

# ISS Presentation

## Restoring the shine to Medallion Financial: A Focus on Governance Flaws

## Disclaimer



### Important Information

BIMZCI Fund LLC and its affiliates, Warnke Investments LLC, ZimCal Asset Management LLC, and Stephen Hodges (collectively, "BIMZCI"), have nominated individuals as nominees to the Company's board of directors and are soliciting votes for the election of those individuals, John Kiernan, Eric Kelly and Tim Shanahan, as members of Medallion Financial Corp.'s board of directors (the "Nominees"). BIMZCI has sent a definitive proxy statement, BLUE proxy card and related proxy materials to stockholders of Medallion Financial Corp. seeking their support of the Nominees at Medallion Financial Corp.'s 2024 annual meeting of stockholders. **Stockholders are urged to read the definitive proxy statement and BLUE proxy card because they contain important information about the Nominees, Medallion Financial Corp. and related matters.** Stockholders may obtain a free copy of the definitive proxy statement and BLUE proxy card and other documents filed by BIMZCI with the Securities and Exchange Commission ("SEC") at the SEC's web site at [www.sec.gov](http://www.sec.gov). Stockholders may also find important information on voting online at [www.restoretheshine.com/vote](http://www.restoretheshine.com/vote) Stockholders may also direct a request to BIMZCI's proxy solicitor, Sodali & Co LLC, by calling (800) 662-5200, or banks and brokers can call collect at (203) 658-9400, or by emailing [zimcal@info.sodali.com](mailto:zimcal@info.sodali.com).

### Participants in Solicitation

The following persons are participants in the solicitation by BIMZCI: BIMZCI Fund LLC and its affiliates, Warnke Investments LLC, ZimCal Asset Management LLC, and Stephen Hodges (collectively, "BIMZCI"). The participants may have interests in the solicitation, including as a result of holding shares of Medallion Financial Corp.'s common stock. **Information regarding the participants and their interests is contained in the definitive proxy statement filed and transmitted by BIMZCI.**

### Cautionary Statement Regarding Forward-Looking Statements

This presentation may contain forward-looking statements. All statements contained in the presentation that are not clearly historical in nature or that necessary depend on future events are forward-looking, and the words "anticipate," "believe," "expect," "potential," "could," "opportunity," "estimate," "plan," and similar expressions are generally intended to identify forward-looking statements.

The projected results and statements contained herein release that are not historical facts are based on current expectations, speak only as of the date of these materials and involve risks, uncertainties and other factors that may cause actual results, performances or achievements to be materially different from any future results, performances or achievements expressed or implied by such projected results and statements. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of BIMZCI Fund LLC and its affiliates, Warnke Investments LLC, ZimCal Asset Management LLC, and Stephen Hodges (collectively, "BIMZCI").

Though certain material may contain projections, nothing in the presentation is intended to be a prediction of the future trading price or market value of securities of Medallion Financial Corp. (the "Company"). Accordingly, there is no assurance or guarantee with respect to the prices at which any securities of the Company will trade, and such securities may not trade at prices that may be implied in the presentation. The estimates, projections and potential impact of the opportunities identified by BIMZCI in the presentation are based on assumptions that BIMZCI believes to be reasonable as of the date of the materials, but there can be no assurance or guarantee (1) that any of the proposed actions set forth in the presentation will be completed, (2) that the actual results or performance of the Company will not differ, and such differences may be material, or (3) that any of the assumptions provided in the presentation are accurate.

Therefore, there can be no assurance that the projected results or forward-looking statements included in the presentation will prove to be accurate and therefore actual results could differ materially from those set forth in, contemplated by, or underlying these forward-looking statements. In light of the significant uncertainties inherent in the projected results and forward-looking statements included in the presentation, the inclusion of such information should not be regarded as a representation as to future results or that the objectives and strategic initiatives expressed or implied by such projected results and forward-looking statements will be achieved. BIMZCI will not undertake and specifically declines any obligation to disclose the results of any revisions that may be made to any projected results or forward-looking statements herein to reflect events or circumstances after the date of such projected results or statements or to reflect the occurrence of anticipated or unanticipated events.

BIMIZCI Fund LLC is a joint venture between ZimCal Asset Management LLC (“ZimCal”) and the family office arm of Bay Haven Capital Inc (formerly Blackburn Investment Management, Inc). ZimCal is the managing member of BIMIZCI and was founded by Stephen Hodges. Warnke Investments LLC (“Warnke”) is an affiliated entity. BIMIZCI Fund LLC is the managing member of Warnke. BIMIZCI Fund LLC, Warnke, ZimCal and Stephen Hodges are referred to collectively as “BIMIZCI” (or “we”, “our”, “us”).



BIMIZCI primarily focuses on investing in FDIC-insured institutions. This focus is a result of Mr. Hodges’ 16-year experience investing in banks and his deep familiarity with the competitive and regulatory landscape. Mr. Hodges has partnered with over 120 banks through investments on both sides of the balance sheet. In Mr. Hodges’ entire investment career Mr. Hodges has never been an activist or publicly advocated for change at a company in which he has been invested – with the exception of Medallion Financial Corp (“Medallion”, “MFIN”, the “Company”).



We are currently MFIN’s 4<sup>th</sup> largest institutional stockholder (Source: S&P Cap IQ) with 424,769 shares as of May 12, 2026. We also own \$15 million par value in trust preferred securities (“TruPS”) issued by Medallion. Our total cash investment into Medallion securities is \$10.68 million, which compares favorably with the Company’s ~ \$225 million current market cap.

---

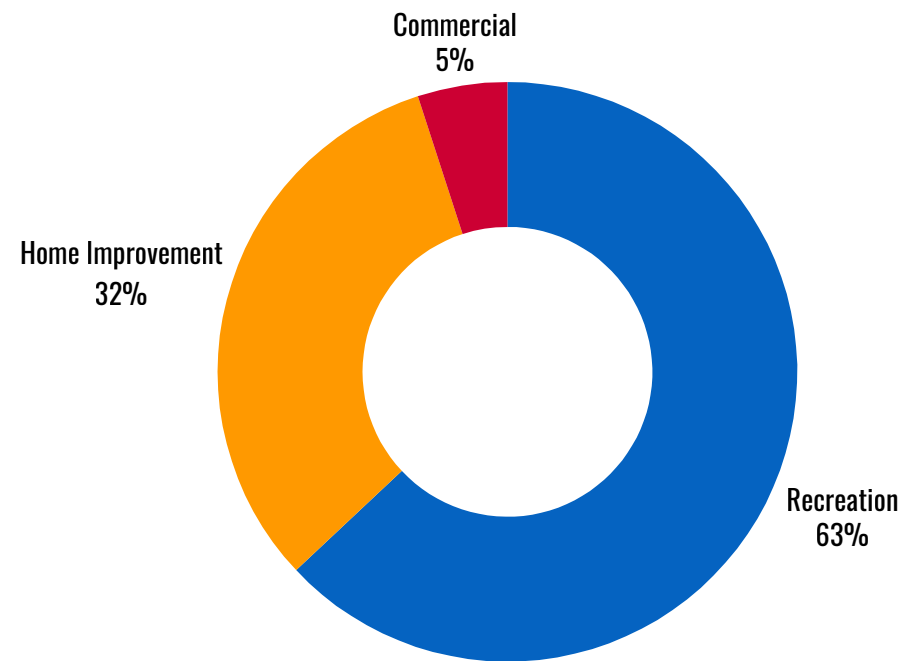
About Medallion Financial	6
The State of Medallion's Board	11
Compensation Not Linked To Performance	17
Financial Trends are Disturbing	24
Our Nominees Will Have an Immediate, Accretive Impact	31
Medallion's Incumbent Directors Will Simply do More of the Same	42

- We have invested significant capital into Medallion because we believe it has **tremendous potential**.
- The market may be discounting Medallion's underlying business potential entirely because of the risks its board of directors (the “Board”) and management represent — risks most vividly illustrated by the permanent federal injunctions entered against Andrew Murstein and Medallion Financial following a multi-year SEC fraud lawsuit.
- **Therefore, any improvement in leadership, we believe will translate immediately into a higher valuation.**
- The family-led Board is entrenched, lacks independence and will not hold management accountable.
- This absence of oversight is responsible for low institutional investor interest and significant long-term value destruction over the past decade – with tangible book value yet to exceed its 2013 peak.
- With the Taxi Medallion implosion, the **Board failed to recognize the early risks/warnings** and take deliberate action; we warned the Board about red flags in the consumer loan book in 2024, and now consumer charge-offs are at 15 year highs. We warned about the persistent non-performers in its commercial loan book in 2025, and now the commercial business is in default.
- We fear that the Board as constituted is unable to protect stockholders effectively.
- But more importantly, the Board is ill-equipped to handle the rapid changes in consumer lending and the technological investment required.
- Our candidates are seasoned, successful business leaders with the necessary technology, governance and analytical skills to immediately plug some of the critical gaps.
- We do not want to be an activist, but we have no choice if we want Medallion to change.

