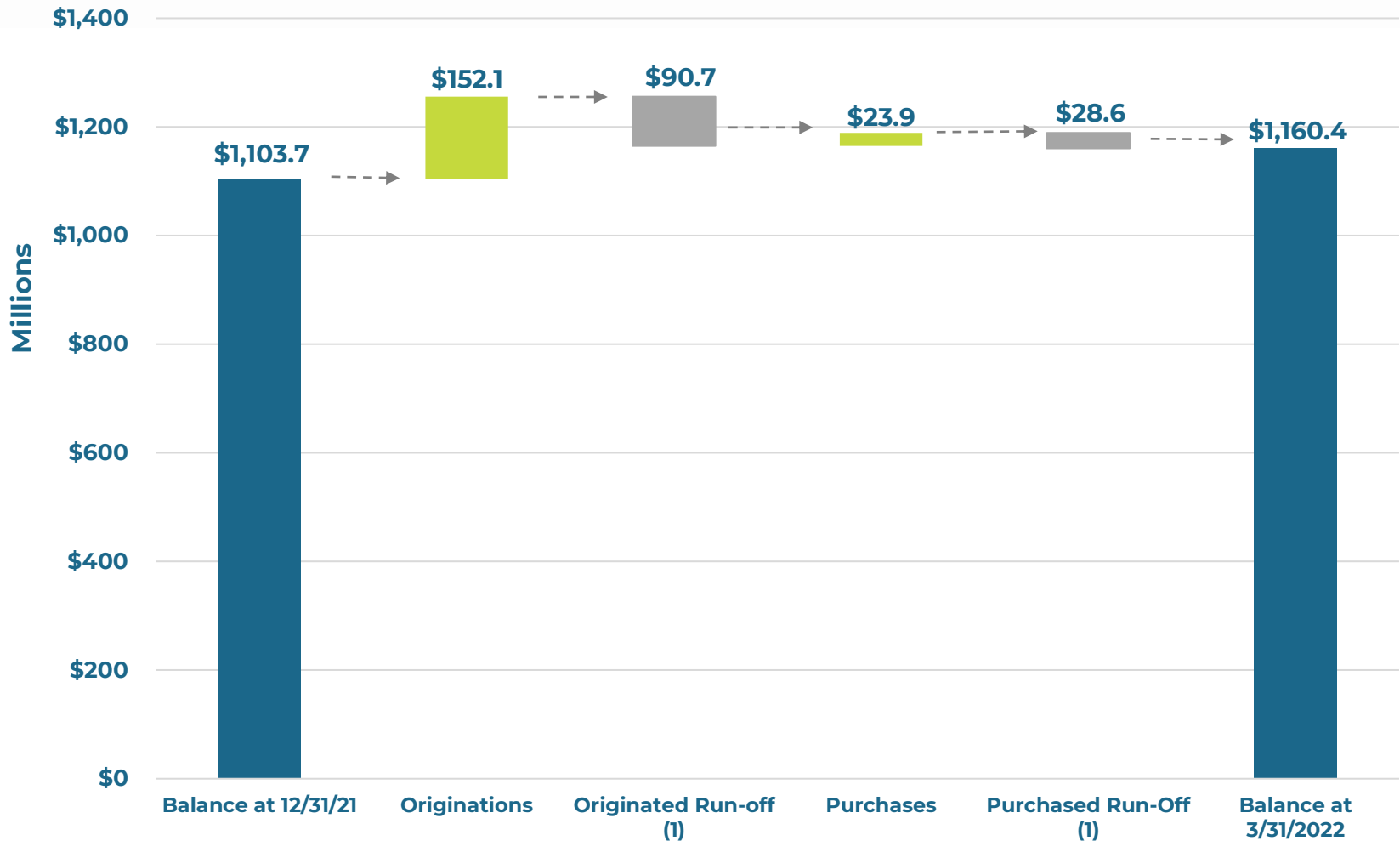
Loan Portfolio Summary

Loan Portfolio	# of Loans	Total Balance	Average Balance	WA LTV
<i>Dollars in thousands</i>				
National Lending Division				
Purchased Loans (1)	1,058	\$479,824	\$454	47%(3)
Direct Originated Loans	120	369,199	3,077	50%
Lender Finance Loans	94	311,044	3,309	50%(4)
SBA and USDA Loans (2)	109	35,595	327	76%
Community Banking Division:				
Commercial Loans	168	14,361	85	44%
Residential and Consumer Loans	487	22,783	47	66%
Total	2,036	\$1,232,806	\$606	50%

- (1) Total balance of \$479.8 million is equal to unpaid principal balance of \$517.0 million, net of \$37.2 million purchased loan discount.
- (2) Total loan balance of \$35.6 million is comprised of \$6.5 million of the guaranteed portion and \$29.1 million of the unguaranteed portion of loans.
- (3) This reflects the Bank's basis against the appraised value at origination.
- (4) LTV is calculated as the Bank's loan amount to the value of the underlying commercial real estate collateral.

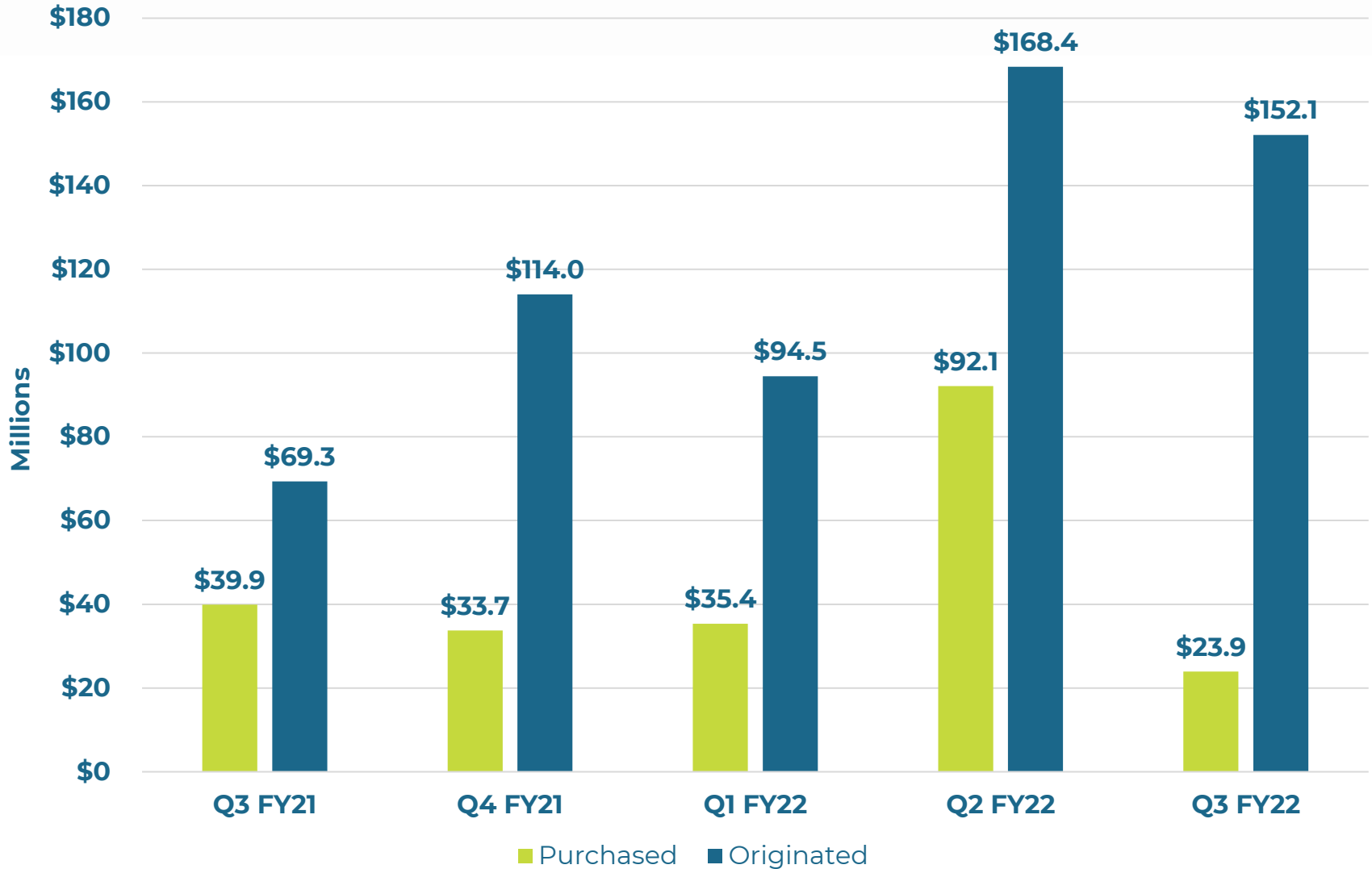
Loan balances exclude net deferred fees and costs.

