

NewtekOne®

NASDAQ:NEWT

NewtekOne Raises \$50M in Private Note Offering

January 24, 2023

BOCA RATON, Fla., Jan. 24, 2023 (GLOBE NEWSWIRE) -- [NewtekOne, Inc.](#) (the "Company") (NASDAQ: NEWT) (the "Company"), announced that on January 23, 2023, the Company completed an exempt private offering of \$50.0 million aggregate principal amount of its 8.125% notes due 2025 (the "Notes"). The Notes were issued to institutional accredited investors in a private placement. The Notes will mature on February 1, 2025, will bear interest at a rate of 8.125% per year and will be the Company's direct unsecured obligations and rank pari passu, or equal, with all outstanding and future unsecured unsubordinated indebtedness issued by the Company.

Barry Sloane, Chairman, President and Chief Executive Officer said, "We are pleased that we continue to execute on our strategy after closing on the acquisition of the newly named Newtek Bank, N.A. The \$50 million debt raise at the financial holding company will be primarily used for general corporate purposes and will help fuel the anticipated \$600 million of non-conforming loan originations that ultimately find their way into securitizations. Despite increasing cost of financing, we anticipate being able to capitalize the Company by investing in our higher-returning lending opportunities and business processes, so that this capital can be accretive to our growth and earnings per share. This private placement of two-year notes fits our capital structure and we look forward to accessing the public markets in 2023 for equity, hybrid, and debt securities. We are pleased that we have been able to access the capital markets, even during turbulent times, and we believe that has been based upon our two-decade long history as a publicly traded company delivering results to the investment community. We are also pleased that Egan Jones recently issued an investment-grade rating for our existing and new corporate debt structures."

[NewtekOne®](#), 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](#).

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Note Regarding Forward Looking Statements

Certain statements in this press release are "forward-looking statements" within the meaning of the rules and regulations of the Private Securities Litigation and Reform Act of 1995. These statements are based on management's current expectations and are subject to uncertainty and changes in circumstances. These statements are not guarantees of future results or occurrences. Actual results and capital and other financial conditions may differ materially from those included in these statements due to a variety of factors. These factors include, among others: macroeconomic and other challenges and uncertainties related to the COVID-19 pandemic, such as the impacts to the U.S. and global economies, as well as the broader impacts to financial markets and the global macroeconomic and geopolitical environments; higher inflation and its impacts; higher interest rates and the impacts on macroeconomic conditions, and NewtekOne, Inc.'s funding costs; NewtekOne, Inc.'s conversion to a financial holding company, consummation of the acquisition of Newtek Bank, N.A. and Newtek One's limited experience as a financial holding company and owning and operating a bank; and the precautionary statements included in this release. Factors that could cause NewtekOne, Inc.'s actual results to differ materially from those described in the forward looking statements can be found in NewtekOne, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2021 and Quarterly Reports on Form 10-Q for the quarters ended March 31, 2022, June 30, 2022, and September 30, 2022, filed May 9, 2022, August 8, 2022, and November 8, 2022, with the Securities and Exchange Commission and are available on NewtekOne, Inc.'s website (<https://investor.newtekbusinessservices.com/sec-filings>), and on the Securities and Exchange Commission's website (www.sec.gov). Any forward-looking statements made by or on behalf of NewtekOne, Inc. speak only as to the date they are made, and NewtekOne, Inc. does not undertake to update forwardlooking statements to reflect the impact of circumstances or events that arise after the date the forwardlooking statements were made.

SOURCE: NewtekOne, Inc.

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