



FOR IMMEDIATE RELEASE:

MEDALLION BANK REPORTS 2024 SECOND QUARTER RESULTS AND DECLARES SERIES F PREFERRED STOCK DIVIDEND

SALT LAKE CITY, UT – July 30, 2024 – Medallion Bank (Nasdaq: MBNKP, the “Bank”), an FDIC-insured bank providing consumer loans for the purchase of recreational vehicles, boats, and home improvements, along with loan origination services to fintech strategic partners, announced today its results for the quarter ended June 30, 2024. The Bank is a wholly owned subsidiary of Medallion Financial Corp. (Nasdaq: MFIN).

2024 Second Quarter Highlights

- Net income of \$15.0 million, compared to \$19.3 million in the prior year quarter.
- Net interest income of \$50.2 million, compared to \$47.0 million in the prior year quarter.
- Net interest margin of 8.55%, compared to 8.91% in the prior year quarter.
- Total provision for credit losses was \$18.2 million, compared to \$8.9 million in the prior year quarter. Total provision for credit losses included \$0.9 million of net taxi medallion recoveries, compared to \$5.0 million of net taxi medallion recoveries in the prior year quarter.
- Annualized net charge-offs were 2.31% of average loans outstanding, compared to 0.63% in the prior year quarter.
- Annualized return on assets and return on equity were 2.57% and 16.77%, respectively, compared to 3.66% and 24.38% for the prior year period.
- The total loan portfolio grew 10% from June 30, 2023 to \$2.3 billion as of June 30, 2024.
- Total assets were \$2.4 billion and the Tier 1 leverage ratio was 16.14% at June 30, 2024.

Donald Poulton, President and Chief Executive Officer of Medallion Bank, stated, “Asset growth resumed in the second quarter, reflecting the seasonality of our business and ongoing strong demand for our lending programs. While loan growth will increase interest income, it comes at a short-term cost in the form of elevated credit loss provisions as we build the reserve for expected losses. Credit performance improvement during the quarter was notable. Both loan losses and delinquency fell compared to the first quarter, with recreation loan net charge-offs down 137 basis points and home improvement loan net charge-offs down 63 basis points. Our credit standards remained relatively tight as we prioritized quality growth that maintains our market position. Consistent with the last few quarters, our focus remains on prudent balance sheet and credit risk management.”

Recreation Lending Segment

- The Bank’s recreation loan portfolio grew 12% to \$1.497 billion as of June 30, 2024, compared to \$1.331 billion at June 30, 2023.
- Net interest income was \$37.9 million, compared to \$34.4 million in the prior year quarter.
- Recreation loans were 66% of loans receivable as of June 30, 2024, compared to 65% at June 30, 2023.
- Annualized net charge-offs were 2.99% of average recreation loans outstanding, compared to 1.87% in the prior year quarter.
- Delinquencies 30 days or more past due were \$54.3 million, or 3.75%, of recreation loans as of June 30, 2024, compared to \$42.9 million, or 3.33%, at June 30, 2023.
- The provision for recreation credit losses was \$15.8 million, compared to \$10.1 million in the prior year quarter.

Home Improvement Lending Segment

- The Bank's home improvement loan portfolio grew 6% to \$773.2 million as of June 30, 2024, compared to \$728.5 million at June 30, 2023.
- Net interest income was \$12.1 million, compared to \$11.6 million in the prior year quarter.
- Home improvement loans were 34% of loans receivable as of June 30, 2024, compared to 35% at June 30, 2023.
- Annualized net charge-offs were 1.49% of average home improvement loans outstanding, compared to 1.12% in the prior year quarter.
- Delinquencies 30 days or more past due were \$6.9 million, or 0.89%, of home improvement loans as of June 30, 2024, compared to \$5.3 million, or 0.72%, at June 30, 2023.
- The provision for home improvement credit losses was \$3.3 million, compared to \$3.7 million in the prior year quarter.

Series F Preferred Stock Dividend

On July 25, 2024, the Bank's Board of Directors declared a quarterly cash dividend of \$0.50 per share on the Bank's Fixed-to-Floating Rate Non-Cumulative Perpetual Preferred Stock, Series F, which trades on the Nasdaq Capital Market under the ticker symbol "MBNKP." The dividend is payable on October 1, 2024, to holders of record at the close of business on September 16, 2024.

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About Medallion Bank

Medallion Bank specializes in providing consumer loans for the purchase of recreational vehicles, boats, and home improvements, along with loan origination services to fintech strategic partners. The Bank works directly with thousands of dealers, contractors and financial service providers serving their customers throughout the United States. Medallion Bank is a Utah-chartered, FDIC-insured industrial bank headquartered in Salt Lake City and is a wholly owned subsidiary of Medallion Financial Corp. (Nasdaq: MFIN).