National Lending Portfolio Roll Forward: Trailing Three Months



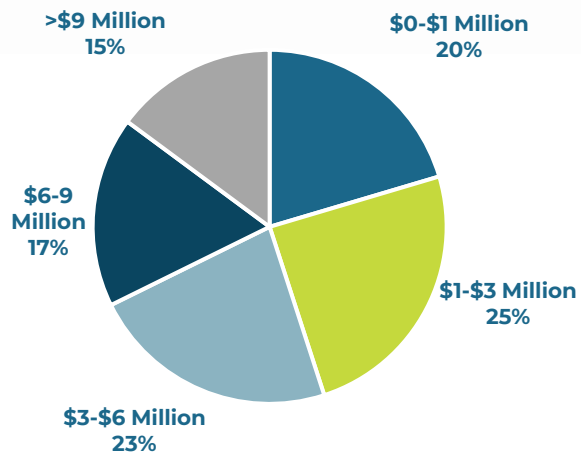
(1) Run-off includes scheduled amortization, principal pay downs and payoffs.

National Lending Activity By Trailing 5 Quarters

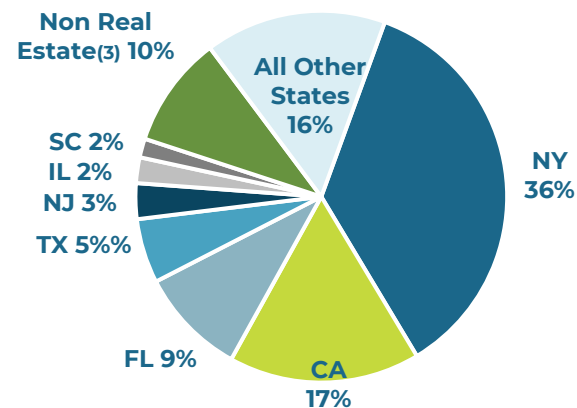


National Lending Loan Portfolio Statistics as of March 31, 2022

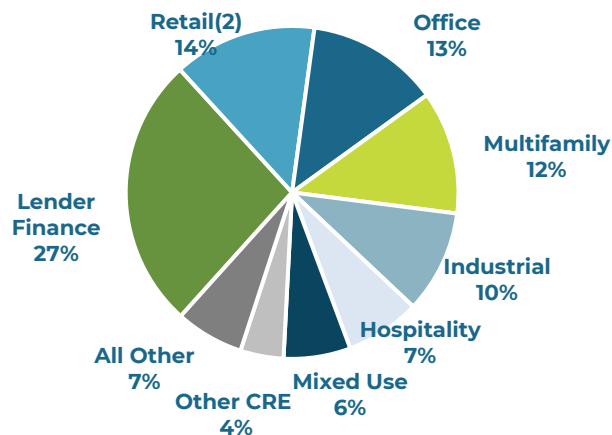
Investment Size ⁽¹⁾



Collateral State (45 States)



Collateral Type



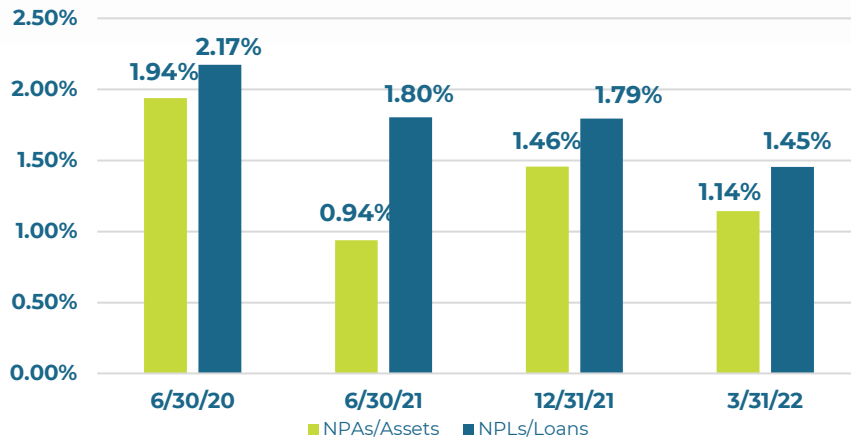
(1) Average investment size of \$911 thousand/loan; originated average: \$3.1 million/loan and purchased average: \$454 thousand/loan

(2) Includes traditional and non-traditional retail, such as restaurants and gas stations.

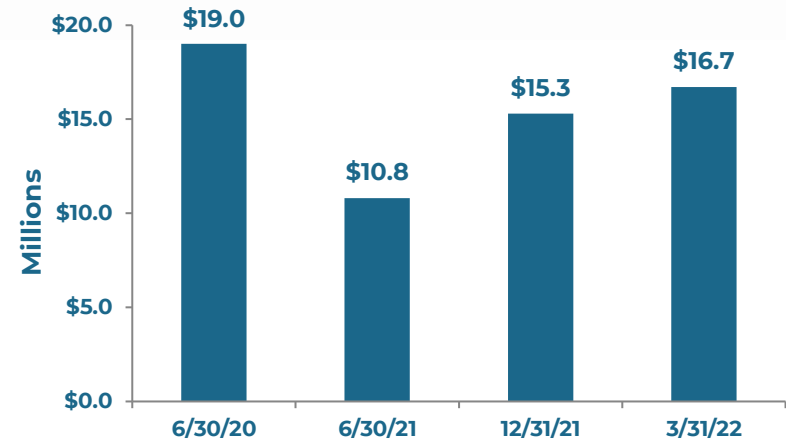
(3) 76% of the 10% Non-Real Estate total represents Lender Finance loans consisting of various collateral types in various locations.