# About Medallion Financial

- Medallion is a finance company that provides installment loans to consumers and mezzanine loans to commercial businesses.
- 95% of Medallion's loans are originated through Medallion Bank (the "Bank") - these are all 14+ year consumer loans and are funded by FDIC-insured, brokered deposits (mostly CDs). The Bank's cost of funds were 3.9% at 4Q25. Consumer is 63% Recreation and 32% Home Improvement.
- 5% of Medallion's loans are originated through Medallion Capital - these are all commercial and mostly mezzanine (subordinated) and are funded through SBA debentures. Medallion Capital's reported cost of funds were 4.0% at 4Q25.
- The taxi medallion business is discontinued and now represents less than 0.5% of total assets.

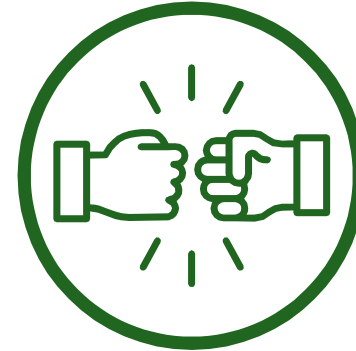
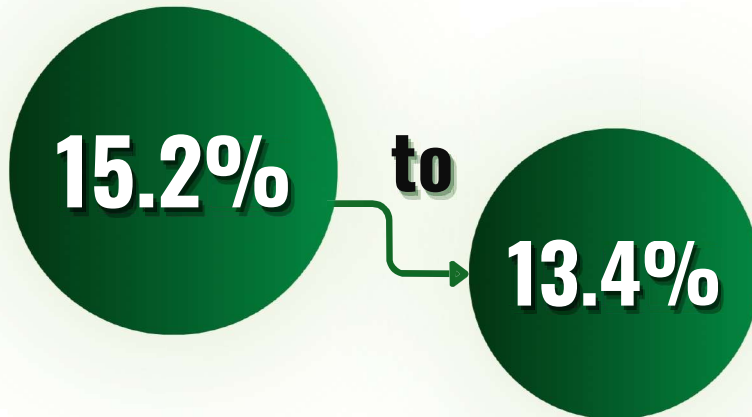
### Loan Portfolio at 1Q26



Source: MFIN 1Q26 10Q

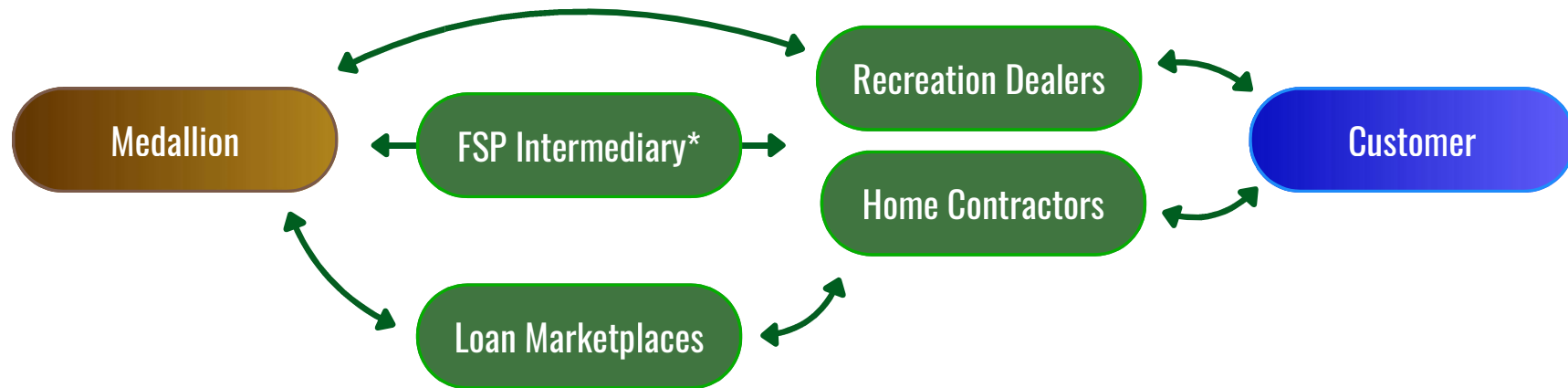
## How Medallion's Business Actually Works

- The Bank is an indirect lender, which means it relies on other parties to originate or aggregate loans for it that match its criteria. It then pays an origination fee. Our estimates put these fees at 185-200bps .
- These fees are capitalized into the principal balance and do not show up as an operating expense, instead they are amortized over time.
- This is why MFIN might say its average Recreation rate in 2025 was 15.2% but its actual yield, net of amortized origination costs, was reported as 13.4%.



- Indirect lending is very, very competitive and lenders often compete on marketplaces.
- Relationships matter, but getting a loan approved matters more.
- The deeper the demand (e.g. auto lending) the more competitive the field.
- Indirect lenders, including MFIN, are price and term takers, except for very risky or nonconforming loans.
- MFIN's commercial business has 20% non-performing loans and is in default with the SBA – this is not a business MFIN knows how to run.

## How Medallion's Business Actually Works (simplified)



\*Financial service providers – essentially an outsourced loan processor for dealers and contractors that helps them find financing for customers.

- While simplified, this mimics the highly competitive structure of most of consumer finance.
- The proliferation of marketplace options vastly expanded the the pool of lenders available to consumers.
- Medallion also competes with both balance sheet lenders (that hold loans) non-balance sheet lenders (that sell or securitize loans) and regulated and non-regulated entities.
- “Embedded” finance companies, working with bank lenders, allow prime focused banks to offload the high risk loans on the back-end while still retaining the customer and dealer/contractor relationship.
- Having a cheaply funded balance sheet is a huge operational advantage (that is being wasted by Medallion) which is why we have seen Fintechs and other consumer lenders seek bank charters (Affirm, Enova, PayPal, Lending Club, Sofi)

### Financial Summary

	2023	2024	2025	1Q26
<b>Assets</b>	2,587,827	2,868,606	2,955,464	2,950,486
<b>Market Cap</b>	221,094	208,376	232,060	194,983
<b>Stock Price</b>	\$9.85	\$9.39	\$10.29	\$8.56
<b>Price/TBV</b>	1.29x	1.04x	0.97x	0.80x
<b>Core* ROAA</b>	1.40%	1.10%	1.40%	0.60%

\*Core excludes the discontinued taxi medallion business but **does** include gains on stock sales

# The State of Medallion's Board

## The SEC Lawsuit and Subsequent Final Judgment are devastating and permanent. Medallion believes it can get past it – we disagree.

- On May 30, 2025, a federal court permanently enjoined both Medallion Financial and its current CEO Andrew Murstein against future violations of the principal federal securities anti-fraud provisions, and imposed \$4,000,000 in civil penalties — \$1,000,000 of which Mr. Murstein is paying personally.
- To ensure his personal penalty could not be erased in a future personal bankruptcy, **Mr. Murstein stipulated in writing that "the allegations in the Amended Complaint are true and admitted by Murstein"** — a public court record that removes any claim the underlying conduct was without factual basis.
- The settlement permanently prohibits Medallion and Mr. Murstein from publicly denying the SEC's allegations — including in oral communications to investors — **with violation allowing the SEC to reopen the case.**
- Less than five months after the Final Judgment, the Board announced Mr. Murstein would be CEO, without stockholder input, giving him formal (rather than de facto) authority over the same investor communications, financial reporting, and auditor relationships that were the subject of the SEC's findings.
- **The Board approved a \$4.6 million bonus to Mr. Murstein *the same year* he was enjoined.**
- The Board offered no public explanation of how it evaluated Mr. Murstein's fitness for the role — **and simultaneously adopted bylaw amendments that entrenched its position and made stockholder accountability harder to achieve.**
- This is **not the conduct of an independent board acting in stockholders' interests.** It is a board acting to protect the Murstein family's control of the Company at stockholders' expense.
- The fact that no significant action has been taken by incumbent directors to hold Mr. Murstein accountable regarding this matter suggests that the incumbent nominees lack true independence.

