
**FEDERAL DEPOSIT INSURANCE CORPORATION
WASHINGTON, D.C. 20429**

FORM 8-K

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

Date of report (Date of earliest event reported): April 29, 2025

NORTHEAST BANK

(Exact name of registrant as specified in its charter)

Maine

(State or other jurisdiction of
incorporation)

01-0029040

(IRS Employer Identification
No.)

**27 Pearl Street
Portland, Maine**

(Address of principal executive
offices)

04101

(Zip Code)

Registrant's telephone number, including area code: (207) 786-3245

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2). 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 accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition

On April 29, 2025, Northeast Bank (the "Bank"), issued a press release announcing its earnings for the third quarter of fiscal 2025 and declaring the payment of a dividend. The full text of this press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

The information contained herein, including the exhibit attached hereto, is furnished pursuant to Item 2.02 of this Form 8-K and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of that section. Further, the information in this report (including the exhibits hereto) are not to be incorporated by reference into any of the Bank's filings under the Securities Act of 1933, as amended, whether filed prior to or after the furnishing of these certificates, regardless of any general or specific incorporation language in such filing.

Item 9.01 Financial Statements and Exhibits
(c) Exhibits**Exhibit No. Description**

99.1 Press Release dated April 29, 2025

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunder duly authorized.

NORTHEAST BANK

By: /s/ Richard Cohen

Name: Richard Cohen

Title: Chief Financial Officer

Date: April 29, 2025

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated April 29, 2025

balance, and \$218.0 million of originated loans. Loans generated by the Bank’s SBA Division for the quarter ended March 31, 2025 totaled \$121.3 million.

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

	National Lending Portfolio					
	Three Months Ended March 31,					
	2025			2024		
Purchased	Originated	Total	Purchased	Originated	Total	
(Dollars in thousands)						
Loans purchased or originated during the period:						
Unpaid principal balance	\$ 79,144	\$ 217,983	\$ 297,127	\$ -	\$ 153,349	\$ 153,349
Initial net investment basis (1)	74,553	217,983	292,536	-	153,349	153,349
Loan returns during the period:						
Yield	8.33%	8.73%	8.46%	8.67%	10.09%	9.19%
Total Return on Purchased Loans (2)	8.43%	N/A	8.43%	8.70%	N/A	8.70%
	Nine Months Ended March 31,					
	2025					
	Purchased	Originated	Total	Purchased	Originated	Total
(Dollars in thousands)						
Loans purchased or originated during the period:						
Unpaid principal balance	\$ 901,693	\$ 591,292	\$ 1,492,985	\$ 271,741	\$ 284,876	\$ 556,617
Initial net investment basis (1)	821,485	591,292	1,412,777	238,477	284,876	523,353
Loan returns during the period:						
Yield	8.65%	9.02%	8.77%	8.95%	9.97%	9.34%
Total Return on Purchased Loans (2)	8.70%	N/A	8.70%	8.98%	N/A	8.98%
Total loans as of period end:						
Unpaid principal balance	\$ 2,638,438	\$ 1,185,153	\$ 3,823,591	\$ 1,794,669	\$ 975,876	\$ 2,770,545
Net investment basis	2,443,822	1,185,153	3,628,975	1,620,409	975,876	2,596,285

(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.”

- Deposits increased by \$956.3 million, or 40.9%, from June 30, 2024. The increase was primarily attributable to increases in time deposits of \$943.5 million, or 72.2%. The significant drivers in the change in time deposits were the increase in brokered time deposits, which increased by \$818.8 million, and Community Banking Division time deposits, which increased by \$105.3 million compared to June 30, 2024.
- Federal Home Loan Bank (“FHLB”) advances increased by \$33.4 million, or 9.7%, from June 30, 2024. The increase was attributable to one new short-term borrowing, partially offset by net paydowns on amortizing advances.
- Shareholders’ equity increased by \$90.9 million, or 24.1%, from June 30, 2024, primarily due to net income of \$58.2 million and \$31.3 million of net proceeds on shares issued in connection with the Bank’s at-the-market (“ATM”) program.