Asset Quality Metrics

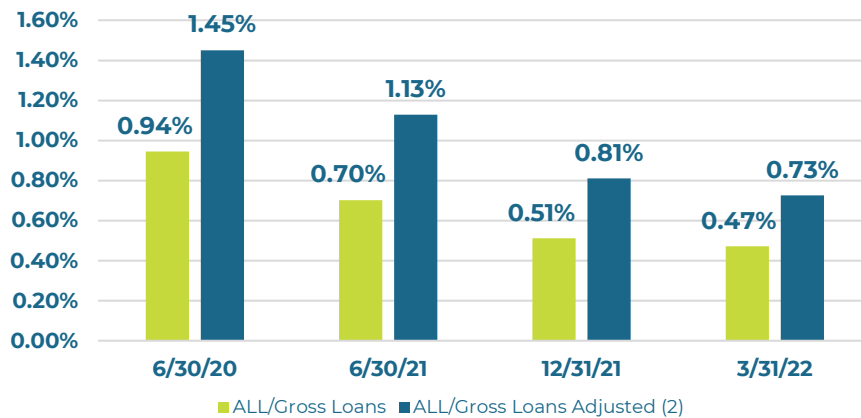
NPAs / Total Assets & NPLs / Total Loans



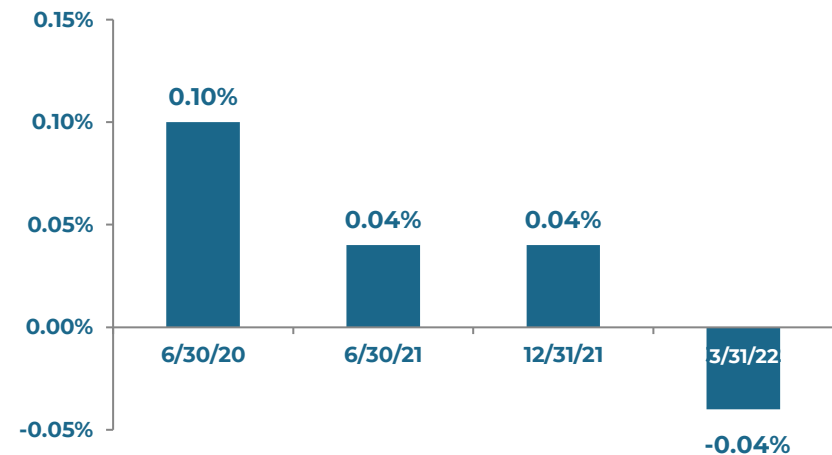
Classified Commercial Loans⁽¹⁾



Allowance for Loan Losses / Gross Loans



NCOs / Average Loans⁽³⁾



(1) Classified loans includes commercial real estate and commercial and industrial loans risk rated under the Bank's internal loan rating system.

(2) Represents allowance on originated loans divided by total originated loans.

(3) For periods ending 6/30, calculated as trailing twelve months of net charge-offs divided by average loans for the same period; for all other periods, calculated as current quarter's net charge-offs (annualized) divided by average loans for the same period.

COVID Modification Summary

Full Payment Deferral

	Original Deferral	Currently in Deferral	Current	Status as of March 31, 2022		
				30-59 DPD	60-89 DPD	90+ DPD
				<i>(In Millions)</i>		
Total (1)	\$98.9	\$0.0	\$97.5	\$1.2	\$0.0	\$0.2

Interest-Only Period

	Original Deferral	Currently in Deferral	Current	Status as of March 31, 2022		
				30-59 DPD	60-89 DPD	90+ DPD
				<i>(In Millions)</i>		
Total (1)	\$42.9	\$4.1	\$42.9	\$0.0	\$0.0	\$0.0

(1) Amounts represent balances as of March 31, 2022, not balances at the time of initial COVID modification. As such, any loans that previously entered into a COVID modification and have since paid off are no longer reflected in amounts above.

Nonperforming Assets Turnover – Quarter ended March 31, 2022

	Nonperforming Loans	REO	Total	FMV of Collateral	LTV	Notes
	<i>(Dollars in Thousands)</i>					
December 31, 2021 Balance	\$21,199	\$53	\$21,252			
NPL Additions:						
#1	198	-	198	\$1,160	17%	Two owner-occupied industrial complexes in OH
#2	188	-	188	343	55%	Multifamily apartment buildings in IL
#3	172	-	172	540	32%	Self-service car wash in FL
#4	158	-	158	592	27%	Owner-occupied industrial property in NY
#5	129	-	129	123	105%	Assisted living facility in KY; \$6 thousand specific reserve
#6	113	-	113	536	21%	Owner-occupied industrial building located in NC
Other - Various	472	-	472			< \$100 thousand NIB - 13 loans
Total Additions:	1,429	-	1,429			
NPL Resolutions:						
#1	(1,065)	-	(1,065)			Owner-occupied industrial building in CA (2 loans) - returned to accrual
#2	(998)	-	(998)			Multifamily property in MA paid down via property sale
#3	(896)	-	(896)			Apartment duplex in CA - paid off in full via refinance
Other Loans - Various	(1,757)	-	(1,757)			16 loans (totaling \$1.3 million) returned to accrual or paid off; \$469 thousand net paydowns
REO #1	-	(53)	(53)			Vacant daycare in FL, sold for \$56 thousand gain in March
Total Resolutions:	(4,716)	(53)	(4,769)			
March 31, 2022 Balance:	\$17,912	\$0	\$17,912			

Allowance Allocation

Loan Segment	Total Loan Balances at March 31, 2022	Total Reserves at March 31, 2022	ALL / Total Loans at March 31, 2022	Total Reserves at December 31, 2021	ALL / Total Loans at December 31, 2021	Total Reserves at March 31, 2021	ALL / Total Loans at March 31, 2021
<i>Dollars in thousands</i>							
LASG Purchased	\$479,824	\$353	0.07%	\$388	0.08%	\$420	0.10%
Originated Loans:							
C&I (Lender Finance primarily)	334,392	1,578	0.47%	1,589	0.56%	1,181	0.53%
Commercial Real Estate	334,132	2,307	0.69%	2,329	0.72%	2,426	0.99%
SBA and USDA:							
- Guaranteed	6,517	-	0.00%	-	0.00%	-	0.00%
- Unguaranteed	28,057	1,355	4.83%	1,495	5.20%	4,479	12.51%
1-4 Family Residential	48,615	213	0.44%	223	0.43%	282	0.48%
Consumer	788	10	1.27%	16	1.82%	32	2.63%
Total Originated Loans	752,501	5,463	0.73%	5,652	0.81%	8,400	1.48%
Total Loans	\$1,232,325	\$5,816	0.47%	\$6,040	0.51%	\$8,820	0.88%

(1) Under purchased loan accounting, only further declines in expected cash flows subsequent to the acquisition of a loan are recognized through a specific reserve in the allowance for loan losses.

Loan balances are net of deferred fees and costs.

National Lending Portfolio by Collateral Type

Collateral Type	Direct Originated		Lender Finance		Purchased		Total National Lending		
	<i>Dollars in thousands</i>	<i>Balance</i>	<i>WA LTV</i>	<i>Balance</i>	<i>WA LTV</i>	<i>Balance</i>	<i>WA LTV</i>	<i>Balance</i>	<i>WA LTV</i>
1-4 Family		\$24,771	51%	\$26,501	50%	\$6,638	23%	\$57,910	47%
Hospitality		56,755	54%	15,045	54%	27,837	45%	99,637	51%
Industrial		27,280	49%	34,264	51%	93,611	45%	155,155	47%
Land and Construction		5,417	54%	12,278	34%	6,803	49%	24,498	43%
Mixed Use		26,633	60%	76,472	54%	22,234	43%	125,339	54%
Multi Family		21,437	45%	31,539	51%	122,482	45%	175,458	46%
Office		75,201	49%	34,800	58%	79,238	51%	189,239	51%
Retail		109,950	51%	23,340	48%	118,522	51%	251,812	51%
Small Balance Commercial		21,755	34%	56,805	41%	2,459	36%	81,019	39%
Total		\$369,199	50%	\$311,044	50%	\$479,824	47%	\$1,160,067	49%

All data as of March 31, 2022, unless otherwise noted. Loan balances exclude net deferred fees and costs.