# Insufficient Director Independence and Excessive Tenure Have Rendered the Family-Led Board Incapable of Holding Management Accountable

5 of 8 directors will be 80 years old or over within the year

3 of 8 directors are Murstein family members

The directors have an 18 year avg. tenure on Medallion's or the Bank's board

The Lead Independent Director has 23 years on Medallion's or the Bank's board

**Insiders/  
Family Members**




**ALVIN MURSTEIN**  
Executive Chairman  
Father of Andrew Murstein  
Board Tenure: 30 Yrs



**ANDREW M. MURSTEIN**  
CEO, President and COO  
Son of Alvin Murstein Son-in-Law of David Rudnick  
Board Tenure: 29 Yrs



**DAVID L. RUDNICK**  
Father-in-Law of Andrew Murstein  
Board Tenure: 30 Yrs



**ROBERT M MEYER**  
MFIN Board Tenure: 5 Yrs  
Bank Board Tenure: 10 Yrs




**ALLAN J. TANENBAUM**  
MFIN Board Tenure: 9 Yrs



**CYNTHIA A. HALLENBECK**  
MFIN Board Tenure: 6 Yrs



**BRENT O. HATCH**  
Lead Independent Director  
MFIN Board Tenure: 4 Yrs  
Bank Board Tenure: 23 Yrs



**JOHN EVERETS**  
MFIN Board Tenure: 9 Yrs  
Bank Board Tenure: 7 Yrs

# Insufficient Director Independence and Excessive Tenure Have Rendered the Family-Led Board Incapable of Holding Management Accountable



## The Board Is A Family Affair

- Family ties permeate the Board and have for years.
- Until February, the Chairman and CEO roles were both held by Alvin Murstein, with Alvin Murstein only relinquishing the CEO role in February 2026 and moving to Executive Chairman. His son, Andrew, took the CEO title
- There is no structural mechanism to ensure that the Board can adequately hold management accountable, particularly given the father-son dynamic between Chairman and CEO/President (Andrew Murstein).
- This inherent conflict of interest is exacerbated by the presence of Andrew Murstein's father-in-law, David Rudnick, as the second most tenured member of the Board.

## This Dynamic Has Been Observed in Real Time

- Despite the Final Judgment, the Governance and Nomination committee still endorsed the elevation of Andrew Murstein to CEO
- No independent investigation was ever launched into the behavior identified in the SEC matter

## Board Committee Memberships and Tenure

	Alvin Murstein	Andrew M. Murstein	David L. Rudnick	John Everets	Cynthia A. Hallenbeck	Brent O. Hatch	Allan J. Tanenbaum	Robert M. Meyer
<b>Audit Committee</b>				✓ (2018)*	✓ (2021)	✓ (2022)		<b>Chair</b> (2022)
<b>Compensation Committee</b>				✓ (2020)			<b>Chair</b> (2023)	✓ (2022)
<b>Nominating &amp; Governance Committee</b>					<b>Chair</b> (2024)	✓ (2022)	✓ (2018)	✓ (2022)
<b>Investment Oversight Committee</b>	✓ (2018)	✓ (2018)	<b>Chair</b> (2020)	✓ (2018)	✓ (2022)	✓ (2022)	✓ (2019)	
<b>Medallion Bank Board</b>	✓ (2003)	✓ (2003)		✓ (2019)		✓ (2003)		✓ (2016)

Mr. Everets served 2018-2021 as Audit Chair, and rejoined 2024 as a member.

Mr. Tanenbaum was previously chair of Compensation Committee 2019-2021, and a member since 2018.

The Investment Oversight Committee was first disclosed in MFIN's DEF 14A in 2018.

## The Board Has Seemingly Gone Out of its Way to Prevent Accountability to Stockholders

- **Pre-existing structural barriers**
  - Classified Board with three-year staggered terms.
  - 75% supermajority required to remove a director and must be “for cause”, and 20% record-holder threshold to call a special meeting.
  - Bylaws can be amended by simple Board majority; stockholder amendment requires 75% of voting stock (effectively impossible given the level of insider ownership).
- **October 24, 2023 - Recoupment policy gutted (less than two weeks after BIMIZCI’s compensation clawback demand)**
  - "Detrimental conduct" trigger removed from clawback policy.
  - Board authority to recoup compensation for misconduct, fiduciary breach or reputational harm eliminated.
- **August 8, 2024 — Third A&R Bylaws (six weeks before Judge Kaplan denied the Medallion’s motion to dismiss).**
  - Stockholder nominee disclosure regime expanded from 5 to 20 categories.
  - Clayton Act and Depository Institution Management Interlocks Act representations required from nominees.
  - "Competitor" definition broadened to reach any consumer lender.
  - 10-day Board interview right asserted over stockholder nominees.
  - In-person attendance at the meeting required of any stockholder nominee as a condition of eligibility.
  - Stockholder right to substitute nominees after the deadline eliminated.
  - Third-Party Compensation Arrangements barred (anti-"golden leash").
- **October 24, 2025 — Triple package (five months after Final Judgment).**
  - Board authorized the creation of the Executive Chairman role for Alvin Murstein
  - Alvin Murstein's Executive Chair term extended to May 29, 2027.
  - Board's failure to renominate Alvin defined as termination without cause with \$3,378,036 severance (as of 12/31/25) payable to him

# Compensation Not Linked to Performance

## Total Shareholder Returns for Medallion Have Been Weak

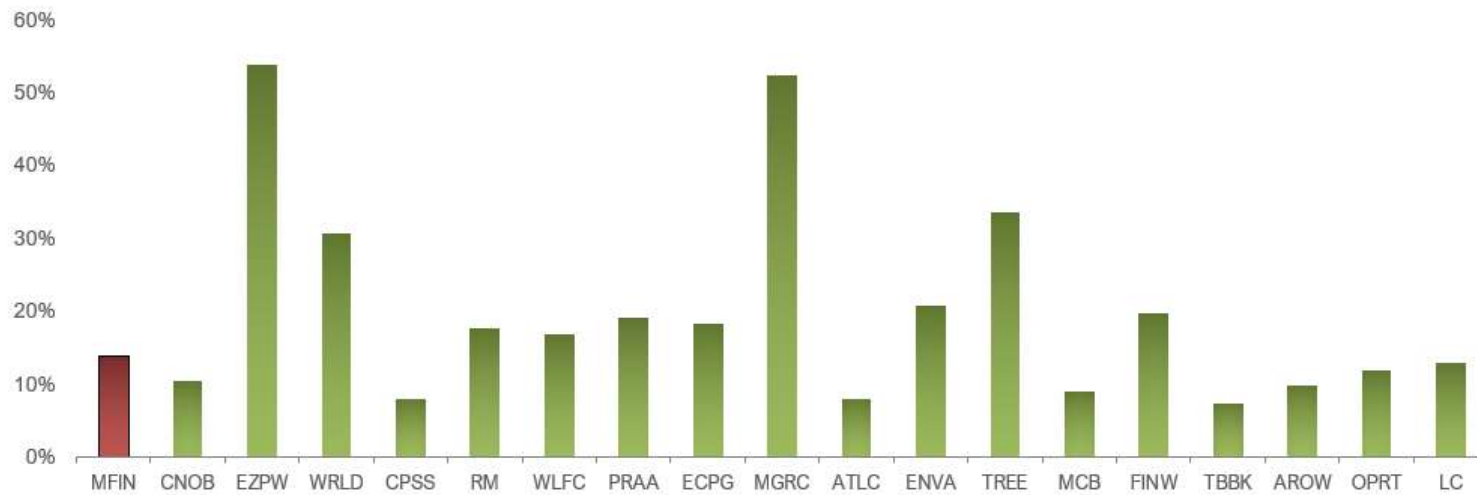
	MFIN	2026 Proxy Peers	Russell 2000	KRE Bank Index
1Y	5%	23%	44%	31%
3Y	64%	95%	65%	84%
5Y	26%	82%	31%	17%
10Y	48%	276%	182%	122%
15Y	83%	411%	297%	267%

