

4Q 2019 Earnings Call Supplemental Presentation

February 25, 2020

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This presentation also contains certain non-GAAP measures. Please refer to the Appendix accompanying this presentation for a reconciliation of non-GAAP measures to the most comparable GAAP measures.

4Q 19 Highlights

dollars in millions (except per share amounts)	4Q 19	4Q 18	\$ Chg B/(W)	% Chg B/(W)
Average Finance Receivables	\$1,071.3	\$912.5	\$158.7	17.4%
Interest & Fee Income	87.8	75.0	12.8	17.0%
Total Revenue	98.0	83.7	14.2	17.0%
Provision for Credit Losses	26.0	23.7	(2.3)	(9.9%)
G&A Expense	40.9	36.6	(4.3)	(11.7%)
Interest Expense	10.3	9.6	(0.6)	(6.7%)
Net Income	15.7	10.8	4.9	45.6%
ROA	5.6%	4.6%	1.0%	21.7%
ROE	21.1%	15.7%	5.4%	34.4%
Diluted EPS	\$ 1.38	\$ 0.90	\$ 0.48	53.3%

- **Net income of \$15.7 million, or \$1.38 diluted EPS**
- **Total revenue growth of 17.0% driven by \$158.7 million year-over-year average portfolio growth**
 - Interest and fee income up 17.0% year-over-year on 17.4% increase in average finance receivables
- **Provision for credit losses up 9.9%, or \$2.3 million, primarily due to:**
 - 17.4% increase in average finance receivables
- **Operating expense ratio improved 0.8% over prior year to 15.3%**
 - 4Q 19 includes \$0.6 million of expense from new branches that opened since the prior-year period
- **Interest expense increase of 6.7%, primarily due to portfolio growth, offset by Fed rate decreases**

19 Consecutive Quarters of Year-Over-Year Double-Digit Portfolio Growth

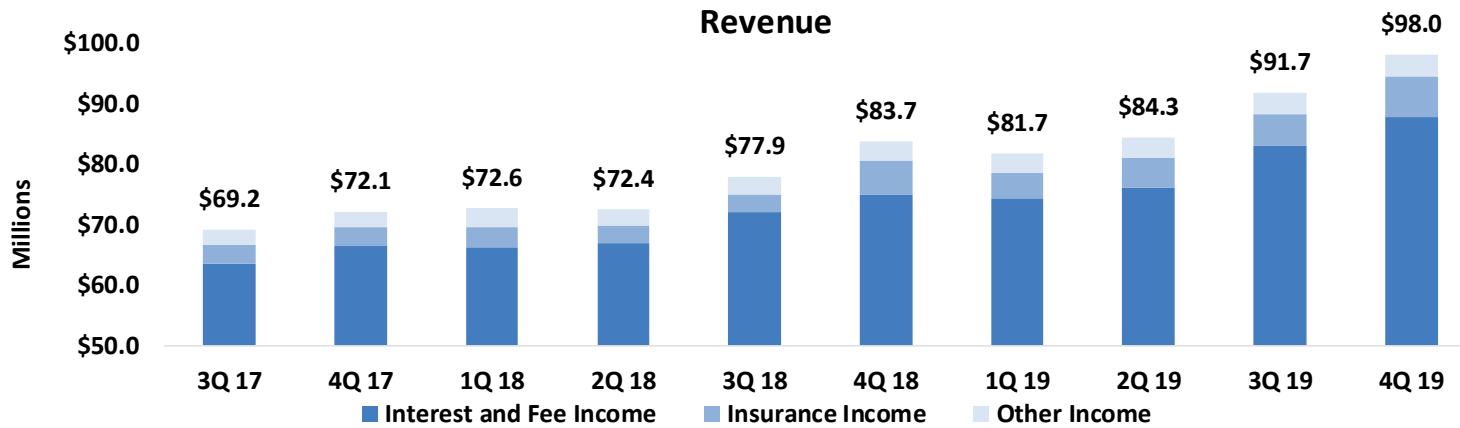


in millions	Ending Finance Receivables									
	3Q 17	4Q 17	1Q 18	2Q 18	3Q 18	4Q 18	1Q 19	2Q 19	3Q 19	4Q 19
Small Loans (≤ \$2,500)	\$363	\$376	\$360	\$385	\$414	\$438	\$422	\$431	\$449	\$462
Large Loans (≥ \$2,500)	309	347	364	392	411	438	441	499	555	609
Core Loan Products	672	723	724	777	825	876	862	930	1,004	1,071
Automobile Loans	72	61	49	39	32	26	21	16	12	10
Retail Loans	31	33	32	31	31	30	29	28	26	24
Total	\$775	\$817	\$805	\$847	\$888	\$932	\$912	\$973	\$1,042	\$1,105
Total YoY Δ (\$)	\$79	\$100	\$110	\$120	\$113	\$115	\$107	\$126	\$154	\$173
Total YoY Δ (%)	11.3%	13.9%	15.8%	16.6%	14.6%	14.0%	13.3%	14.9%	17.4%	18.5%

vs. 3Q 19		vs. 4Q 18	
\$ Chg I/(D)	% Chg I/(D)	\$ Chg I/(D)	% Chg I/(D)
\$13	2.9%	\$25	5.7%
54	9.7%	171	39.0%
67	6.7%	195	22.3%
(2)	(20.6%)	(17)	(63.2%)
(2)	(7.3%)	(6)	(20.9%)
\$63	6.0%	\$173	18.5%

