



FOR IMMEDIATE RELEASE:

MEDALLION BANK REPORTS 2022 THIRD QUARTER RESULTS AND DECLARES SERIES F PREFERRED STOCK DIVIDEND

SALT LAKE CITY, UT – October 27, 2022 – 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 period ended September 30, 2022. The Bank is a wholly owned subsidiary of Medallion Financial Corp. (Nasdaq: MFIN).

2022 Third Quarter Highlights

- Net income of \$18.3 million, compared to net income of \$19.7 million in the prior year period.
- Net interest income of \$43.0 million with a net interest margin of 9.3%, compared to \$35.3 million and 10.1% in the prior year period.
- Annualized ROA and ROE were 3.9% and 25.3%, respectively, as of September 30, 2022, compared to 5.5% and 31.3% in the prior year period.
- Provision for loan losses was \$8.2 million compared to a benefit of \$0.2 million in the prior year period.
- Annualized net charge-offs were 1.3% of average loans outstanding, compared to annualized net recoveries of 0.1% in the prior year period.
- The total loan portfolio grew 30.4% to \$1.8 billion during the 12-month period ending September 30, 2022.
- Total assets were \$1.9 billion, total capital was \$293.2 million, and the Tier 1 leverage ratio was 16.2% at September 30, 2022.

Donald Poulton, President and Chief Executive Officer of Medallion Bank, stated, “The third quarter was highlighted by moderating loan growth that produced net income of \$18 million on net interest income that was 22% higher than the prior year. Loan losses, which were historically low in last year’s third quarter, continued to normalize, rising consistent with our historical seasonality but also likely reflecting the pressures of the inflationary environment. Given rapidly increasing deposit costs, we increased interest rates on new loans and expect additional adjustments consistent with actions by the Federal Reserve. Our focus remains on serving our customers with the optimal balance of high tech and high touch so we can deliver superior financial performance.”

Recreation Lending Segment

- The Bank’s recreation loan portfolio grew 24.9% to \$1.2 billion as of September 30, 2022, compared to \$938.7 million at September 30, 2021.
- Net interest income was \$32.5 million compared to \$27.8 million in the prior year period.
- Recreation loans were 66.6% of loans receivable as of September 30, 2022, compared to 69.5% at September 30, 2021.
- The provision for recreation loan losses was \$7.2 million compared to \$1.0 million in the prior year period.
- Annualized net charge-offs were 1.8% of average recreation loans outstanding compared to 0.1% in the prior year period.

Home Improvement Lending Segment

- The Bank’s home improvement loan portfolio grew 44.2% to \$575.3 million as of September 30, 2022, compared to \$399.0 million at September 30, 2021.
- Net interest income was \$10.1 million compared to \$7.7 million in the prior year period.

- Home improvement loans were 32.7% of loans receivable as of September 30, 2022, compared to 29.5% at September 30, 2021.
- The provision for home improvement loan losses was \$2.0 million compared to \$0.4 million in the prior year period.
- Annualized net charge-offs were 0.9% of average home improvement loans outstanding compared to annualized net recoveries of 0.2% in the prior year period.

Series F Preferred Stock Dividend

On October 27, 2022, 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 January 3, 2023, to holders of record at the close of business on December 15, 2022.

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 "expect" or "will," or the negative version of those words or other comparable words or phrases of a future or forward-looking nature, such as "continues" or "remains." These statements relate to our future earnings, returns, 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, 2021, 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. In addition, Medallion Bank's financial results for any period are not necessarily indicative of Medallion Financial Corp.'s results for the same period.

Company Contact:

Investor Relations

212-328-2176

InvestorRelations@medallion.com

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

<i>(In thousands)</i>	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2022	2021	2022	2021
Total interest income	\$ 49,249	\$ 39,524	\$ 135,499	\$ 112,874
Total interest expense	6,240	4,189	15,307	13,366
Net interest income	43,009	35,335	120,192	99,508
Provision (benefit) for loan losses	8,171	(196)	16,301	2,168
Net interest income after provision for loan losses	34,838	35,531	103,891	97,340
Other income (loss)				
Write-downs of loan collateral in process of foreclosure	(94)	(298)	(533)	(2,850)
Other non-interest income	409	222	957	758
Total other income (loss), net	315	(76)	424	(2,092)
Non-interest expense				
Salaries and benefits	3,686	2,797	10,656	8,399
Loan servicing	2,816	2,584	8,272	7,936
Collection costs	1,462	1,335	3,940	3,470
Regulatory fees	610	488	1,621	1,383
Professional fees	503	431	1,308	1,329
Occupancy and equipment	214	199	584	571
Other	946	809	3,092	2,681
Total non-interest expense	10,237	8,643	29,473	25,769
Income before income taxes	24,916	26,812	74,842	69,479
Provision for income taxes	6,644	7,116	19,927	18,492
Net income	\$ 18,272	\$ 19,696	\$ 54,915	\$ 50,987

MEDALLION BANK
BALANCE SHEETS
(UNAUDITED)

<i>(In thousands)</i>	September 30, 2022	December 31, 2021	September 30, 2021
Assets			
Cash and federal funds sold	\$ 75,107	\$ 61,402	\$ 56,088
Investment securities, available-for-sale	48,354	44,772	47,511
Loans, inclusive of net deferred loan acquisition costs	1,761,563	1,415,415	1,351,240
Allowance for loan losses	(60,792)	(53,384)	(52,954)
Loans, net	1,700,771	1,362,031	1,298,286
Loan collateral in process of foreclosure	12,200	21,438	28,069
Fixed assets and right-of-use lease assets, net	6,188	4,230	3,964
Deferred tax assets	9,402	7,576	7,632
Accrued interest receivable and other assets	42,806	37,786	35,291
Total assets	\$ 1,894,828	\$ 1,539,235	\$ 1,476,841
Liabilities and Shareholders' Equity			
Liabilities			
Deposits and other funds borrowed	\$ 1,555,832	\$ 1,250,880	\$ 1,196,508
Accrued interest payable	1,882	1,228	1,562
Income tax payable	30,357	16,104	9,789
Other liabilities	12,731	7,670	10,689
Due to affiliates	795	906	586
Total liabilities	1,601,597	1,276,788	1,219,134
Total shareholders' equity	293,231	262,447	257,707
Total liabilities and shareholders' equity	\$ 1,894,828	\$ 1,539,235	\$ 1,476,841