Source: Factset. Measured through close of business May 1, 2026 before BIMIZCI filed its FORM PREC14A  
 Proxy peer TSRs were simple averages and used only peers listed in the 2026 DEF14A

- MFIN stock has been volatile and the impact of the taxi medallion loan implosion on the stock often benefited TSR based on small timing measurement differences, but the results in both the short- and long-term are clear.
- The table clearly shows the underperformance of MFIN stock compared to its self-selected peer group and relevant indexes.
- MFIN had the lowest TSR over almost every time period.
- TSR comparisons were made against Medallion’s 2026 DEFC14A listed peers that were publicly traded and not bankrupt (13 names)

## Medallion Financial Corp.'s Executive Compensation is Excessive

### MFIN is highly levered versus the peer group

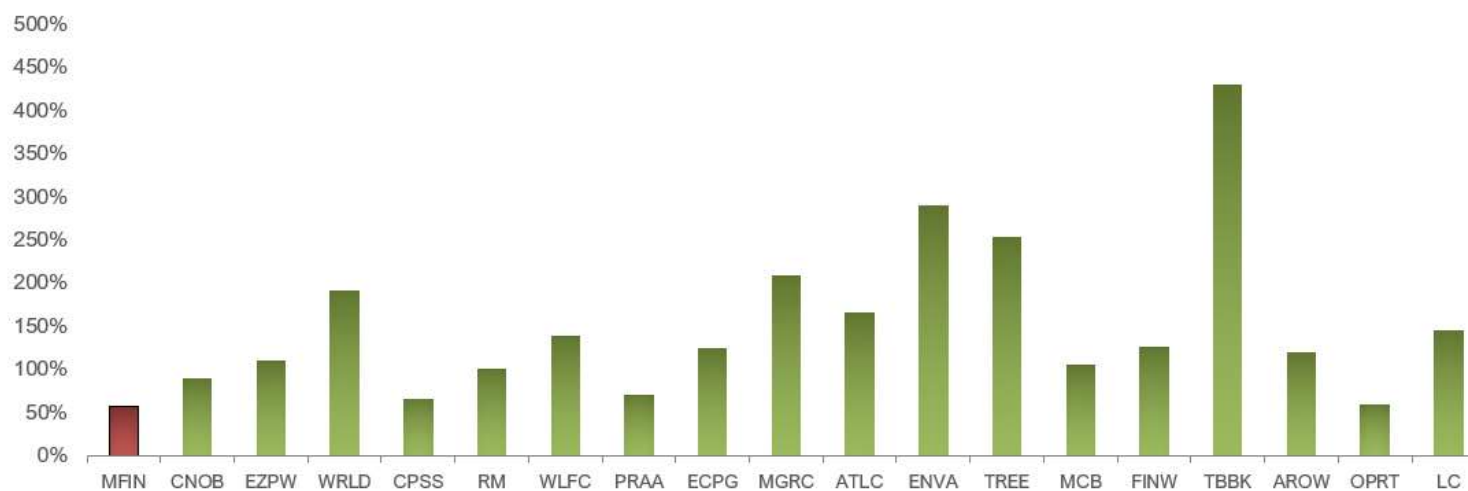


Source: S&P Capital IQ

Medallion listed 15 proxy peers in its recent DEFC14A with 1 bankrupt and one now private. We conducted a multi-year analysis of Medallion's top wage earner, Andrew Murstein, and therefore used all peers listed in the multi-year analysis period. We excluded companies that had filed for bankruptcy (CURO) or that were no longer public (ELVT and ML) or were missing reported financial information. We also excluded 2026 compensation analysis for OMCC and WRLD who have not filed their 2026 proxy statements as of this date. The final peer comparison included 19 names.

## Medallion Financial Corp.'s Executive Compensation is Excessive

MFIN is being ignored by the market, with only a 0.57x Price/Book Value

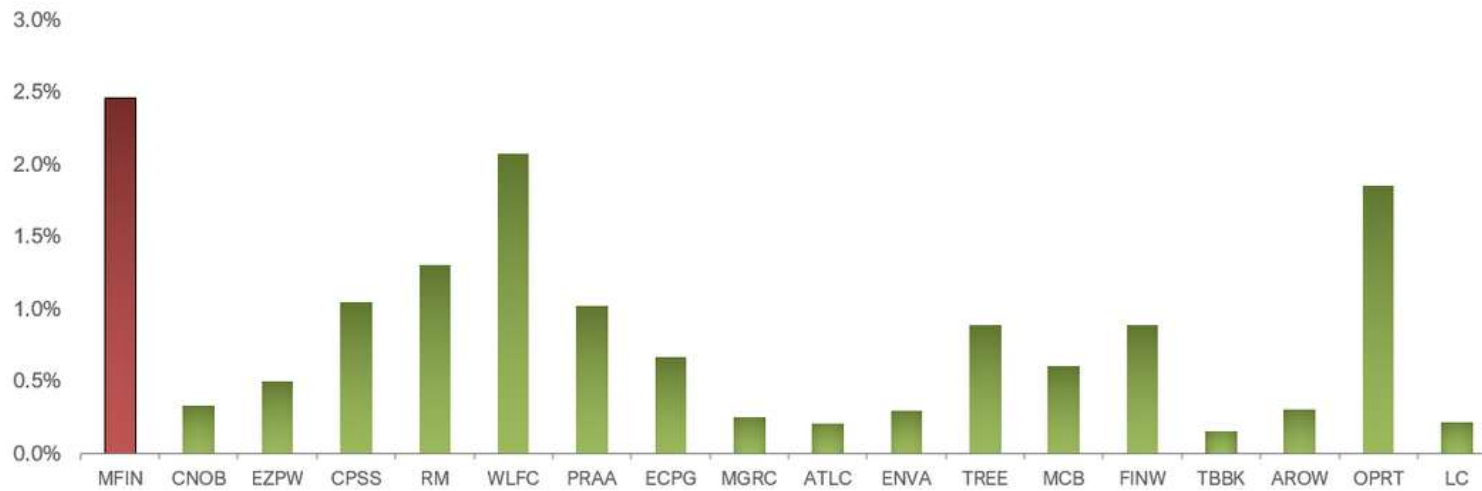


Source: S&P Capital IQ

Most FDIC-insured lenders are valued relative to tangible book value, with increased uncertainty about asset quality leading to a greater discount below tangible book. MFIN was valued at 0.80x Price/TBV at 1Q26.

## Medallion Financial Corp.'s Executive Compensation is Excessive

### Andrew Murstein's Compensation is the highest relative to market capitalization



Source: S&P Capital IQ

\*WRLD was excluded since no 2025 compensation data is available

## MFIN's NEO Bonus Goals Appear Designed to be Exceeded. 2025 "target" goals were lower than 2024 in every single category

### 2018 DEF14A Measured Performance Metrics

#### Overall Company Metrics

- Share price performance in relation to peers, the industry and overall markets
- Consolidated return on assets
- Consolidated return on equity
- Consolidated efficiency ratio
- Consolidated adjusted Tangible Book Value growth
- Total Shareholder return
- Consolidated net charge-off ratio

#### Business Segment/Individual Metrics

- Consumer lending segments return on assets
- Commercial lending segment return on assets
- Consumer lending segments return on equity
- Commercial lending segment return on equity
- Consumer lending segments efficiency ratio
- Commercial lending segment efficiency ratio
- Consumer lending segments adjusted Tangible Book Value growth
- Commercial lending segment adjusted Tangible Book Value growth
- Consumer lending segments net charge-off ratio
- Commercial lending segment net charge-off ratio
- Consumer lending segments portfolio growth
- Commercial lending segment portfolio growth
- Medallion lending segment portfolio reduction
- Collections/recoveries for medallion lending segment
- Success and implementation of strategic initiatives
- Individual performance

