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NASDAQ:NEWT

Newtek Business Services Corp. Reports Record SBA 7(a) Loan Fundings of \$223.1 Million for the Third Quarter 2022

October 3, 2022

BOCA RATON, Fla., Oct. 03, 2022 (GLOBE NEWSWIRE) -- [Newtek Business Services Corp.](#), (NASDAQ: NEWT), an internally managed business development company ("BDC"), announced today that Newtek Small Business Finance, LLC ("NSBF") had record fundings of SBA 7(a) loans for the three and nine months ended September 30, 2022. For the three months ended September 30, 2022, NSBF funded a record \$223.1 million in SBA 7(a) loans, which represents a 36.1% increase over \$163.9 million of SBA 7(a) loan fundings for the three months ended September 30, 2021. NSBF also funded 355 loans, a record for the three months ended September 30, 2022, compared to 219 loans for the same period last year. For the nine months ended September 30, 2022, NSBF funded a record \$587.0 million of SBA 7(a) loans, which represents an 61.9% increase over \$362.6 million of SBA 7(a) loan fundings for the nine months ended September 30, 2021. NSBF forecasts funding approximately \$750 million of SBA 7(a) loans for the full year 2022, which would represent a 33.8% increase over \$560.6 million of SBA 7(a) loans funded in 2021. The Company also announced that for the three months ended September 30, 2022, the weighted-average net premium received on the sale of guaranteed portions of SBA 7(a) loans slightly increased in the third quarter 2022 over the second quarter 2022.

Barry Sloane, CEO, President and Chairman commented, "We are extremely pleased that our people, process, and software that are at the heart and soul of Newtek's technology driven operations continue to provide outstretched results. After receiving approximately 77,000 referrals for the third quarter 2022, we created our funnel of prequalified, underwritten and approved-pending-closing categories of loans to achieve record-setting SBA 7(a) loan fundings for the three and nine months ended September 30, 2022, without sacrificing credit quality, but actually increasing selectivity as we believe the economy will transition into even more challenging economic times. In fact, our total fundings through the nine months ended September 30, 2022 of \$587.0 million exceeded total fundings for all of 2021, and we are currently on track to meet or even exceed our full year 2022 SBA 7(a) funding forecast of \$750 million."

Mr. Sloane continued, "Our average loan sizes continue to decrease, which provide greater credit diversification. We are now moving into our 20th year of small business lending and over our history, we have experienced higher interest rate environments as well as weaker-credit environments, and we pride ourselves on the fact that our seasoned management team and staff have the experience to make the right adjustments while continuing to grow our business opportunities."

Mr. Sloane concluded, "We look forward to our upcoming third quarter 2022 earnings conference call, when we plan to report our successes across all business verticals as well as provide detail on the progress that we are making in our non-conforming conventional lending business as well as the SBA 504 lending environment. Our payment solutions, technology solutions, as well as our insurance agency and payroll businesses are all tracking upwards and gaining momentum based on our model of being the One Solution for All of the Business Needs® for independent business owners."

[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 \(Cloud Computing, Data Backup, Storage and Retrieval, IT Consulting\)](#), [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, include our ability to close the pending acquisition of the National Bank of New York City (the "Transaction"), obtain required regulatory approvals for the pending Transaction, the timing of the closing of the Transaction, the timing of the Company's discontinuance from regulation as a BDC under the 1940 Act, projections concerning or considering the pending Transaction, the timing of our ability to originate new investments, achieve certain margins and levels of profitability, the availability of additional capital and the ability to maintain certain debt to asset ratios, 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.

SOURCE: Newtek Business Services Corp.

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