Net income increased by \$4.8 million to \$18.7 million for the quarter ended March 31, 2025, compared to net income of \$13.9 million for the quarter ended March 31, 2024.

- Net interest and dividend income before provision for credit losses increased by \$9.5 million to \$46.0 million for the quarter ended March 31, 2025, compared to \$36.5 million for the quarter ended March 31, 2024. The increase was primarily due to the following:

	Nine Months Ended March 31,			
	2025		2024	
	Income	Return (1)	Income	Return (1)
	(Dollars in thousands)			
Regularly scheduled interest and accretion	\$ 136,055	8.30%	\$ 98,505	8.41%
Transactional income:				
Release of allowance for credit losses on purchased loans	734	0.05%	356	0.03%
Accelerated accretion and loan fees	5,775	0.35%	6,275	0.54%
Total transactional income	6,509	0.40%	6,631	0.57%
Total	\$ 142,564	8.70%	\$ 105,136	8.98%

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

2. Provision for credit losses increased by \$2.3 million to \$2.9 million for the quarter ended March 31, 2025, compared to \$596 thousand in the quarter ended March 31, 2024. The increase was primarily related to loan growth and increased reserves on the unguaranteed portion of the SBA portfolio.
3. Noninterest income increased by \$5.1 million for the quarter ended March 31, 2025, compared to the quarter ended March 31, 2024, primarily due to an increase in gain on sale of SBA loans of \$5.0 million, due to the sale of \$73.6 million in SBA loans during the quarter ended March 31, 2025 as compared to the sale of \$18.9 million during the quarter ended March 31, 2024.
4. Noninterest expense increased by \$3.7 million for the quarter ended March 31, 2025 compared to the quarter ended March 31, 2024, primarily due to the following:
 - An increase in salaries and employee benefits expense of \$1.7 million, primarily due to increases in regular, stock compensation expense and incentive compensation expense;
 - An increase in loan expense of \$1.5 million primarily related to increased expenses in connection with the origination of SBA 7(a) loans; and
 - An increase in Federal Deposit Insurance Corporation (the "FDIC") insurance expense of \$195 thousand, due to the growth of the Bank's asset size and an increased assessment rate.
5. Income tax expense increased by \$3.7 million to \$10.8 million, or an effective tax rate of 36.7%, for the quarter ended March 31, 2025, compared to \$7.2 million, or an effective tax rate of 34.1%, for the quarter ended March 31, 2024. The increase in effective tax rate is primarily due to projected changes in income apportionment for state taxes and increased projections of the required write-down of the Bank's deferred tax asset as a result of a change in Massachusetts income tax law.

As of March 31, 2025, nonperforming assets totaled \$33.4 million, or 0.79% of total assets, compared to \$28.3 million, or 0.90% of total assets, as of June 30, 2024.

As of March 31, 2025, past due loans totaled \$34.0 million, or 0.91% of total loans, compared to past due loans totaling \$26.3 million, or 0.95% of total loans, as of June 30, 2024.

As of March 31, 2025, the Bank's Tier 1 leverage capital ratio was 11.5%, compared to 12.3% at June 30, 2024, and the Total risk-based capital ratio was 14.0% at March 31, 2025, compared to 14.8% at June 30, 2024. Capital ratios decreased primarily due to the increase in risk-weighted assets and average assets from significant loan growth during the nine months ended March 31, 2025, partially offset by increased retained earnings and additional capital raised under the Bank's ATM program.