National Lending Portfolio — Weighted Average LTV By Bucket

WA LTV

National Lending Portfolio	<40%	40-49%	50-59%	60-69%	70-79%	>=80%	Total
<i>Dollars in thousands</i>							
Purchased Loans	\$165,086	\$92,460	\$102,583	\$70,277	\$34,734	\$14,684	\$479,824
Direct Originated Loans	88,823	85,195	85,761	74,714	27,452	7,254	369,199
Lender Finance Loans	60,777	76,276	118,844	52,533	2,614	-	311,044
Total	\$314,686	\$253,931	\$307,188	\$197,524	\$64,800	\$21,938	\$1,160,067
% of Total	27%	22%	26%	17%	6%	2%	100%

National Lending Purchased Portfolio — Further Analysis

National Lending Purchased Portfolio

Origination Year

<i>Dollars in thousands</i>	Pre-2009	2009-2015	2016 and later	Total
Current Basis	\$159,195	\$176,083	\$144,546	\$479,824
# of Loans	634	239	185	1,058
% of Portfolio	33%	37%	30%	100%
Original Principal Balance	\$425,016	\$288,180	\$183,610	\$896,806
Current Principal Balance	177,633	186,692	152,647	516,972
% Principal Paid Down Since Origination	58%	35%	17%	42%
Current Basis⁽¹⁾ / Original Principal	37%	61%	79%	54%

(1) Current basis is net of principal paydowns and remaining discount.

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National Lending Originated Portfolio — Interest Reserve Analysis

Lender Finance

<i>Dollars in thousands</i>	Balance	% with Interest Reserves	Interest Reserve WA Duration	WA Advance Rate⁽¹⁾	WA Loan to Underlying RE⁽¹⁾
Total Lender Finance Loans	\$311,044			69%	50%
Lender Finance Loans with Interest Reserves	273,803	88%	6.1 Months		

Direct Originated Loans

<i>Dollars in thousands</i>	Balance	% with Interest Reserves	Interest Reserve WA Duration	WA LTV⁽¹⁾
Total Direct Originated Loans	\$369,199			50%
Direct Originated Loans with Interest Reserves	234,985	64%	7.2 Months	

(1) Weighted Average calculations utilize original balance and real estate values at the time of origination. All data as of March 31, 2022, unless otherwise noted. Loan balances exclude net deferred fees and costs.

Community Banking Division Portfolio by Collateral Type

Collateral Type	Commercial		Consumer		Total	
	<i>Dollars in thousands</i>	<i>Balance</i>	<i>WA LTV</i>	<i>Balance</i>	<i>WA LTV</i>	<i>Balance</i>
1-4 Family		\$1,626	49%	\$20,803	66%	\$22,429
Hospitality		1,062	26%	-	-	1,062
Industrial		150	51%	-	-	150
Land and Construction		153	26%	283	64%	436
Mixed Use		313	83%	-	-	313
Multi Family		3,291	40%	1,341	67%	4,632
Office		4,161	36%	-	-	4,161
Retail		2,066	45%	-	-	2,066
Small Balance		1,539	76%	347	50%	1,886
Unsecured		-	-	9	100%	9
Total		\$14,361	44%	\$22,783	66%	\$37,144

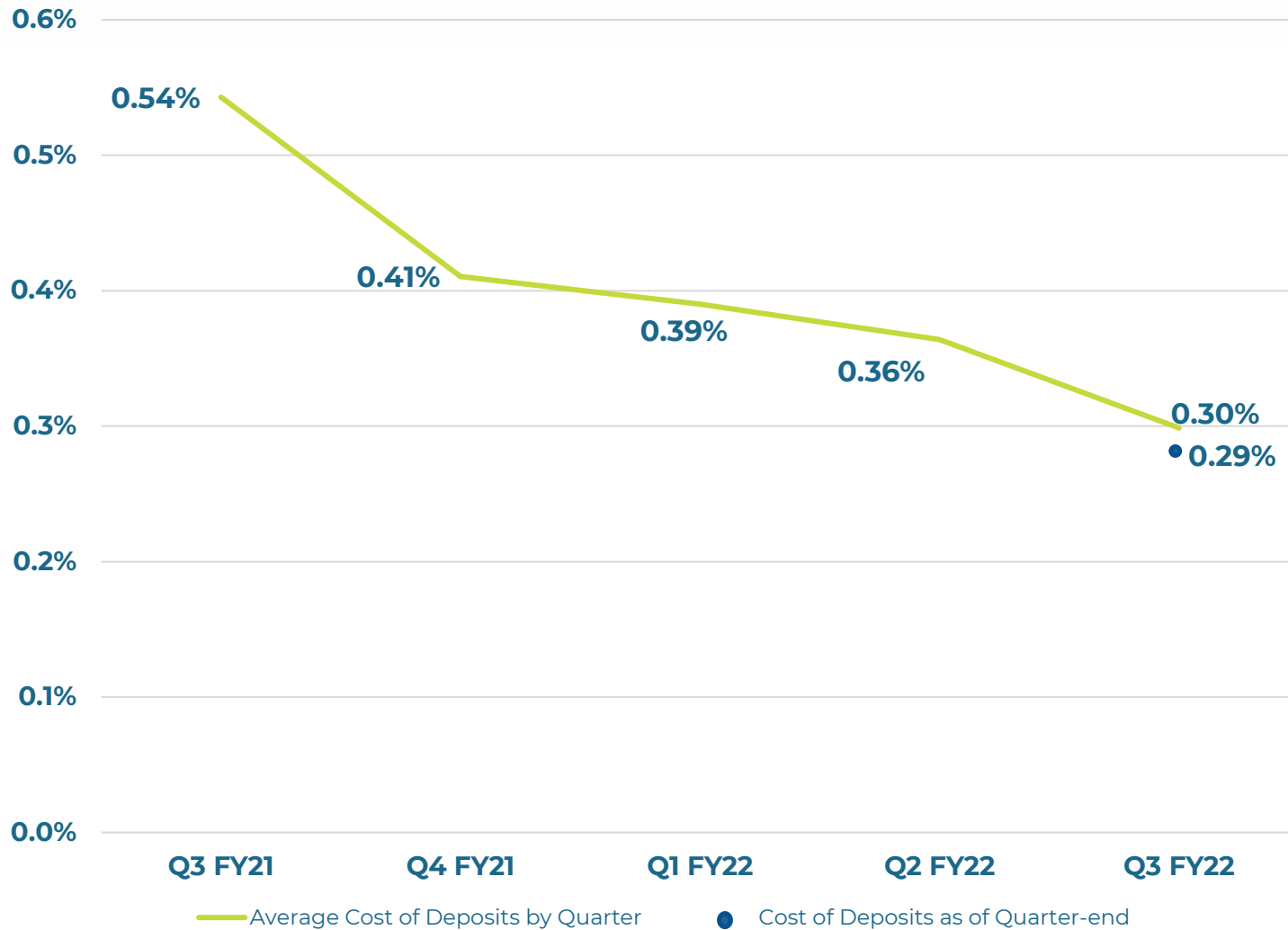
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SBA and USDA Loans by Collateral Type

Collateral Type	SBA and USDA Loans				
	<i>Dollars in thousands</i>	Guaranteed	Unguaranteed	Total Balance	WA LTV
Hospitality		\$1,422	\$17,370	\$18,792	74%
Industrial		596	3,621	4,217	61%
Office		-	1,978	1,978	81%
Retail		3,515	4,489	8,004	90%
Small Balance Commercial		318	1,395	1,713	73%
1-4 Family		668	223	891	65%
Total		\$6,519	\$29,076	\$35,595	76%

All data as of March 31, 2022, unless otherwise noted. Loan balances exclude net deferred fees and costs.

