Newtek Business Services Corp. Completes Acquisition of National Bank of New York City

January 6, 2023

Newtek Business Services Corp. Becomes a Financial Holding Company

BOCA RATON, Fla., Jan. 06, 2023 (GLOBE NEWSWIRE) -- Newtek Business Services Corp. (NASDAQ: NEWT) ("Newtek") announced that on January 6, 2023, it completed its acquisition of the National Bank of New York City ("NBNYC"), a 59-year-old national bank regulated and supervised by the Office of the Comptroller of the Currency, and converted to a financial holding company. NBNYC has been renamed Newtek Bank, National Association ™("Newtek Bank, N.A.") and has become a wholly owned subsidiary of the Company. In addition, Newtek has filed with the Securities and Exchange Commission its notification of withdrawal of election to be subject to the Investment Company Act of 1940, and has ceased to be a business development company as of January 6, 2023. Within the next two weeks, Newtek will change its name from Newtek Business Services Corp. to NewtekOne, Inc.® and will retain its trading symbol (Nasdaq: NEWT). Additionally, in the coming weeks, Newtek will finalize its rebranding initiative, and will relaunch its redesigned corporate website. The Company intends to host conference calls in the coming weeks to discuss these initiatives and financial and operational targets in greater detail.

Barry Sloane, President, Chairman and CEO commented, "We are beyond thrilled to be announcing this momentous and much-anticipated occasion for Newtek, which we believe will benefit the Company's growth in a significant way, in contrast to the limiting structure of operating as a BDC. Under our new financial holding company structure, we plan to capitalize on our long-standing business model, better serve our independent-business-owner clientele and enhance shareholder value in the marketplace as the One Solution for All of Your Business Needs®. NewtekOne® will position itself as a business solutions company offering a multitude of solutions to its clientele to enable them to become incrementally more successful and, as the parent of Newtek Bank, N.A., also offering our clientele depository services and solutions. As NewtekOne®, we plan to offer banking as a service and banking on demand, providing a unique offering to our independent business owner clientele who will be able to access their depository functions and money movement capabilities any time they need, as well as develop an invaluable partnership with NewtekOne® through which they can cultivate business relationships, as well as access advice, consultation, analytics and transactional capability. In addition, as NewtekOne® we believe we will be able to increase our ability to finance our growth, lower our cost of capital and retain earnings in contrast to our former structure as a business development company."

Mr. Sloane continued, "We firmly believe that our ability to deliver superior products as a financial holding company and bank, as well as satisfy our client's needs, will be materially enhanced, helping us improve the business prospects of independent business owners through our technology-enabled bank in a significant way. We plan to leverage NewtekOne's patented technologies, including NewTracker® and The Newtek Advantage ™(patent pending). NewTracker®, our proprietary web-based referral system, enables us to cost effectively and remotely acquire customers through strategic alliance partnerships without the traditional use of branches, brokers, or business development officers. Furthermore, we believe The Newtek Advantage ™will allow us to offer our future banking clientele the relationships, analytics, software, and transactional capability that other banks simply do not offer. The Newtek Advantage ™will also allow Newtek clients to easily interact with six unique Newtek subject matter experts in the areas of banking, lending, payment processing, technology, payroll and insurance. These relationship managers will advise and consult with each client on their individual needs, and will be available via video conference, telephone, and email. We believe the Newtek Advantage ™through choice of an a la carte solution set and the ability to margin pool will enable us to grow core retail deposits and provide a tremendous advantage to our existing and new clients. In fact, we will evaluate licensing NewTracker®, the Newtek Advantage ™and other Newtek technologies that have been developed across all product lines to other financial institutions under their brand on a white-label basis. Newtek plans to provide a demonstration of the Newtek Advantage ™, in conjunction with its rebranding strategy, during a conference call on Wednesday, January 18, 2023 at 8:30 am ET."

Mr. Sloane concluded, "While we are proud of all we accomplished as a BDC, we believe converting to a financial holding company and owning a nationally chartered bank better fits the market landscape, both financially and operationally, for our clients and can provide increased opportunities for the Company to grow. With all the above-mentioned reasons, we believe this new structure can accelerate the Company's future growth, enhance shareholder value and total return, and enable us to stand apart with our unique model and state-of-the-art technology. We look forward to continuing to capture the plethora of opportunities offered by the 32.5 million small businesses in the U.S, on a much larger scale in our new structure."

Newtek Business Services Corp., Your Business Solutions Company®, is a financial holding company, which along with its bank and non-bank consolidated subsidiaries, 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 subsidiaries' business and financial solutions include: banking (Newtek Bank, N.A.), 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.

Newtek®, NewtekOne®, Newtek Bank, National Association™, Your Business Solutions Company® and One Solution for All Your Business Needs® are registered trademarks of Newtek Business Services Corp.

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, our ability to operate a bank and as a financial holding company, 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.

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