### 2026 DEF14A Measured Performance Metrics

#### Corporate

- Medallion Financial Corp. Earnings (Net Income Attributable to Shareholders)
- Medallion Financial Corp. Diluted Earnings Per Share
- Medallion Financial Corp. Return on Shareholders' Equity
- Medallion Financial Corp. Asset Growth

#### Strategic Goals

- Taxi Medallion Portfolio Cash Received
- Medallion Bank Segment Metrics – Medallion Bank Return on Assets

#### Segment Results

- Medallion Bank Total Net Income
- Medallion Bank Return on Assets

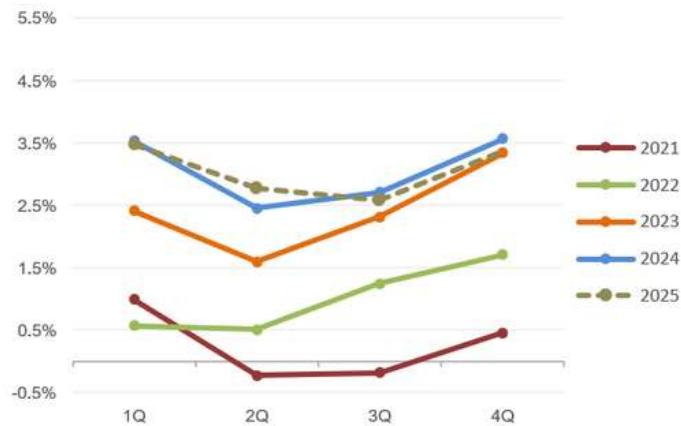
- The biggest difference between what was measured before and what is **not** included in 2025 are the segment results. If kept, this would have prevented one segment disguising under-performance at another (i.e. commercial in 2025 or taxi medallions in 2022-2025)
- The removal of any stock price or stock valuation performance relative to the market and peers is inexplicable.

## Summary of How Medallion Financial Corp.'s Executive Compensation is Excessive

- Medallion's Board has appeared to apply a more formulaic approach to bonuses and compensation but in reality, the measured performance metrics seem designed to be exceeded. Worse, results included the outsized and non-recurring recoveries from the discontinued taxi medallion business (2022-2024), rather than excluding them and instead rewarding core segment performance.
- While we commend taxi medallion recoveries, we believe no bonuses should have ever been linked to them until MFIN had recovered what it had charged-off/lost. Otherwise, you are rewarding the person who put out the fire *that they themselves set*. Net taxi medallion charge-offs were \$311 million through FYE21 and MFIN has only recovered \$41.2 million since. But that \$41.2 million went straight to earnings, inflating them materially.
- Andrew Murstein is the highest paid executive and de facto leader at Medallion. He was paid \$5.7 million in 2025 (\$27 million over the last 5 years).
- But because Alvin Murstein was CEO, Alvin Murstein's much lower compensation (\$2.6 million in 2025) was used for both internal and external comparisons, which made comparisons more favorable for MFIN.
- By almost every comparative measure – the Final Judgment and SEC lawsuit aside – when viewed cumulatively, **Andrew Murstein has been paid excessively** compared to his self-selected peers both in absolute terms (8<sup>th</sup> highest in total compensation and 3<sup>rd</sup> highest in cash compensation in 2025) AND relative to shareholder returns, market capitalization, valuation multiples, and earnings.

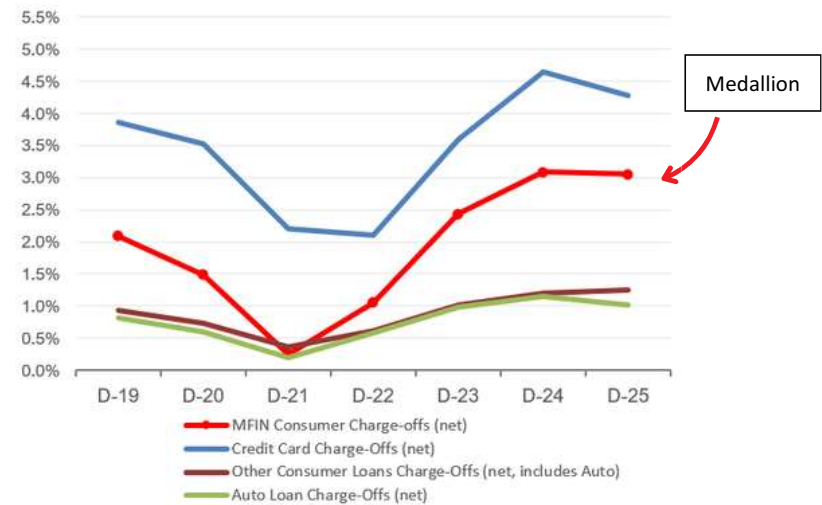
# Financial Trends are Disturbing

## Seasonal Consumer Charge-offs are the highest in 15 years



- Lenders live and die by credit quality - credit issues in the taxi medallion portfolio are what led to MFIN's near-collapse.
- Medallion's consumer credit quality is deteriorating. Consumer is 95% of loan balances. The Recreation segment is performing the worst with \$582 million in subprime loans (1Q26) and 4% charge-offs (2025).
- Consumer loans have a low monthly payment (~\$22,000 avg. balance, 14+ yr term) yet the Company is *still* seeing heightened charge-offs.

## Charge-offs Look Terrible Even Relative to Broad Consumer Credit Categories



Source: MFIN 10Ks, FDIC Quarterly Bank Performance Report. Represents over \$2 trillion in consumer loans

- Consumer charge-offs are well above the prior 15 year average, they are not "normalized".
- We see that MFIN's charge-off trends are more comparable to unsecured credit cards – the riskiest type of consumer loans.

## When High Corporate Overhead and Corporate Assets are Proportionally Allocated to the Business Lines, the True Profit Picture Emerges and it is Alarming

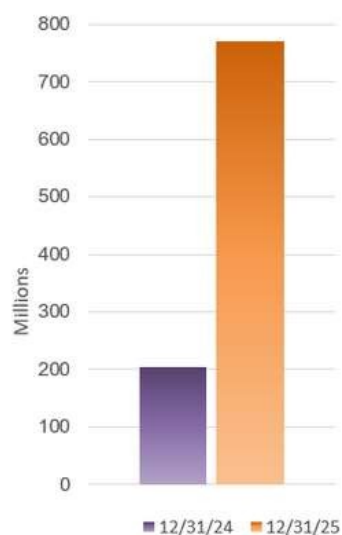
	Annual 12/31/25 Recreation	Annual 12/31/25 Home Improvement	Annual 12/31/25 Commercial Lending	Annual 12/31/25 Taxi Medallion Lending	Annual 12/31/25 Corp. & Other	Annual 12/31/25 Consolidated
Total interest income	209,321	80,624	15,904	432		306,281
Total interest expense	51,966	28,931	4,824	73		85,794
<b>Allocated Corporate Net Interest Income</b>	<b>(2,237)</b>	<b>(1,158)</b>	<b>(175)</b>	<b>(2)</b>	<b>(22)</b>	<b>(3,594)</b>
Net Interest Income	155,118	50,535	10,905	357	(22)	216,893
Provision for loan losses	73,908	10,181	9,027	(3,294)		89,822
<b>Allocated Provision for Loan Losses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Income Before Non-Interest Expense	81,210	40,354	1,878	3,651	(22)	127,071
Other income (loss)	1,937	12	25,249	4,671		31,869
Other expenses	(40,567)	(19,246)	(6,201)	(3,647)		(69,661)
<b>Allocated Corporate Overhead</b>	<b>(5,847)</b>	<b>(3,027)</b>	<b>(457)</b>	<b>(6)</b>	<b>(57)</b>	<b>(9,394)</b>
Other income/expenses (net)	(44,477)	(22,261)	18,591	1,018	(57)	(47,186)
Net income (loss) before taxes	36,732	18,092	20,469	4,669	(78)	79,885
Income tax (provision) benefit	(11,286)	(5,559)	(6,289)	(1,435)	24	(24,544)
Net Income (loss)	25,447	12,534	14,180	3,235	(54)	55,341
Total NCI/Preferred Equity Dividend (Bank)	5,467	2,830	427	5	53	8,782
Redemption of NCI Preferred Equity	2,188	1,133	171	2	21	3,515
<b>Net Income (loss) after NCI</b>	<b>17,792</b>	<b>8,571</b>	<b>13,582</b>	<b>3,227</b>	<b>(128)</b>	<b>43,044</b>
<i>Net Income (loss) BEFORE NCI (As Reported)</i>	<i>31,047</i>	<i>15,433</i>	<i>14,604</i>	<i>3,239</i>	<i>(8,982)</i>	<i>55,341</i>
ROAA (as reported)	2.05%	1.94%	12.80%	0.00%	N/A	1.93%
<b>ROAA (adj.)</b>	<b>0.98%</b>	<b>0.91%</b>	<b>9.59%</b>	<b>182.96%</b>	<b>N/A</b>	<b>1.48%</b>
ROAE (as reported)	12.00%	11.36%	76.06%	0.00%	N/A	11.06%
<b>ROAE (adj.)</b>	<b>7.34%</b>	<b>6.83%</b>	<b>71.73%</b>	<b>1368.21%</b>	<b>N/A</b>	<b>11.05%</b>
Average Assets (as reported)	1,523,351	803,848	110,930	5,451	468,456	2,912,035
Average Assets (adj.)	1,812,653	938,479	141,611	1,764	17,528	2,912,035

