November 17, 2026

REDWOOD TRUST

Redwood Trust, Inc. Commences Offer to Exchange up to 17,360,000 Shares of Common Stock for Shares of 12.00% Junior Series B Participating Cumulative Redeemable Preferred Stock

MILL VALLEY, Calif.--(BUSINESS WIRE)--

Redwood Trust, Inc. (NYSE: RWT; “Redwood”, “we”, “us” or the “Company”), a leader in expanding access to housing for homebuyers and renters, announced today the commencement of an offer to exchange up to 17,360,000 of the currently issued and outstanding shares of common stock of the Company, par value $0.01 per share (the “Common Stock”), for newly issued shares of the Company’s 12.00% Junior Series B Participating Cumulative Redeemable Preferred Stock, par value $0.01 per share and liquidation preference stated at $25.00 per share for purposes of determining dividends (the “Junior Series B Participating Preferred Stock”), with each 7.58 shares of Common Stock being exchangeable for 1 share of Junior Series B Participating Preferred Stock.

The exchange offer will expire at one minute after 11:59 P.M. (12:00 midnight), New York City time, on December 15, 2026 (the “Expiration Date”), unless extended or terminated.

“With today’s commencement of the exchange offer, we are providing existing common stockholders, particularly those who prioritize current income, with an alternative way to participate in the Company's future,” said Christopher Abate, Chief Executive Officer of Redwood. “This participating preferred stock will offer a dividend rate of 12%, coupled with participation, through its redemption and preference terms, in the performance of the Company’s common stock price following the exchange.”

The exchange offer is conditioned on, among other things, the valid tender (without valid withdrawal) of at least 8,680,000 shares of Common Stock prior to the Expiration Date.

The exchange offer is being made pursuant to an Offer to Exchange dated November 17, 2026 (“Offer to Exchange”) filed as an exhibit to the Company’s Schedule TO, dated November 17, 2026, each of which has been filed with the U.S. Securities and Exchange Commission (the “SEC”) and more fully sets forth the terms and conditions of the exchange offer and the Junior Series B Participating Preferred Stock, including certain conditions to the closing of the exchange offer. The exchange offer is being made only to the current stockholders of the Company. The Company has retained Computershare Trust Company, N.A. as the exchange agent for the exchange offer and MacKenzie Partners, Inc. as the

information agent.

Copies of the Offer to Exchange and the related Letter of Transmittal are being mailed to the Company's stockholders. Additional copies of the Offer to Exchange and the related Letter of Transmittal may be obtained at the Company's expense from the information agent at (800) 322-2885 (toll free) or RWT-MPI@mackenziepartners.com. Questions regarding the exchange offer should be directed to the information agent at (800) 322-2885 (toll free) or RWT-MPI@mackenziepartners.com. Parties outside the U.S. can reach the information agent at +1-(212) 929-5500 (toll collect) or RWT-MPI@mackenziepartners.com.

About the Company

Redwood Trust, Inc. (NYSE: RWT) is a specialty finance company focused on several distinct areas of housing credit where we provide liquidity to growing segments of the U.S. housing market not well served by government programs. We deliver customized housing credit investments to a diverse mix of investors, through our best-in-class securitization platforms, whole-loan distribution activities, joint ventures and our publicly traded shares. We operate through three core residential housing-focused operating platforms — Sequoia, Aspire, and CoreVest — alongside our complementary Redwood Investments portfolio which is primarily composed of assets we source through these platforms. Redwood Investments also includes RWT Horizons®, our unified technology platform spanning internal AI innovation and strategic investments across the ecosystem, which supports our efforts to develop an AI-first operating model that enables compounding operational leverage and scalable growth. This reflects how we manage and organize our business and may differ from the manner in which our reportable segments are presented for financial reporting purposes.