Investor Call Information

Rick Wayne, Chief Executive Officer, Richard Cohen, 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 earnings and business outlook at 10:00 a.m. Eastern Time on Wednesday, April 30th**. 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 fifteen 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. 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 a bank headquartered in Portland, Maine. We offer personal and business banking services to the Maine market via seven branches. Our National Lending Division purchases and originates commercial loans on a nationwide basis. ableBanking, a division of Northeast Bank, offers online savings products to consumers nationwide. 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 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 the forward-looking statements as a result of, among other factors, changes in interest rates and real estate values; changes in employment levels, 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 recently imposed tariffs by the U.S. Administration and foreign governments, inflation and concerns about liquidity) or legislative or regulatory initiatives; the possibility that future credits 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 legislation and regulation under the new U.S. presidential administration; 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 amended by Amendment No. 1 to the Annual Report on Form 10-K/A for the year ended June 30, 2024 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 communication 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, 2025	June 30, 2024
Assets		
Cash and due from banks	\$ 2,443	\$ 2,711
Short-term investments	341,633	239,447
Total cash and cash equivalents	<u>344,076</u>	<u>242,158</u>
Available-for-sale debt securities, at fair value	21,473	48,978
Equity securities, at fair value	7,314	7,013
Total investment securities	<u>28,787</u>	<u>55,991</u>
SBA loans held for sale	60,339	14,506
Loans:		
Commercial real estate	2,764,809	2,028,280
Commercial and industrial	852,985	618,846
Residential real estate	122,466	99,234
Consumer	190	291
Total loans	<u>3,740,450</u>	<u>2,746,651</u>
Less: Allowance for credit losses	46,024	26,709
Loans, net	<u>3,694,426</u>	<u>2,719,942</u>
Premises and equipment, net	25,338	27,144
Real estate owned and other possessed collateral, net	1,200	-
Federal Home Loan Bank stock, at cost	16,106	15,751
Loan servicing rights, net	810	984
Bank-owned life insurance	19,203	18,830
Accrued interest receivable	17,445	15,163
Other assets	20,772	21,734
Total assets	<u>\$ 4,228,502</u>	<u>\$ 3,132,203</u>
Liabilities and Shareholders' Equity		
Deposits:		
Demand	\$ 154,540	\$ 146,727
Savings and interest checking	796,762	732,029
Money market	94,837	154,504
Time	2,249,654	1,306,203
Total deposits	<u>3,295,793</u>	<u>2,339,463</u>
Federal Home Loan Bank and other advances	378,543	345,190
Lease liability	19,465	20,252
Other liabilities	67,185	50,664
Total liabilities	<u>3,760,986</u>	<u>2,755,569</u>
Commitments and contingencies	-	-
Shareholders' equity		
Preferred stock, \$1.00 par value, 1,000,000 shares authorized; no shares issued and outstanding at March 31, 2025 and June 30, 2024	-	-
Voting common stock, \$1.00 par value, 25,000,000 shares authorized; 8,525,362 and 8,127,690 shares issued and outstanding at March 31, 2025 and June 30, 2024, respectively	8,525	8,128
Non-voting common stock, \$1.00 par value, 3,000,000 shares authorized; No shares issued and outstanding at March 31, 2025 and June 30, 2024	-	-
Additional paid-in capital	97,078	64,762
Retained earnings	361,901	303,927
Accumulated other comprehensive income (loss)	12	(183)
Total shareholders' equity	<u>467,516</u>	<u>376,634</u>
Total liabilities and shareholders' equity	<u>\$ 4,228,502</u>	<u>\$ 3,132,203</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,	
	2025	2024	2025	2024
Interest and dividend income:				
Interest and fees on loans	\$ 76,478	\$ 60,715	\$ 222,361	\$ 180,139
Interest on available-for-sale securities	352	596	1,383	1,639
Other interest and dividend income	3,996	3,179	12,104	9,541
Total interest and dividend income	<u>80,826</u>	<u>64,490</u>	<u>235,848</u>	<u>191,319</u>
Interest expense:				
Deposits	30,593	23,340	89,959	63,772
Federal Home Loan Bank advances	4,057	4,401	11,754	16,247
Obligation under capital lease agreements	225	237	691	664
Total interest expense	<u>34,875</u>	<u>27,978</u>	<u>102,404</u>	<u>80,683</u>
Net interest and dividend income before provision for credit losses	45,951	36,512	133,444	110,636
Provision for credit losses	2,908	596	5,275	1,221
Net interest and dividend income after provision for credit losses	<u>43,043</u>	<u>35,916</u>	<u>128,169</u>	<u>109,415</u>
Noninterest income:				
Fees for other services to customers	362	320	1,197	1,218
Gain on sales of SBA loans	6,014	1,015	14,915	1,837
Net unrealized gain (loss) on equity securities	79	(55)	106	17
Loss on real estate owned, other repossessed collateral and premises and equipment, net	-	-	-	(9)
Bank-owned life insurance income	124	116	372	348
Correspondent fee income	16	40	69	183
Other noninterest income	24	106	28	194
Total noninterest income	<u>6,619</u>	<u>1,542</u>	<u>16,687</u>	<u>3,788</u>
Noninterest expense:				
Salaries and employee benefits	12,477	10,784	34,947	30,409
Occupancy and equipment expense	1,275	1,072	3,456	3,277
Professional fees	669	503	1,985	1,784
Data processing fees	1,496	1,376	4,605	3,823
Marketing expense	89	256	318	738
Loan acquisition and collection expense	2,270	813	5,626	2,402
FDIC insurance expense	468	273	1,756	917
Other noninterest expense	1,399	1,352	4,203	4,138
Total noninterest expense	<u>20,143</u>	<u>16,429</u>	<u>56,896</u>	<u>47,488</u>
Income before income tax expense	29,519	21,029	87,960	65,715
Income tax expense	10,838	7,164	29,734	22,624
Net income	<u>\$ 18,681</u>	<u>\$ 13,865</u>	<u>\$ 58,226</u>	<u>\$ 43,091</u>
Weighted-average shares outstanding:				
Basic	8,216,746	7,509,320	8,047,775	7,510,065
Diluted	8,394,964	7,595,124	8,232,435	7,602,844
Earnings per common share:				
Basic	\$ 2.27	\$ 1.85	\$ 7.24	\$ 5.74
Diluted	2.23	1.83	7.07	5.67
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,