Source: MFIN 2025 10K

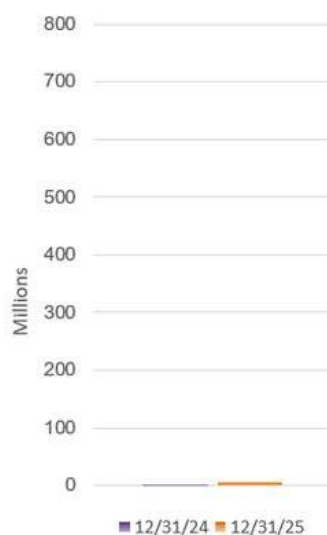
- This is one of the most important data points
- MFIN does not allocate corporate assets or high corporate overhead to its business lines when it reports segment results.
- We have done so, using segment loan average balances as a proxy for proportional expense allocation.
- For example, MFIN reported \$31 million in Recreation Net Income in 2025. When you allocate proportional corporate overhead and the preferred dividend, that number drops to \$17.8 million.
- Recreation ROAE drops to 7.34% from an already weak reported 12%.
- This is, necessarily, our best estimate but we believe it to be accurate.
- it illustrates how the consumer segment is struggling and also shows the outsized impact on 2026 net income due to gains on stock sales in the commercial business.

## The Strategic Partnership Business is Grabbing Headlines and Focus But by Our Estimates, is Losing Money

### Strategic Partnership Originations vs. Interest and Fee Income from the Program



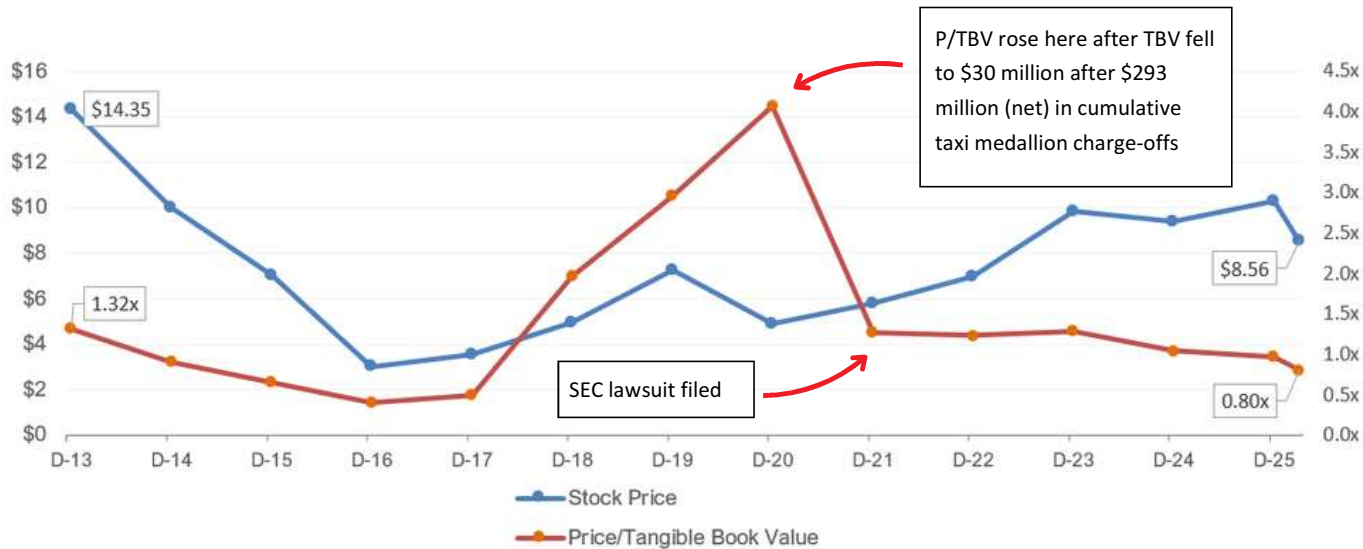
Originations



Revenue

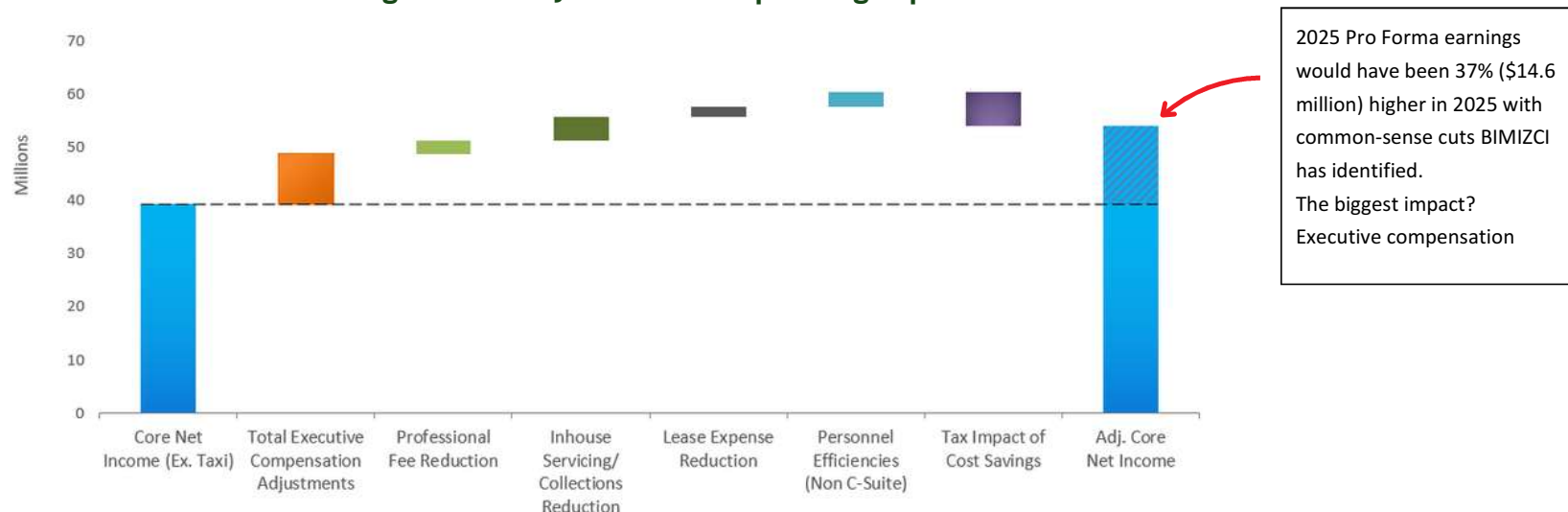
- The Strategic Partnership is touted and highlighted by MFIN.
- In reality, despite making up **51% of loan volume** in 2025, it resulted in a minuscule amount of revenues.
- MFIN made only \$5.4 million in interest and fee income in 2025 (less than it paid its CEO).
- After allocating operating expenses and interest expense, we believe the business line is **losing money**.
- **If it were making money, Medallion would have certainly broken out its results rather than aggregating them under “Corporate and Other”.**
- This represents a poor capital allocation choice.