Quarterly Cost of Deposits



Deposit Portfolio Changes

By Channels				March 31, 2022			March 31, 2021			Net Change		
<i>Dollars in thousands</i>	Balance	WAR	Mix	Balance	WAR	Mix	Balance	%	WAR			
Community Banking	\$876,005	0.35%	88%	\$629,743	0.43%	64%	\$246,262	39%	-0.08%			
ableBanking	101,025	0.38%	10%	223,421	0.79%	23%	(122,396)	-55%	-0.41%			
Bulletin Board	14,424	2.15%	2%	128,052	1.49%	13%	(113,628)	-89%	0.66%			
Sub-Total	991,454	0.38%	78%	981,216	0.65%	76%	10,238	1%	-0.27%			
Holdback Accounts	276,668 (1)	0.00%	22%	317,488	0.00%	24%	(40,820)	-13%	0.00%			
Grand Total	\$1,268,122	0.30%		\$1,298,704	0.49%		(30,582)	-2%	-0.19%			

By Products				March 31, 2022			March 31, 2021			Net Change		
<i>Dollars in thousands</i>	Balance	WAR	Mix	Balance	WAR	Mix	Balance	%	WAR			
Checking	\$463,807	0.19%	47%	\$321,690	0.18%	33%	\$142,117	44%	0.01%			
Savings	137,187	0.55%	14%	40,472	0.10%	4%	96,715	239%	0.45%			
Money Market	272,614	0.32%	27%	323,027	0.45%	33%	(50,413)	-16%	-0.13%			
Certificate of Deposit	117,845	1.05%	12%	296,027	1.46%	30%	(178,182)	-60%	-0.40%			
Sub-Total	991,454	0.38%	78%	981,216	0.65%	76%	10,238	1%	-0.27%			
Holdback Accounts	276,668 (1)	0.00%	22%	317,488	0.00%	24%	(40,820)	-13%	0.00%			
Grand Total	\$1,268,122	0.30%		\$1,298,704	0.49%		(30,582)	-2%	-0.19%			

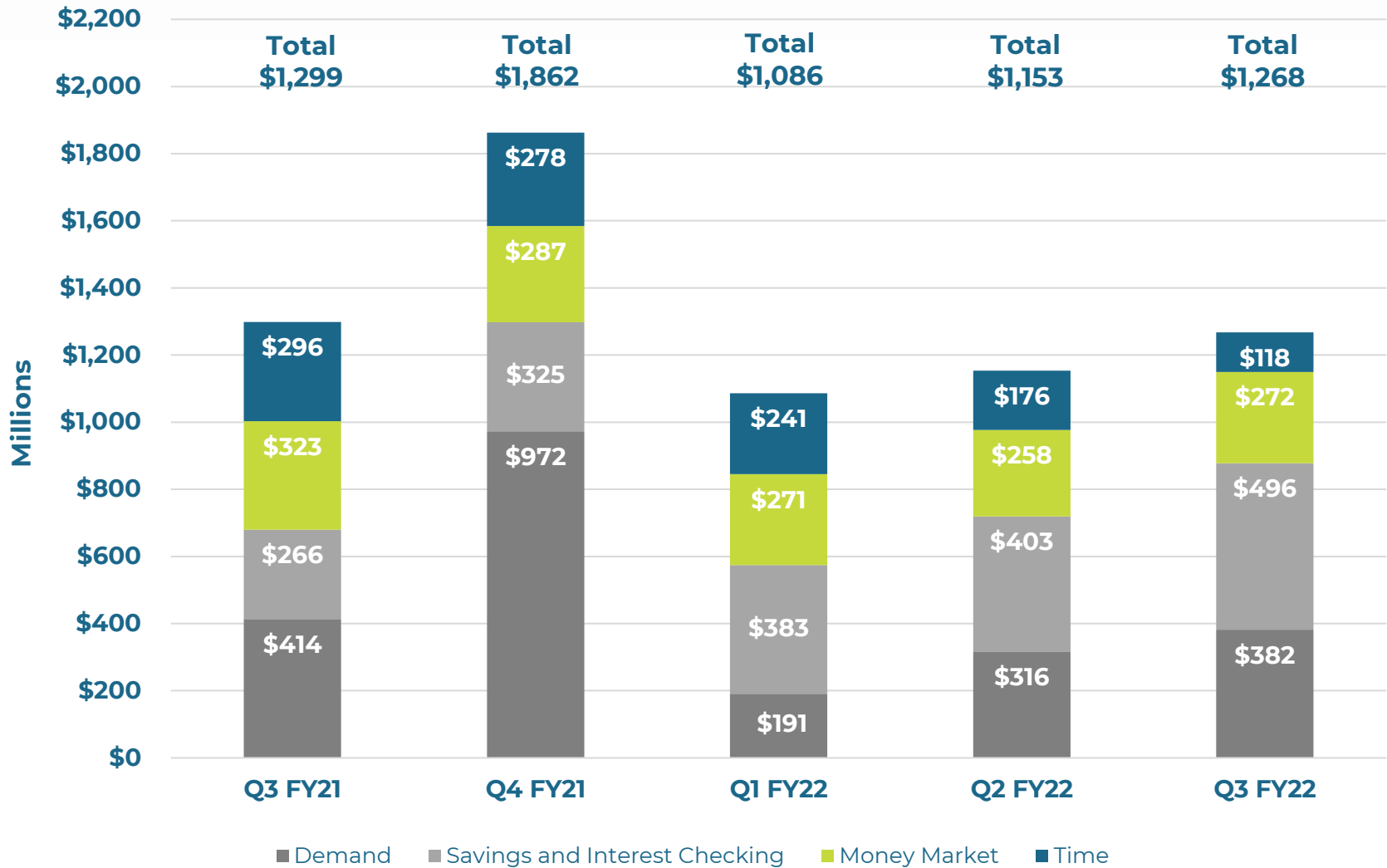
(1) Includes PPP Collection Account balance of \$256.7 million at March 31, 2022

Deposit Portfolio and Interest Analysis

Trailing Twelve-Month Deposit Portfolio and Annualized Interest Expense \$ Millions