	2025			2024		
	Average Balance	Interest Income/Expense	Average Yield/Rate	Average Balance	Interest Income/Expense	Average Yield/Rate
Assets:						
Interest-earning assets:						
Investment securities	\$ 32,963	\$ 352	4.33%	\$ 60,211	\$ 596	3.98%
Loans (1) (2) (3)	3,650,066	76,478	8.50%	2,649,383	60,715	9.22%
Federal Home Loan Bank stock	16,657	301	7.33%	17,636	449	10.24%
Short-term investments (4)	336,877	3,695	4.45%	204,869	2,730	5.36%
Total interest-earning assets	4,036,563	80,826	8.12%	2,932,099	64,490	8.85%
Cash and due from banks	2,332			2,446		
Other non-interest earning assets	39,847			50,227		
Total assets	<u>\$ 4,078,742</u>			<u>\$ 2,984,772</u>		
Liabilities & Shareholders' Equity:						
Interest-bearing liabilities:						
NOW accounts	\$ 566,932	\$ 5,190	3.71%	\$ 524,301	\$ 5,767	4.42%
Money market accounts	116,647	754	2.62%	190,379	1,619	3.42%
Savings accounts	198,094	1,365	2.79%	140,737	1,126	3.22%
Time deposits	2,129,320	23,284	4.43%	1,185,558	14,828	5.03%
Total interest-bearing deposits	3,010,993	30,593	4.12%	2,040,975	23,340	4.60%
Federal Home Loan Bank advances	372,029	4,057	4.42%	396,130	4,401	4.47%
Lease liability	19,340	225	4.72%	20,981	237	4.54%
Total interest-bearing liabilities	3,402,362	34,875	4.16%	2,458,086	27,978	4.58%
Non-interest bearing liabilities:						
Demand deposits and escrow accounts	183,348			163,042		
Other liabilities	33,025			24,571		
Total liabilities	3,618,735			2,645,699		
Shareholders' equity	460,007			339,073		
Total liabilities and shareholders' equity	<u>\$ 4,078,742</u>			<u>\$ 2,984,772</u>		
Net interest income		<u>\$ 45,951</u>			<u>\$ 36,512</u>	
Interest rate spread			3.96%			4.27%
Net interest margin (5)			4.62%			5.01%
Cost of funds (6)			3.94%			4.29%