Stock Price to Tangible Book Value (reported at YE except 1Q26)



- As long as earnings remain “noisy” and the bulk of the MFIN’s balance sheet and revenue driver – consumer loans – are showing declining ROA and ROE, valuation multiples will not improve. MFIN had a P/TBV of 0.80x at 1Q26 (i.e. the market thinks assets are over-valued).
- Commercial segment gains on equity sales contributed **\$17 million (after taxes) of MFIN’s \$43 million in profit in 2025.**
- This follows the same historical pattern of MFIN relying on unpredictable gains or recoveries to boost earnings. Historically this also included the discontinued taxi medallion business line. What is unfortunate, is these have contributed more to bonus compensation than the core consumer category despite being discounted by the market for valuation purposes.

## 2025 Pro Forma Earnings with Easily Achievable Operating Expense Reductions



- There are numerous operating expense cuts we have identified. The largest is to executive compensation.
- Applying similar cost cuts across the last 5 years would have realized an estimated \$62 million in additional Pro Forma profit.
- We estimate that the “distrust” discount and performance declines contribute approximately 80/20 to MFIN’s current valuation discount.
- An **immediate** P/TBV multiple boost to 1.25x-1.35x is easily achievable with governance/leadership improvements and a well articulated technology, growth, and revenue diversification strategy.
- This would represent an immediate stock increase to \$13-\$14/share **before operational efficiencies**.

In April 2026, the Small Business Administration (“SBA”) declared an event of default on \$73.5 million of subsidiary debentures, finding the Medallion Capital subsidiary lacked a “qualified management team.”

**Commercial Loan Balances: \$123 million**

**Commercial Non-Performing Loans: \$24.7 million**

**Our Nominees Will Have an Immediate,  
Accretive Impact**

## Our Nominees Can Deliver Change: Eric Kelly



- Sits on the Board of Sabre Corporation (NASDAQ: SABR) — recruited specifically for its Technology Committee. Brings live, sitting-public-company tech oversight MFIN's board doesn't have today.
- Sits on the Board of Guardian Life Insurance Company of America — a Fortune 500 financial-services company — and serves on the Audit and Risk Committee. Exactly the committee MFIN's failures most need to reinforce.
- Two-time NASDAQ CEO and Chairman (Overland Storage, Sphere3D). Has run public companies, not just advised them.
- Founded and chairs Bridge 2 Technologies, an AI-enabled enterprise software company. He doesn't advocate for tech investment — he operates technology business.
- Former Chairman of the Economic Advisory Board of the Federal Reserve Bank of San Francisco. Regulator-side credibility matters when MFIN is rebuilding trust after an SEC enforcement action and an SBA default.
- Presidential-appointee experience on the PCAST Advanced Manufacturing Partnership Steering Committee and Vice Chairman of a U.S. Commerce Department workforce sub-committee. Comfortable in high-stakes oversight environments.
- 40+ year career spanning pre-public startups to Fortune 100. Has seen the operating model shifts MFIN now has to make.
- Fully independent under NYSE corporate governance standards. No MFIN securities, no transactions in two years, no business relationship with the Companytwo years.

## Our Nominees Can Deliver Change: John Kiernan



- Sitting public-company CEO of Alico, Inc. (NASDAQ: ALCO) since 2019. Has actually executed the kind of strategic transformation MFIN now needs — not just advised on one.
- Under his leadership, Alico's market cap grew from under \$220M to roughly \$325M — a ~47% increase — while pivoting away from a six-decade legacy business facing structural decline.
- Independent Director of PeoplesBank (NASDAQ-listed, ~\$2 billion community bank), 2022–2024. Sat on Audit, Compensation, and Governance committees. Directly transferable to Medallion Bank — which generated ~95% of MFIN's interest income in 2025.
- NACD-Certified Director. Has put in the formal governance credentialing work most MFIN directors have not.
- As Treasurer/SVP of Global Crossing post-bankruptcy, raised \$1.1 billion in new capital and managed ~\$400M daily across 60 countries. MFIN's recent failed debt raise speaks to the credibility his presence would restore.
- 12+ years in investment banking, including 10+ as Managing Director of Technology Investment Banking at Bear Stearns — led ~60 capital-markets and M&A transactions. Knows what credible issuers look like to the buy side.
- Triple credentialed: JD from UVA Law, MBA from Darden, NACD-Certified Director, retired Certified Treasury Professional, NY Bar. The depth of formal training MFIN's board lacks.
- Fully independent under NYSE corporate governance standards. No MFIN securities, no transactions in two years, no business relationship with the Company.
- Direct on the philosophy: leadership teams need to be data-driven, honest about their situation, and unafraid to challenge the status quo.



- Founder and CEO of VentureSpring — 20+ year career in interim leadership for companies in disruption, from cash crises to transformative growth. MFIN's situation is his bread and butter.
- As Global CFO of Vice Media, oversaw financial operations across 113 legal entities and five business units in 13 countries.
- At Vice, cut annual operating costs by more than \$30 million through staff reductions, divestitures, and renegotiated vendor contracts. The exact playbook MFIN's excessive overhead needs.
- Restructured Vice's accounting and FP&A — staff down 40%, costs down 33%, reporting accuracy up.
- As CEO of Vision Media, led a pivot to a higher-margin business line and grew secure-streaming revenue ~110% year-over-year while improving EBITDA. Knows how to act decisively and pivot when necessary.
- Recipient of the Global M&A Network's Restructuring of the Year award. Recognized industry-wide for the kind of deep dive and fundamental analysis work MFIN needs now.
- Interim CFO of a \$300M distressed staffing company — stepped in, restored lender confidence, gave the business breathing room to execute. MFIN's recent failed debt raise points to the same lender-confidence gap.
- Fully independent under NASDAQ corporate governance standards. No MFIN securities, no transactions in two years, no business relationship with the Company or the Murstein family.
- Direct on the philosophy: boards must ground value creation in a clear understanding of core competencies and the realities of the markets they serve, and in cyclical/consumer sectors, the winners are disciplined in capital allocation and able to pivot decisively.



### 1. IMPROVE GOVERNANCE

- Adopt a mandatory retirement age and term limits of less than 10 years for directors
- Declassify the board so all directors are held accountable by stockholders every year
- Create a Technology Committee to systematically plan out what MFIN must do to compete in the near- and long-term
- Reduce family representation on the Board to no more than one Murstein and install a Lead Independent Director with no prior service on any Medallion entity
- Reduce the 75% supermajority threshold for stockholder-initiated bylaw amendments and director removal to a simple majority
- Bring in an impartial 3rd party to investigate prior, material governance lapses to reassure investors
- Ensure the prior compensation clawback policy for detrimental conduct is re-installed and that the code of ethical conduct is applied consistently



### 2. FOCUS ON TECHNOLOGY

- Hire a full-time Chief Technology Officer
- Build or acquire a tech-forward servicing and collections platform instead of outsourcing
- Replace static, backward-looking underwriting with dynamic ML-based credit decisioning and risk-based pricing
- Build a best-in-class proprietary application processing and decisioning automation
- Set aggressive goals for the phase-in of AI-native/enabled operational upgrades
- Partner with pioneering underwriting software companies to enhance existing systems
- Establish the infrastructure to take advantage of fintech disruptions including examples like tokenization or smart contracts



### 3. OPERATIONAL EFFICIENCY

- Right-size the executive team to jettison redundancy and reduce executive compensation that's currently 30% of unadjusted net income
- Internalize servicing/collections that cost \$18.2 million in 2025 away from SST – owning your servicing is a competitive advantage for lenders with subprime exposure
- Reset incentive thresholds and metrics towards a combination of sustainable returns and market valuations rather than rewarding non-recurring items
- Expand funding sources beyond (mostly) brokered CDs to reduce funding costs and increase flexibility
- Silo high-risk loan categories and conduct an in-depth impact analysis based on a potential downside macro shock
- End the Manhattan lease and its \$1.8 million annual lease expense – it serves no operational purpose
- Conduct a top-down analysis of back-office functions to determine process improvements due to technology initiatives