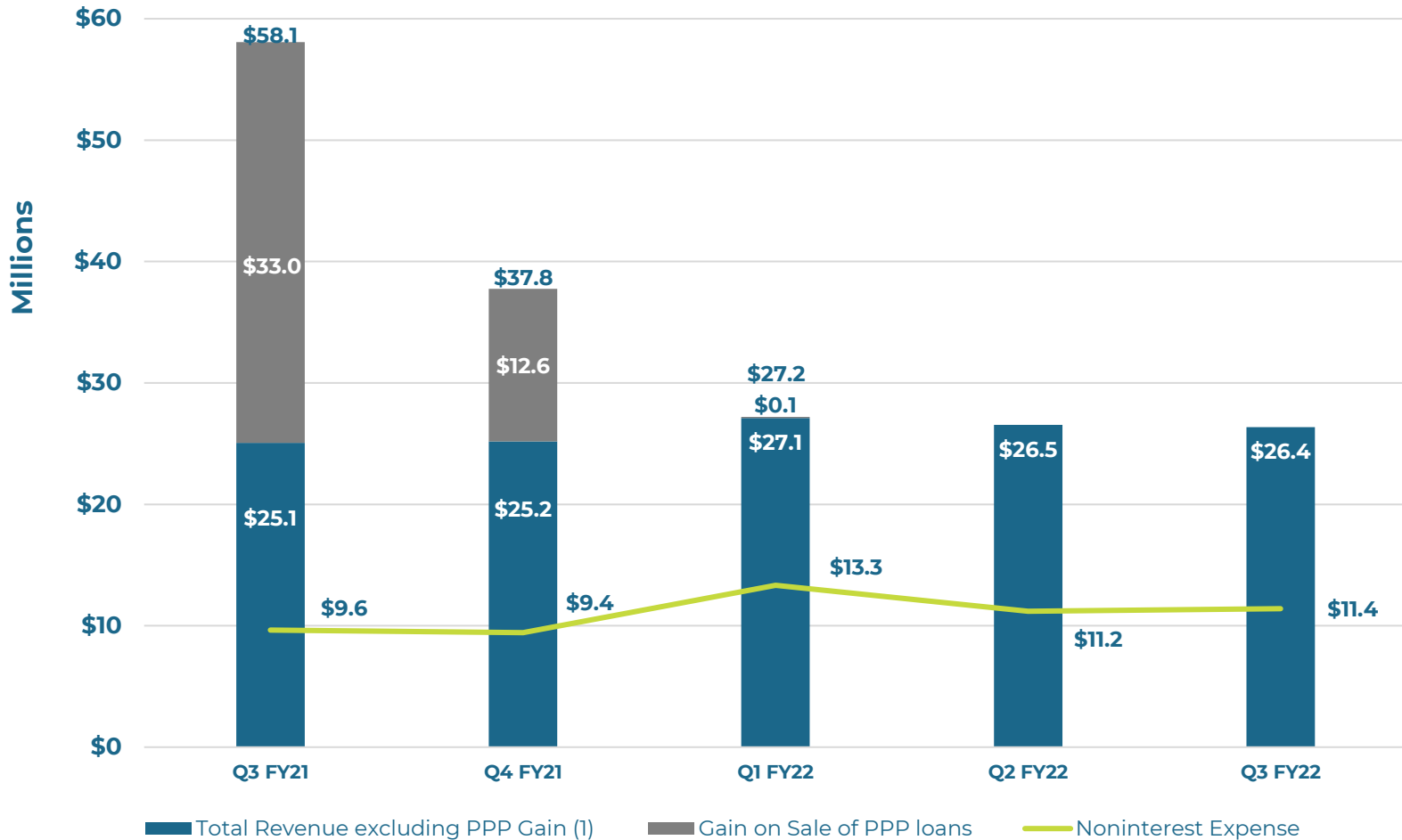
Deposit Mix By Trailing 5 Quarter Ends



Time Deposit Interest Expense

	Amount Maturing	Weighted Average Rate	Annual Interest Expense
<i>Dollars in thousands</i>			
Quarter Ending June 30, 2022	\$18,667	1.21%	\$226
ableBanking	1,932	0.60%	12
Bulletin Board	5,569	2.61%	145
Community Bank	11,166	0.62%	69
Quarter Ending September 30, 2022	18,963	0.70%	133
ableBanking	5,896	1.17%	69
Bulletin Board	413	2.19%	9
Community Bank	12,654	0.44%	55
Quarter Ending December 31, 2022	21,743	1.30%	282
ableBanking	9,569	1.35%	129
Bulletin Board	4,967	1.85%	92
Community Bank	7,207	0.84%	61
Quarter Ending March 31, 2023	18,122	0.90%	163
ableBanking	6,556	0.70%	46
Bulletin Board	3,474	1.83%	64
Community Bank	8,092	0.66%	53
Total	\$77,495	1.04%	\$804

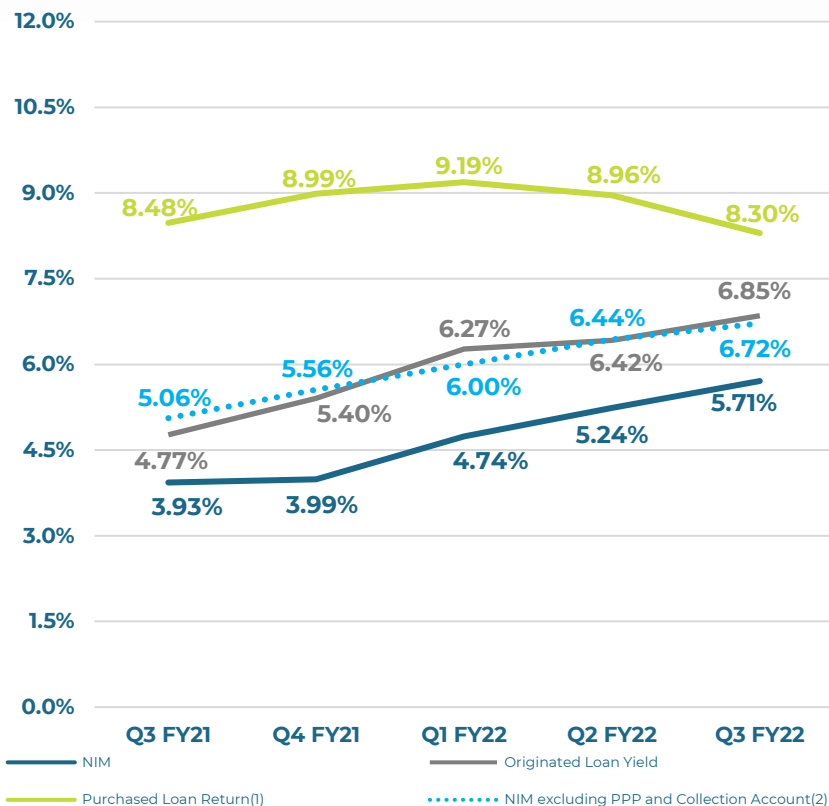
Revenue and Noninterest Expense for Trailing 5 Quarters



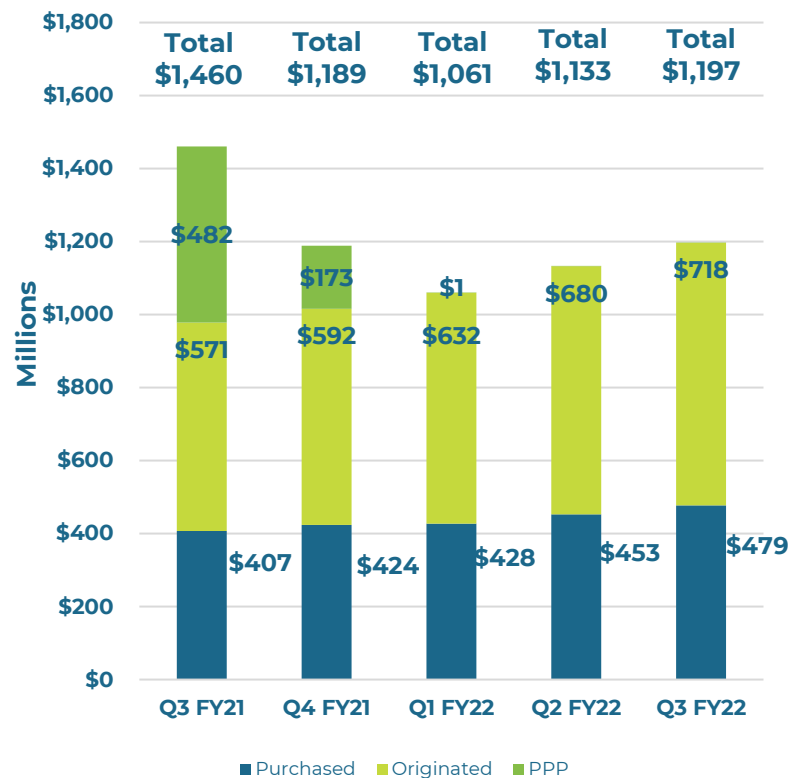
(1) Total Revenue includes net interest income before loan loss provision (credit) and noninterest income.