Our goal is to provide attractive returns to shareholders through earnings and dividends, capital appreciation, and a commitment to technological innovation that facilitates risk-minded scale. Redwood Trust is internally managed and is currently structured as a real estate investment trust ("REIT") for tax purposes. The Company has announced a plan to transition to a C-corporation beginning with its 2027 tax year. For more information about Redwood, please visit our website at www.redwoodtrust.com or connect with us on LinkedIn.

Certain Information Regarding the Exchange Offer

The information in this press release describing Redwood Trust, Inc.'s exchange offer is for informational purposes only and does not constitute an offer to buy or the solicitation of an offer to sell Redwood Trust, Inc.'s shares of Common Stock in the exchange offer. The exchange offer is being made only pursuant to the Offer to Exchange and the related materials that Redwood Trust, Inc. is distributing to its stockholders, as they may be amended or supplemented. STOCKHOLDERS ARE URGED TO READ THE OFFER TO EXCHANGE AND SCHEDULE TO FILED OR TO BE FILED WITH THE SEC CAREFULLY, AS THEY MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME, BECAUSE THEY CONTAIN OR WILL CONTAIN IMPORTANT INFORMATION THAT STOCKHOLDERS AND INVESTORS IN THE COMPANY'S JUNIOR SERIES B PARTICIPATING PREFERRED STOCK SHOULD CONSIDER BEFORE MAKING ANY DECISION REGARDING THE EXCHANGE OFFER, INCLUDING THE TERMS AND CONDITIONS OF THE EXCHANGE OFFER AND THE JUNIOR SERIES B PARTICIPATING PREFERRED STOCK. Stockholders of Redwood Trust, Inc. may obtain a

free copy of the Offer to Exchange and other documents filed as exhibits to the Schedule TO that Redwood Trust, Inc. is filing with the SEC from the SEC's website at www.sec.gov. Stockholders may also obtain a copy of these documents, without charge, from MacKenzie Partners, Inc., the information agent for the exchange offer, toll free at (800) 322-2885 or via email at RWT-MPI@mackenziepartners.com. Stockholders are urged to carefully read all of these materials prior to making any decision with respect to the exchange offer. Stockholders and investors who have questions or need assistance may call MacKenzie Partners, Inc., the information agent for the exchange offer, toll free at (800) 322-2885 or via email at RWT-MPI@mackenziepartners.com. Parties outside the U.S. can reach the information agent toll collect at +1-(212) 929-5500 or via email at RWT-MPI@mackenziepartners.com.

None of the Company, any of its management or its board of directors, the exchange agent or the information agent makes any recommendation as to whether or not holders of the Company's Common Stock should participate in this exchange offer.

The Company is relying on Section 3(a)(9) of the Securities Act of 1933, as amended (the "Securities Act"), to exempt the exchange offer from the registration requirements of the Securities Act. Section 3(a)(9) provides that the registration requirements of the Securities Act will not apply to "any security exchanged by the issuer with its existing security holders exclusively where no commission or other remuneration is paid or given directly or indirectly for soliciting such exchange." The Company has no current or planned contract, arrangement or understanding relating to, and will not, directly or indirectly, pay any commission or other remuneration to any broker, dealer, salesperson, agent or any other person for soliciting tenders in the exchange offer.

Cautionary Statement Regarding Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements generally include statements that are predictive in nature and depend upon or refer to future events or conditions, and include words such as "believes," "plans," "anticipates," "projects," "estimates," "expects," "intends," "strategy," "future," "opportunity," "may," "will," "should," "could," "potential," or similar expressions. Statements that are not historical facts are forward-looking statements. Forward-looking statements are based on current beliefs and assumptions that are subject to risks and uncertainties. Forward-looking statements speak only as of the date they are made, and the Company undertakes no obligation to update any of them publicly in light of new information or future events. Actual results could differ materially from those contained in any forward-looking statement as a result of various factors. More information, including potential risk factors, that could affect the Company's business and financial results is included in the Company's filings with the SEC, including, but not limited to, the Company's Forms 10-K, 10-Q and 8-K. All filings are available at www.sec.gov and on the Company's website at www.redwoodtrust.com.

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