(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,					
	2025			2024		
	Average Balance	Interest Income/ Expense	Average Yield/ Rate	Average Balance	Interest Income/ Expense	Average Yield/ Rate
Assets:						
Interest-earning assets:						
Investment securities	\$ 42,865	\$ 1,383	4.30%	\$ 60,060	\$ 1,639	3.63%
Loans (1) (2) (3)	3,348,535	222,361	8.85%	2,565,402	180,139	9.35%
Federal Home Loan Bank stock	16,190	977	8.04%	20,415	1,331	8.68%
Short-term investments (4)	302,262	11,127	4.90%	204,252	8,210	5.35%
Total interest-earning assets	<u>3,709,852</u>	<u>235,848</u>	8.47%	<u>2,850,129</u>	<u>191,319</u>	8.93%
Cash and due from banks	2,219			2,482		
Other non-interest earning assets	55,078			58,609		
Total assets	<u>\$ 3,767,149</u>			<u>\$ 2,911,220</u>		
Liabilities & Shareholders' Equity:						
Interest-bearing liabilities:						
NOW accounts	\$ 570,906	\$ 17,014	3.97%	\$ 507,594	\$ 16,548	4.34%
Money market accounts	131,481	2,972	3.01%	226,072	5,760	3.39%
Savings accounts	188,053	4,575	3.24%	118,044	2,603	2.93%
Time deposits	<u>1,864,771</u>	<u>65,398</u>	4.67%	<u>1,061,399</u>	<u>38,861</u>	4.87%
Total interest-bearing deposits	2,755,211	89,959	4.35%	1,913,109	63,772	4.44%
Federal Home Loan Bank advances	357,020	11,754	4.39%	463,065	16,247	4.67%
Lease liability	19,655	691	4.68%	21,373	664	4.13%
Total interest-bearing liabilities	<u>3,131,886</u>	<u>102,404</u>	4.36%	<u>2,397,547</u>	<u>80,683</u>	4.48%
Non-interest bearing liabilities:						
Demand deposits and escrow accounts	182,877			166,955		
Other liabilities	29,877			24,388		
Total liabilities	<u>3,344,640</u>			<u>2,588,890</u>		
Shareholders' equity	422,509			322,330		
Total liabilities and shareholders' equity	<u>\$ 3,767,149</u>			<u>\$ 2,911,220</u>		
Net interest income		<u>\$ 133,444</u>			<u>\$ 110,636</u>	
Interest rate spread			4.11%			4.45%
Net interest margin (5)			4.79%			5.17%
Cost of funds (6)			4.12%			4.19%

