NewtekOne, Inc. and Paltalk, Inc. To Hold Conference Call on January 2, 2025, To Discuss the Anticipated January 2, 2025 Closing of the Divestiture of Newtek Technology Solutions, Inc. to Paltalk, Inc.

December 30, 2024

BOCA RATON, Fla., Dec. 30, 2024 (GLOBE NEWSWIRE) -- NewtekOne, Inc. ("the Company") (NASDAQ: NEWT) and Paltalk, Inc. ("Paltalk") (Nasdaq: PALT) will host a conference call on January 2, 2025, to discuss the anticipated January 2, 2025 closing of Paltalk's acquisition (the "Acquisition") of Newtek Technology Solutions, Inc. ("NTS"). Earlier today, Paltalk announced that Paltalk's shareholders voted to approve proposals required to close the Acquisition, which closing is presently scheduled for January 2, 2025. As previously disclosed, in connection with NewtekOne's acquisition of Newtek Bank and transition to a financial holding company, NewtekOne made a commitment to the Board of Governors of the Federal Reserve System to divest or terminate the activities of NTS, which manages information technology hardware and software for approximately 17,000 customers.

Paltalk has agreed to pay to NewtekOne at the closing of the Acquisition: (i) $4,000,000 in cash, subject to certain purchase price adjustments (the "Cash Consideration"), and (ii) issue to NewtekOne 4,000,000 shares of a newly created series of Paltalk non-voting preferred stock, the Series A Non-Voting Common Equivalent Stock (the "Preferred Stock") (the "Stock Consideration" and together with the Cash Consideration, the "Closing Consideration"). In addition to the Closing Consideration, NewtekOne may be entitled to receive an earn-out amount of up to $5,000,000, payable in cash or Preferred Stock (or a combination thereof, determined in Paltalk's discretion), based on the achievement of certain cumulative average Adjusted EBITDA thresholds for the 2025 and 2026 fiscal years. The issuance of Preferred Stock to the Company as Stock Consideration or as consideration for the earn-out, if any, shall be subject to the limitation that any such issuance of Preferred Stock may not result in the Company's equity interest in Paltalk exceeding one third of Paltalk's "total equity," determined in accordance with the Bank Holding Company Act of 1956, as amended, and to the extent necessary a corresponding increase in the Cash Consideration or cash paid in respect of the earn-out will be made. In addition, following the closing, the Company will be entitled to appoint one representative on the Paltalk board of directors.

Subsequent to the closing, it is anticipated that Paltalk will change its name to Intelligent Protection Management Corp. and anticipates changing its stock symbol to "IPM" on the Nasdaq in early January.

Following the closing of the Acquisition, NewtekOne intends to continue to have its entire IT stack secured and managed by NTS's team of 47 individuals, all of whom will be retained and will be working for Paltalk upon closing. In addition, NewtekOne intends to continue to refer its technology solutions opportunities from existing and future customers to Paltalk.

The conference call to discuss the closing of the Acquisition will be hosted by Barry Sloane, Chief Executive Officer, President and Chairman and Jason Katz, Chief Executive Officer and Chairman of Paltalk, on Thursday, January 2, 2025, at 4:15 pm ET. Please note, to receive a dial-in number for the conference call or to listen to the webcast, interested participants are encouraged to pre-register online at NewtekOne, Inc. Merger/Divestiture of Newtek Technology Solutions, Inc. beginning today and up until 15 minutes prior to the start of the January 2, 2025 conference call in order to reserve a listening position on the call. A replay of the call will be available on NewtekOne's website shortly following the live presentation and will be available for a period of one year.

About NewtekOne, Inc.

NewtekOne®, Your Business Solutions Company®, is a financial holding company, which along with its bank and non-bank consolidated subsidiaries (collectively, "NewtekOne"), provides a wide range of business and financial solutions under the Newtek ® brand to independent business owners. Since 1999, NewtekOne has provided state-of-the-art, cost-efficient products and services and efficient business strategies to independent business owners across all 50 states to help them grow their sales, control their expenses, and reduce their risk.

NewtekOne'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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About Paltalk, Inc.

Paltalk, Inc. is a communications software innovator that powers multimedia social applications. Paltalk has an over 20-year history of technology innovation and holds 8 patents. For more information, please visit: http://www.paltalk.com.

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 are based on the current beliefs and expectations of NewtekOne's and Paltalk's management and are subject to significant risks and uncertainties. Actual results may differ materially from those set forth in the forward-looking statements. See the sections titled "Note Regarding Forward-Looking Statements," "Forward-Looking Statements" and "Risk Factors," as applicable, in NewtekOne's and Paltalk's filings with the Securities and Exchange Commission, which are available on NewtekOne's website (https://investor.newtekbusinessservices.com/sec-filings) and Paltalk's website (https://investors.paltalk.com/sec-filings), respectively, and on the Securities and Exchange Commission's website (www.sec.gov). Any forward-looking statements made by or on behalf of NewtekOne or Paltalk speak only as to the date they are made, and neither NewtekOne nor Paltalk undertake to update forward-looking statements to reflect the impact of circumstances or events that arise after the date the forward-looking statements were made.

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