Loan Performance & Average Loan Balance For Trailing 5 Quarters

Loan Performance

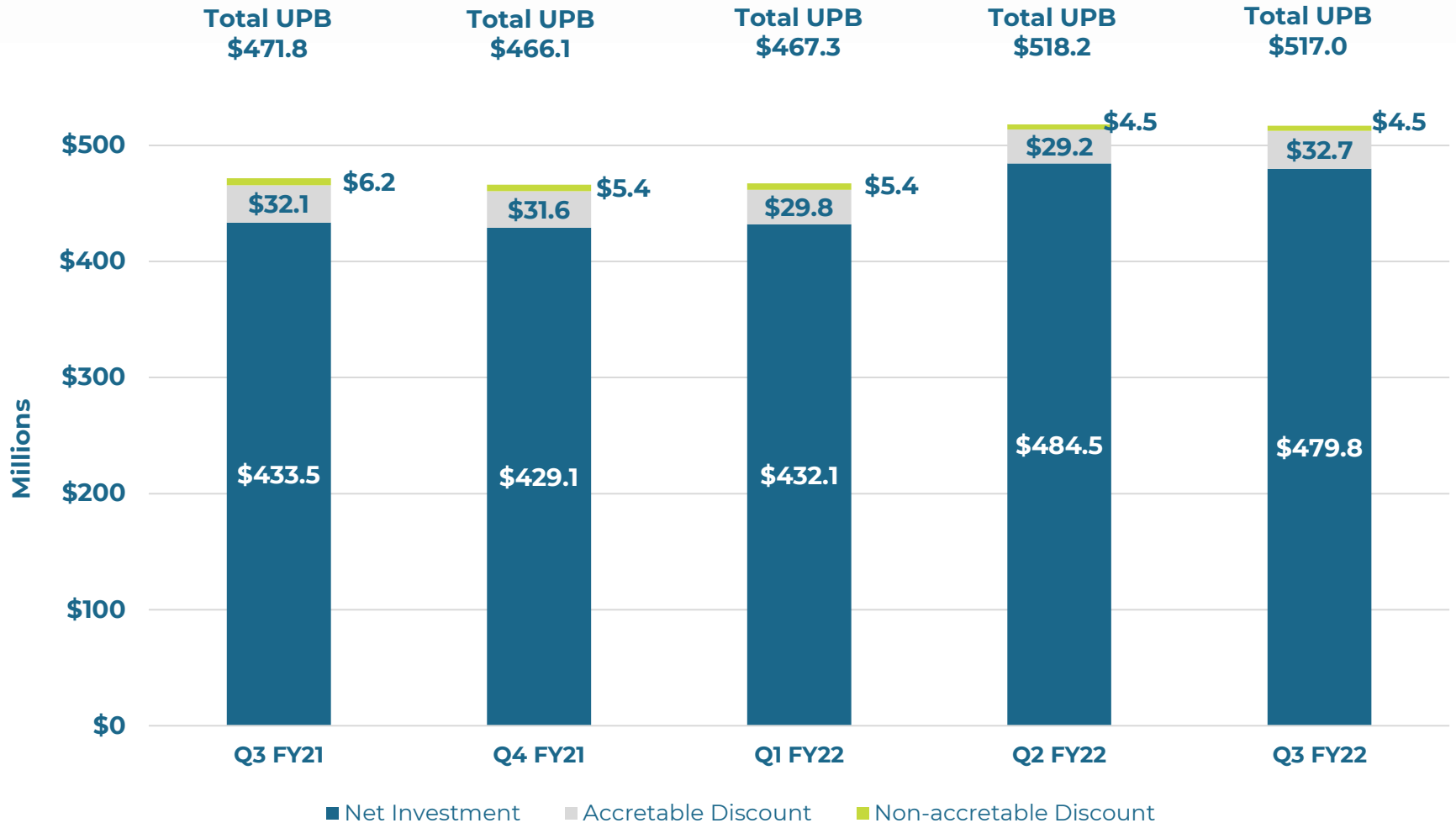


Average Loan Balance for Trailing 5 Quarters⁽³⁾



- (1) Purchased loan return includes purchased loan yield, as well as gain on loan sales, gain on sale of real estate owned and other noninterest income.
- (2) NIM excluding PPP and Collection Account for Q3 FY21, Q4 FY21, Q1 FY22, Q2 FY22, and Q3 FY22 removes the effects of the following: PPP loan interest income of \$2.6 million, \$884 thousand, \$11 thousand, \$2 thousand, and \$3 thousand, interest income on short-term investments of \$29 thousand, \$100 thousand, \$84 thousand, \$73 thousand and \$60 thousand, PPPLF interest expense of \$300 thousand, \$98 thousand, \$0, \$0, and \$0, brokered CD interest expense of \$99 thousand, \$0, \$0, \$0, and \$0, average PPP loan balances of \$481.9 million, \$172.8 million, \$1.4 million, \$628 thousand, and \$462 thousand, and short-term investments average balance related to PPP collection account of \$121.7 million, \$405.9 million, \$334.3 million, \$287.7 million, and \$244.0 million, respectively.
- (3) Includes loans held for sale.

Purchased Loan Investment Basis and Discount By Trailing 5 Quarters

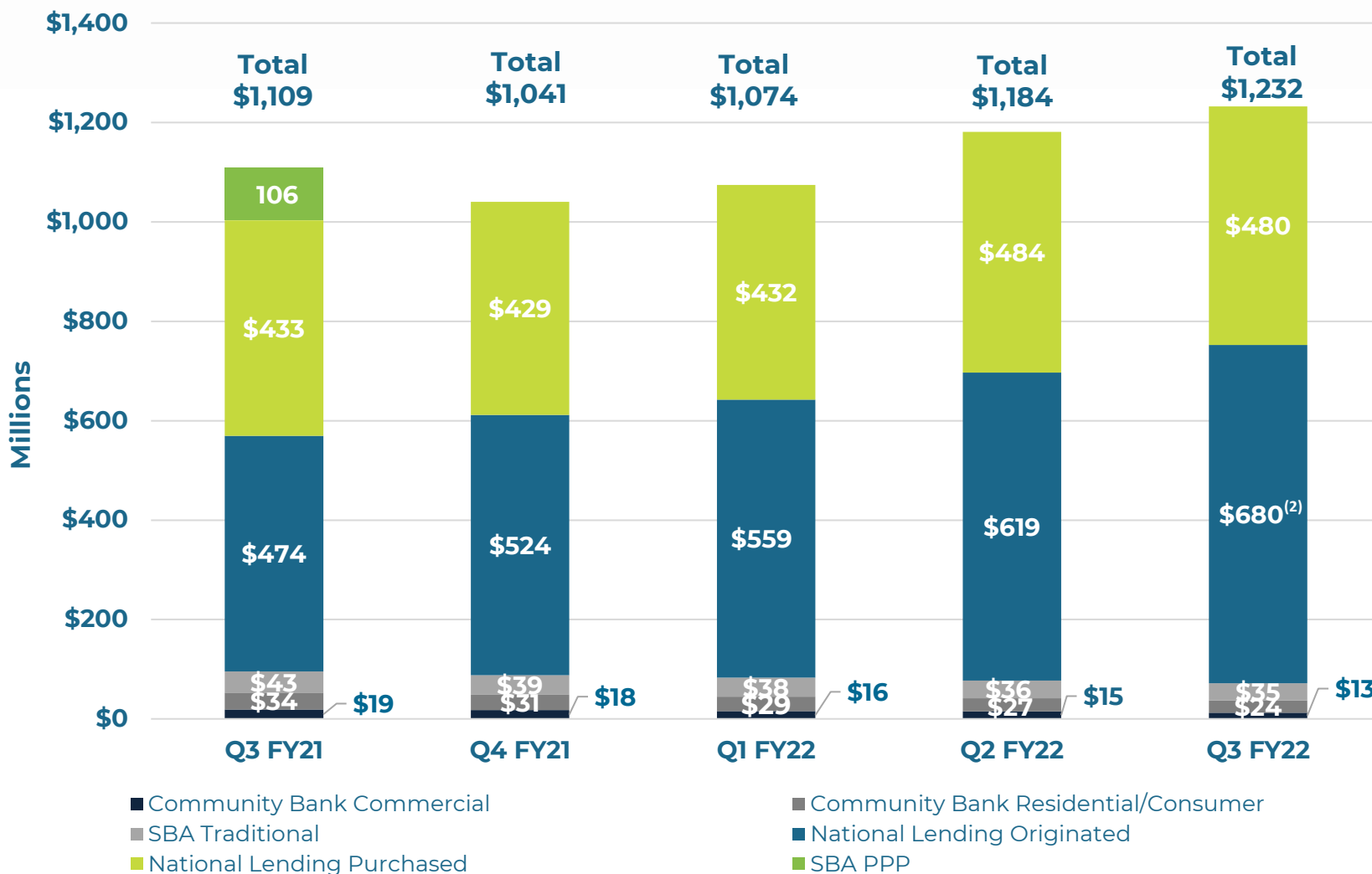


National Lending Portfolio — Q3 FY22 Return Summary⁽¹⁾

	Purchased	Originated	Total
Regularly Scheduled Interest & Accretion	6.08%	6.23%	6.16%
Accelerated Accretion & Fees Recognized on Loan Payoffs & Gain on Loan Sales	2.22%	0.71%	1.36%
Total	8.30%	6.94%	7.52%

- (1) The total return on purchased loans represents scheduled accretion, accelerated accretion, gains on asset sales and gains on real estate owned recorded during the period divided by the average invested balance, which includes loans held for sale, on an annualized basis. The total return does not include the effect of purchased loan charge-offs or recoveries during the period.