For more information, visit www.medallionbank.com

Please note that this press release contains forward-looking statements that involve risks and uncertainties relating to business performance, cash flow, costs, sales, net investment income, earnings, returns and growth. These statements are often, but not always, made through the use of words or phrases such as "remains" "ongoing" or the negative versions of these words or other comparable words or phrases of a future or forward-looking nature. These statements may relate to our future earnings, returns, capital levels, sources of funding, growth prospects, asset quality and pursuit and execution of our strategy. Medallion Bank's actual results may differ significantly from the results discussed in such forward-looking statements. For a description of certain risks to which Medallion Bank is or may be subject, please refer to the factors discussed under the captions "Cautionary Note Regarding Forward-Looking Statements" and "Risk Factors" included in Medallion Bank's Form 10-K for the year ended December 31, 2023, and in its Quarterly Reports on Form 10-Q, filed with the FDIC. Medallion Bank's Form 10-K, Form 10-Qs and other FDIC filings are available in the Investor Relations section of Medallion Bank's website. Medallion Bank's financial results for any period are not necessarily indicative of Medallion Financial Corp.'s results for the same period.

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**MEDALLION BANK
STATEMENTS OF OPERATIONS
(UNAUDITED)**

<i>(In thousands)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Total interest income	\$ 66,759	\$ 58,287	\$ 129,727	\$ 111,221
Total interest expense	16,524	11,337	31,277	19,937
Net interest income	50,235	46,950	98,450	91,284
Provision for credit losses	18,190	8,857	35,192	12,716
Net interest income after provision for credit losses	32,045	38,093	63,258	78,568
Other non-interest income	869	263	1,471	295
Non-interest expense				
Salaries and benefits	4,953	4,588	9,937	8,980
Loan servicing	3,049	2,901	5,916	5,716
Collection costs	1,569	1,506	2,974	2,963
Regulatory fees	888	781	1,865	1,463
Professional fees	385	495	817	1,162
Information Technology	273	267	541	498
Occupancy and equipment	226	211	433	413
Other	1,059	996	1,809	1,867
Total non-interest expense	12,402	11,745	24,292	23,062
Income before income taxes	20,512	26,611	40,437	55,801
Provision for income taxes	5,476	7,282	10,922	15,047
Net income	\$ 15,036	\$ 19,329	\$ 29,515	\$ 40,754
Less: Preferred stock dividends	1,512	1,512	3,024	3,024
Net income attributable to common shareholder	\$ 13,524	\$ 17,817	\$ 26,491	\$ 37,730

MEDALLION BANK
BALANCE SHEETS
(UNAUDITED)

<i>(In thousands)</i>	June 30, 2024	December 31, 2023	June 30, 2023
Assets			
Cash and federal funds sold	\$ 119,457	\$ 110,043	\$ 97,492
Investment securities, available-for-sale	55,830	54,282	53,692
Loans, inclusive of net deferred loan acquisition fees and costs	2,274,740	2,100,338	2,063,963
Allowance for credit losses	(84,213)	(79,283)	(71,447)
Loans, net	2,190,527	2,021,055	1,992,516
Loan collateral in process of foreclosure	3,103	4,165	7,259
Fixed assets and right-of-use lease assets, net	8,850	8,140	7,366
Deferred tax assets	12,866	12,761	10,400
Accrued interest receivable and other assets	52,759	51,610	51,244
Total assets	\$ 2,443,392	\$ 2,262,056	\$ 2,219,969
Liabilities and Shareholders' Equity			
Liabilities			
Deposits and other funds borrowed	\$ 2,031,782	\$ 1,866,657	\$ 1,841,549
Accrued interest payable	5,281	4,029	2,037
Income tax payable	21,127	21,219	27,441
Other liabilities	17,983	17,509	22,454
Due to affiliates	983	849	823
Total liabilities	2,077,156	1,910,263	1,894,304
Shareholder's Equity			
Series E Preferred stock	26,303	26,303	26,303
Series F Preferred stock	42,485	42,485	42,485
Common stock	1,000	1,000	1,000
Additional paid in capital	77,500	77,500	77,500
Accumulated other comprehensive loss, net of tax	(4,578)	(4,529)	(4,583)
Retained earnings	223,526	209,034	182,960
Total shareholders' equity	366,236	351,793	325,665
Total liabilities and shareholders' equity	\$ 2,443,392	\$ 2,262,056	\$ 2,219,969