### 4. DIVERSIFY REVENUES

- Focus on the two goals: a scale, lower margin business for conventional financing and collateral types; and a higher margin business for bespoke borrowers and unique collateral types
- Vastly reduce consumer discretionary and cyclical exposure
- Establish the credit risk management skill-set to allow careful build-out of non-consumer discretionary, commercial (not mezzanine) and C&I verticals
- Establish a robust loan sale and, preferably, a securitization program to generate consistent fee income and excess spread
- Use a built or acquired servicing platform as a revenue center, including for servicing retained opportunities for loan sales/securitizations
- With a direct customer relationship (through servicing), explore cross-sell opportunities



### 5. CAPITAL ALLOCATION

- Stop the banking as a service model (as it currently is) – it is generating losses and is a distraction from high ROE opportunities
- Renting out a balance sheet (even for short periods) positions the Company as a commoditized balance-sheet provider
- Past poor return investments, including — a NASCAR franchise; a professional lacrosse team; a fine arts business; a taxi advertising business; a consultancy — cannot be repeated
- Investing in servicing/collections as a revenue (and loss mitigation) vertical would create a tremendous ROIC
- In the event of a depressed stock price, even after the common-sense changes BIMIZCI has recommended are followed, stock buybacks would be very accretive



### 6. REGULATORY RELATIONSHIPS

- Relations with the SEC and SBA have been severely harmed; they must be fixed
- Credit and “sources of strength” issues could result in heavier scrutiny by regulators (FDIC and Utah DFI) in a macro downturn
- Proactively provide best-in-class insights into loss mitigation and credit analytics to the FDIC and Utah DFI
- Target a significantly higher leverage ratio than the minimum 15% required, to provide a buffer against potential consumer credit issues
- Smart loan growth into new lending lines will need regulatory support if the end borrower and loan type materially change from the status quo
- Potential acquisitions of accretive, value-add businesses will be easier with regulatory trust established
- Creating another board seat for an independent, seasoned professional with regulatory experience would help with credibility

# Expertise Comparison - BIMIZCI Nominees vs. Medallion Incumbents



Eric Kelly



John Kiernan



Tim Shanahan



Alvin Murstein



John Everets



Cynthia Hallenbeck

Qualifications & Skills						
Public Company CEO	✓	✓	✗	✓	✓	✗
Technology Expertise	✓	✓	✗	✗	✗	✗
Director Certification	✗	✓	✗	✗	✗	✗
Valuation Experience	✓	✓	✓	✗	✓	✓
Regulatory Credibility	✓	✓	✓	✗	✗	✗
Bank Board Experience (excluding MFIN)	✗	✓	✗	✗	✓	✗
Cybersecurity	✓	✗	✗	✗	✗	✗
M&A	✓	✓	✓	✗	✓	✗
Operations	✓	✓	✓	✗	✓	✓
Business Transformation	✓	✓	✓	✗	✓	✗
Advisory	✗	✓	✓	✗	✗	✗

# Medallion's Incumbent Directors Will Simply do More of the Same

## Medallion's Incumbent Directors Will Simply do More of the Same - Alvin Murstein

- Director since the Company's founding in 1995, a tenure of approximately 31 years, and Chief Executive Officer from February 1996 until January 31, 2026, when he became Executive Chairman.
- Served as Chief Executive Officer throughout the entire period of conduct alleged in SEC v. Medallion Financial Corp. (No. 1:21-cv-11125-LAK, S.D.N.Y.), which the SEC characterized as occurring from late 2014 through 2017.
- Signed the Sarbanes-Oxley Section 302 and 906 certifications on the fiscal 2014 through 2017 Annual Reports on Form 10-K, the financial statements the SEC alleged overstated Medallion Bank fair value by at least \$110 million at year-end 2016 and at least \$85 million at year-end 2017.
- Under the May 30, 2025 SEC Final Judgment the Company paid a \$3 million penalty, accepted a court-supervised Independent Compliance Consultant, and was required to create a Chief Compliance Officer role, all funded by stockholders rather than the Murstein family.
- The Board exercised no clawback against his son, Andrew Murstein, who consented to a \$1 million SEC penalty and a permanent injunctions as well as the stipulating, solely for purposes of Section 523 of the Bankruptcy Code, that the SEC's allegations against him are true.
- On October 24, 2025 the Board extended his Executive Chairman contract through May 29, 2027, provided that a failure to renominate him is treated as a termination without cause which would have resulted in a \$3.4 million payment to him, and on the same day concentrated the offices of Chief Executive Officer, President and Chief Operating Officer in his son.
- Presided as Chief Executive Officer over a compensation framework that paid the top five named executive officers \$78.9 million while the Company returned \$62.3 million to public stockholders since 2018.
- Presided over an unprecedented decline in tangible book and stock value.

## Medallion's Incumbent Directors Will Simply do More of the Same - John Everets

- Director since July 2017, a tenure of approximately 9 years, who became Audit Committee Chair almost immediately on joining the Board and was designated an audit committee financial expert.
- Chaired the Audit Committee during the year-end 2017 audit cycle, the specific year-end the SEC alleged overstated Medallion Bank fair value by at least \$85 million and total assets and equity by more than \$115 million.
- Remained Audit Committee Chair through 2021, spanning the SEC investigation and the filing of the December 29, 2021 complaint, during which the Audit Committee commissioned no independent investigation of Andrew Murstein's conduct.
- Was Audit Committee Chair at the time of the fourth quarter 2019 reclassification, when 61 medallion loans totaling \$27.5 million were reclassified from performing to impaired troubled debt restructurings on the eve of the 2019 Form 10-K filing, 39 days after the Company had publicly reported the quarter, swinging fourth quarter 2019 results from net income of \$0.11 per share to a net loss of \$0.02 per share and reducing book value per share from \$10.81 to \$10.68 (MFIN Form 8-K/A, March 30, 2020).
- Currently serves on the Compensation Committee that removed the "detrimental conduct" trigger from the Company's clawback policy on October 24, 2023, less than two weeks after BIMIZCI demanded the policy be applied to Andrew Murstein, and that exercised no recoupment of compensation after the SEC settlement.
- Has served as a director of The Eastern Company for 33 years, a tenure far beyond the independence thresholds applied by major proxy advisors.

## Medallion's Incumbent Directors Will Simply do More of the Same - Cynthia Hallenbeck

- Director since June 2020, a tenure of approximately 6 years, who has served on the Audit Committee continuously since joining and chairs the Nominating and Governance Committee (since 2024 DEF14A), and is designated an audit committee financial expert.
- As an audit committee financial expert, endorsed every Audit Committee Report in the Company's proxy statements from 2021 through 2025 recommending inclusion of the audited financial statements in the Form 10-K, while the SEC enforcement matter alleging material overstatement of prior statements (and potential restatement) was pending.
- Sat on an Audit Committee that commissioned no independent investigation of Andrew Murstein's conduct, such that the Independent Compliance Consultant was imposed by the SEC rather than initiated by the committee.
- Sat on the Audit Committee when Mazars USA LLP, the Company's auditor of 19 years, resigned on April 4, 2024 during active securities-fraud litigation, a change not separately explained to stockholders in the Audit Committee's report.
- As Nominating and Governance Committee Chair, bears principal Board-level responsibility for the October 24, 2025 governance package, including Andrew Murstein's promotion to Chief Executive Officer, Alvin Murstein's employment-agreement extension to May 29, 2027, and the Fourth Amended and Restated By-Laws creating the Executive Chairman role.
- Signed off on the October 24, 2025 Andrew Murstein promotion to CEO five months after the federal Final Judgment (with consent), and permanent injunctions were imposed.
- Chaired the Nominating and Governance Committee through adoption of the Third Amended and Restated By-Laws on August 8, 2024, which imposed on stockholder nominees roughly twenty disclosure categories, a so-called golden-leash bar, Clayton Act and competitor representations, a 10-day Board interview requirement, an in-person attendance requirement and a no-substitutes provision.

## In Conclusion

- We are here because we believe that Medallion Financial has tremendous potential.
- We think that under the current Board, the issues MFIN faces will not go away, and the Board's, and management's, credibility is unlikely to be restored.
- We think that there is a high probability that consumer headwinds will continue to increase in the end-markets and customers the Company serves.
- We also are concerned that without investor trust, growth options will be limited. Medallion will not be able to grow, adapt and evolve without institutional buy-in – and MFIN simply does not have it.
- If our nominees are elected, we will always uphold our fiduciary responsibilities to stockholders.
- We believe that we can help put the Company on the path to sustainable and long-term success.