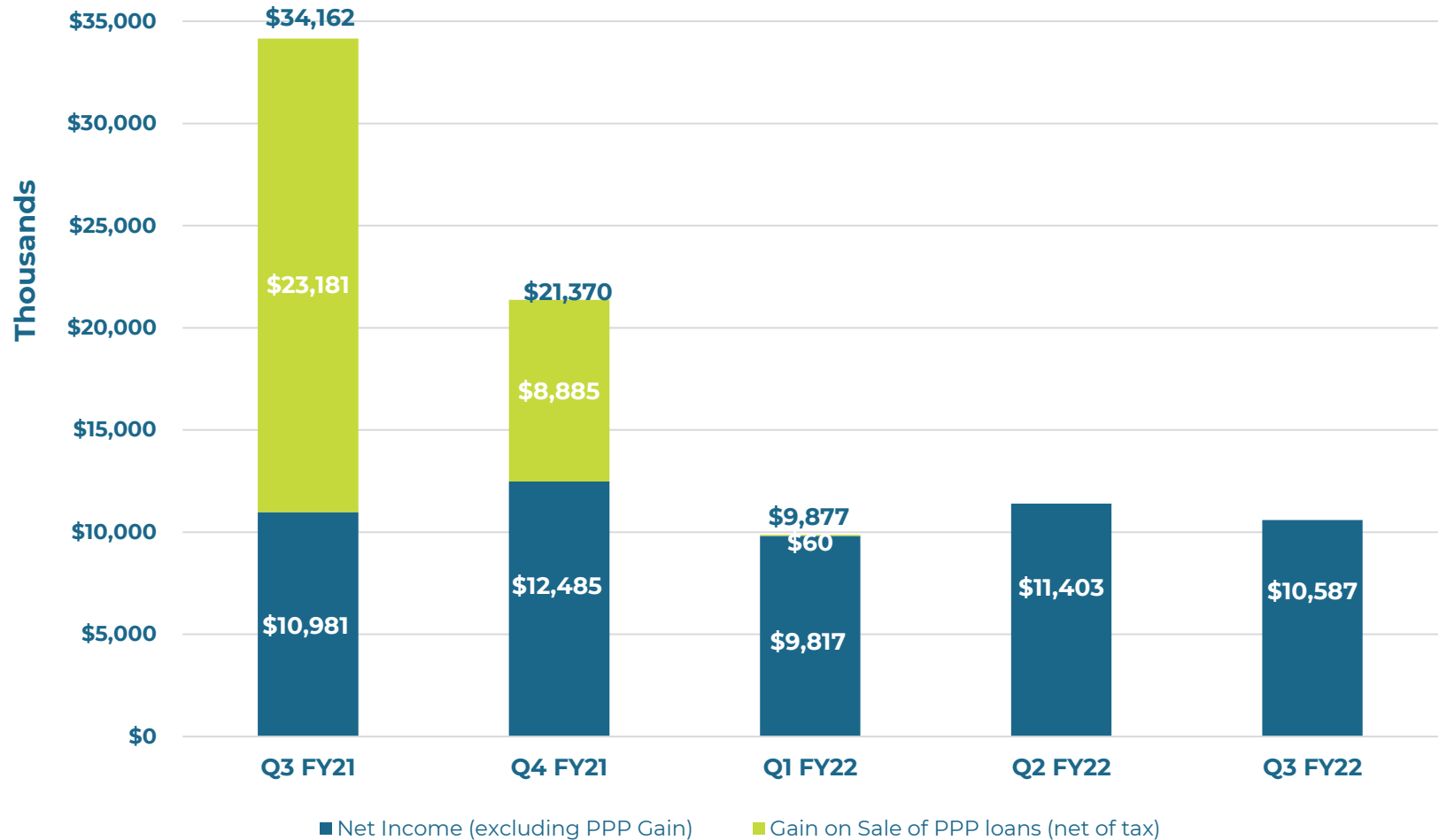
Loan Mix As of Trailing 5 Quarter Ends⁽¹⁾



(1) Includes loans held for sale.

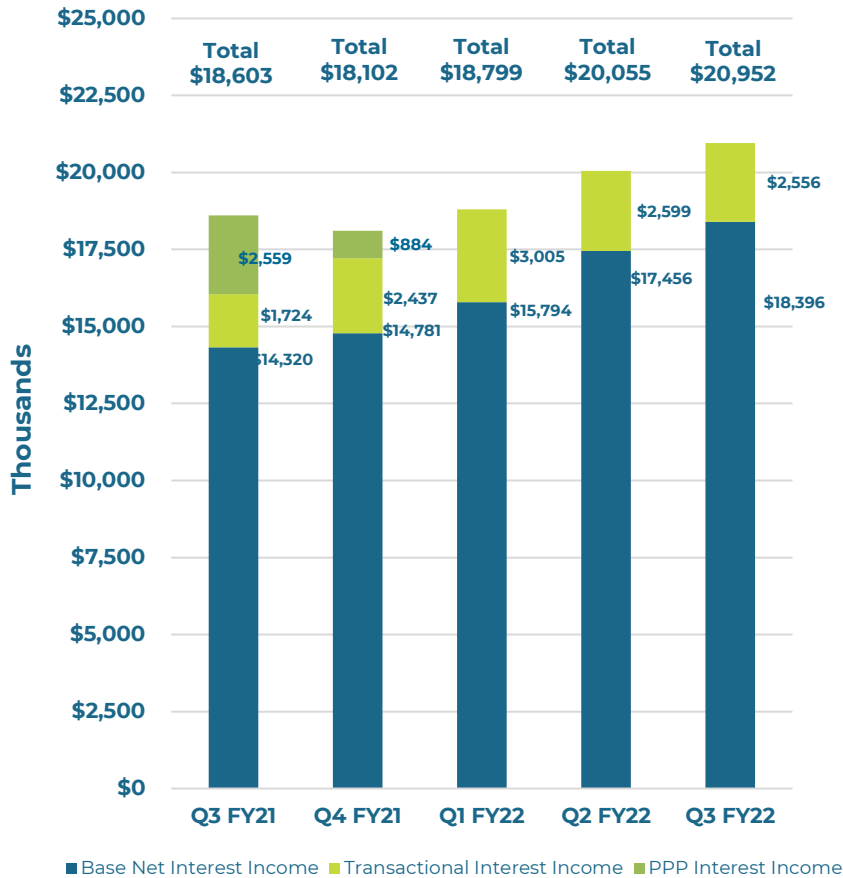
(2) 90% of the National Lending Originated portfolio had a floor, with a weighted average floor of 6.16% as of March 31, 2022.

Net Income for Trailing 5 Quarters



Key Components of Income For Trailing 5 Quarters

Net Interest Income Before Loan Loss Provision



Noninterest Income