(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, 2025	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024
Net interest income	\$ 45,951	\$ 48,490	\$ 39,000	\$ 37,935	\$ 36,512
Provision for credit losses	2,908	1,944	422	547	596
Noninterest income	6,619	5,949	4,119	2,092	1,542
Noninterest expense	20,143	19,066	17,685	17,079	16,429
Net income	18,681	22,440	17,106	15,140	13,865
Weighted-average common shares outstanding:					
Basic	8,216,746	8,044,345	7,886,148	7,765,868	7,509,320
Diluted	8,394,964	8,197,568	8,108,688	7,910,692	7,595,124
Earnings per common share:					
Basic	\$ 2.27	\$ 2.79	\$ 2.17	\$ 1.95	\$ 1.85
Diluted	2.23	2.74	2.11	1.91	1.83
Dividends declared per common share	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.01
Return on average assets	1.86%	2.24%	2.09%	1.99%	1.87%
Return on average equity	16.47%	21.14%	17.53%	16.56%	16.45%
Net interest rate spread (1)	3.96%	4.21%	4.18%	4.41%	4.27%
Net interest margin (2)	4.62%	4.88%	4.90%	5.13%	5.01%
Efficiency ratio (non-GAAP) (3)	38.32%	35.02%	41.01%	42.67%	43.17%
Noninterest expense to average total assets	2.00%	1.90%	2.16%	2.24%	2.21%
Average interest-earning assets to average interest-bearing liabilities	118.64%	118.24%	118.48%	118.78%	119.28%
	As of:				
	March 31, 2025	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024
Nonperforming loans:					
Originated portfolio:					\$
Residential real estate	\$ 2,407	\$ 2,446	\$ 3,976	\$ 2,502	2,573
Commercial real estate	3,197	3,662	4,682	1,407	2,075
Commercial and industrial	6,945	6,696	6,684	6,520	6,928
Consumer	3	5	-	-	-
Total originated portfolio	12,552	12,809	15,342	10,429	11,576
Total purchased portfolio	19,680	17,257	21,830	17,832	16,370
Total nonperforming loans	32,232	30,066	37,172	28,261	27,946
Real estate owned and other repossessed collateral, net	1,200	1,200	-	-	-
Total nonperforming assets	\$ 33,432	\$ 31,266	\$ 37,172	\$ 28,261	\$ 27,946
Past due loans to total loans	0.91%	0.85%	0.89%	0.95%	1.13%
Nonperforming loans to total loans	0.86%	0.84%	1.06%	1.02%	1.05%
Nonperforming assets to total assets	0.79%	0.77%	0.94%	0.90%	0.93%
Allowance for credit losses to total loans	1.23%	1.25%	1.25%	0.97%	0.98%
Allowance for credit losses to nonperforming loans	142.79%	148.92%	117.40%	94.51%	92.83%
Net charge-offs (recoveries)	\$ 2,082	\$ 869	\$ 1,604	\$ 1,347	\$ 2,225
Commercial real estate loans to total capital (4)	521.47%	542.12%	604.38%	482.13%	509.08%
Net loans to deposits	112.10%	112.52%	110.70%	116.88%	118.15%
Purchased loans to total loans	65.33%	66.63%	69.11%	61.88%	60.99%
Equity to total assets	11.06%	10.88%	9.96%	12.02%	11.73%
Common equity tier 1 capital ratio	12.72%	12.66%	11.45%	13.84%	13.24%
Total risk-based capital ratio	13.97%	13.91%	12.70%	14.82%	14.22%
Tier 1 leverage capital ratio	11.45%	11.16%	12.06%	12.30%	11.79%
Total shareholders' equity	\$ 467,516	\$ 444,101	\$ 392,557	\$ 376,634	\$ 351,913
Less: Preferred stock	-	-	-	-	-
Common shareholders' equity	467,516	444,101	392,557	376,634	351,913
Less: Intangible assets (5)	-	-	-	-	-
Tangible common shareholders' equity (non-GAAP)	\$ 467,516	\$ 444,101	\$ 392,557	\$ 376,634	\$ 351,913
Common shares outstanding	8,525,362	8,492,856	8,212,026	8,127,690	7,977,690
Book value per common share	\$ 54.84	\$ 52.29	\$ 47.80	\$ 46.34	\$ 44.11
Tangible book value per share (non-GAAP) (6)	54.84	52.29	47.80	46.34	44.11

(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) The net interest margin represents net interest income as a percent of average interest-earning assets for the period.

(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) Includes the loan servicing rights asset.

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