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NASDAQ:NEWT

Newtek Business Services Corp.'s CEO, Barry Sloane, Comments on the Company's \$100 Million Public Offering of 5.50% Notes Due 2026

January 15, 2021

BOCA RATON, Fla., Jan. 15, 2021 (GLOBE NEWSWIRE) -- Newtek Business Services Corp. (NASDAQ: NEWT), an internally managed business development company ("BDC"), provides Newtek CEO's, Barry Sloane, comments on the Company's pricing of its \$100 million public offering of 5.50% Notes due 2026 (the "Notes"). Newtek expects to list the Notes on the Nasdaq Global Market under the trading symbol "NEWTZ."

Barry Sloane, President, Chairman and CEO, of Newtek commented, "We are pleased to announce the pricing of our \$100 million bond transaction at 5.50%, which, for us, is record in size for a publicly traded baby bond issuance as well as a record-low coupon. This issuance was rated BBB+ by Egan Jones, and garnered strong institutional demand. We anticipate using the net proceeds from the sale of the Notes to fund investments in debt and equity securities in accordance with our investment objective and strategies, and may use the net proceeds to fully or partially pay down, retire, or redeem certain of our outstanding indebtedness, including our outstanding 6.25% Notes due 2023. Our investment objective and strategies include opportunistic growth across all lending programs, including products such as SBA 7(a) loans, SBA 504 loans, secured lines of credit and our non-conforming conventional loan program that we anticipate relaunching in calendar year 2021, after having to suspend this program due to the pandemic."

Mr. Sloane continued, "We are currently focused on positioning the Company for its activity in the "second draw" of the Paycheck Protection Program ("PPP") funding, and are experiencing strong interest in "first-draw" PPP loans as well. While it's too early to determine what our total demand will ultimately be, we have received several thousand applications for PPP financing that have been filled out and signed by prospective borrowers. Currently, we have financing to place to fund upwards of 100% of each PPP loan with participation certificates for investors. We are optimistic about our growth prospects going into 2021, and we are well capitalized to accomplish our objectives for the remaining part of 2021."

Mr. Sloane concluded, "We want to thank our sole book-running manager, Keefe, Bruyette & Woods, Inc., and Ladenburg Thalmann & Co. Inc., the lead co-manager, and Compass Point Research & Trading, LLC, co-manager, for effectuating this transaction. We are looking forward to 2021, and are excited about meeting the challenges that are ahead of us."

About Newtek Business Services Corp.

[Newtek Business Services Corp.](#), Your Business Solutions Company®, is an internally managed BDC, which along with its controlled portfolio companies, provides a wide range of business and financial solutions under the Newtek® brand to the small- and medium-sized business ("SMB") market. Since 1999, Newtek has provided state-of-the-art, cost-efficient products and services and efficient business strategies to SMB relationships across all 50 states to help them grow their sales, control their expenses and reduce their risk.

Newtek's and its portfolio companies' products and services include: [Business Lending](#), [SBA Lending Solutions](#), [Electronic Payment Processing](#), [Technology Solutions \(Cloud Computing...IT Consulting\)](#), [eCommerce](#), [Accounts Receivable Financing & Inventory Financing](#), [Insurance Solutions](#), [Web Services](#), and [Payroll and Benefits Solutions](#).

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Note Regarding Forward Looking Statements

This press release contains certain forward-looking statements. Words such as "believes," "intends," "expects," "projects," "anticipates," "forecasts," "goal" and "future" or similar expressions are intended to identify forward-looking statements. All forward-looking statements involve a number of risks and uncertainties that could cause actual results to differ materially from the plans, intentions and expectations reflected in or suggested by the forward-looking statements. Such risks and uncertainties include, among others, intensified competition, operating problems and their impact on revenues and profit margins, anticipated future business strategies and financial performance, anticipated future number of customers, business prospects, legislative developments and similar matters. Risk factors, cautionary statements and other conditions, which could cause Newtek's actual results to differ from management's current expectations, are contained in Newtek's filings with the Securities and Exchange Commission and available through <http://www.sec.gov/>. Newtek cautions you that forward-looking statements are not guarantees of future performance and that actual results or developments may differ materially from those projected or implied in these statements.

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Investor Relations & Public Relations

Contact: Jayne Cavuoto

Telephone: (212) 273-8179 / jcavuoto@newtekone.com



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