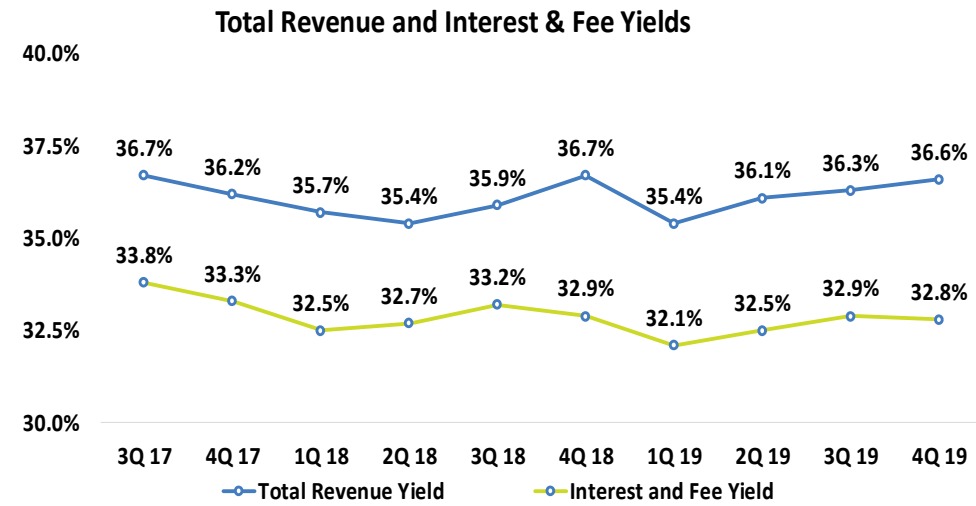
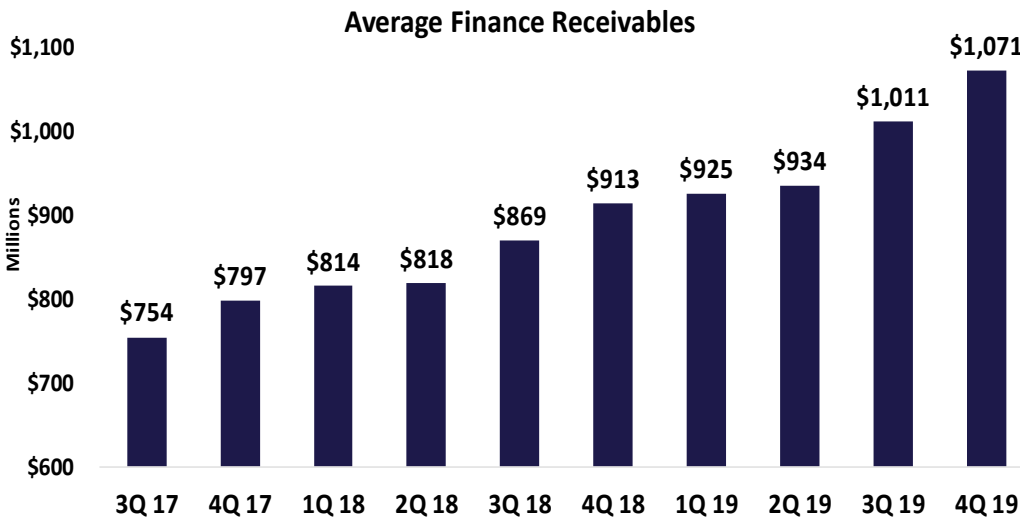
- 19 consecutive quarters of year-over-year double-digit growth in ending finance receivables
- Strong core loan growth of 22% from prior year

14 Consecutive Quarters of Year-Over-Year Double-Digit Revenue Growth



- Total revenue increased 17.0% vs. the prior-year period
- Interest and fee yield decreased 10 basis points vs. the prior-year period, as large loan portfolio growth outpaced higher-yielding small loan growth
- As of December 31, 2019, approximately 75% of finance receivables were at or below 36% APR

	3Q 17	4Q 17	1Q 18	2Q 18	3Q 18	4Q 18	1Q 19	2Q 19	3Q 19	4Q 19
Sequential Δ	5.9%	4.2%	0.7%	(0.3%)	7.6%	7.5%	(2.4%)	3.1%	8.8%	6.8%
YoY Δ	10.8%	12.6%	10.3%	10.8%	12.6%	16.1%	12.6%	16.4%	17.7%	17.0%



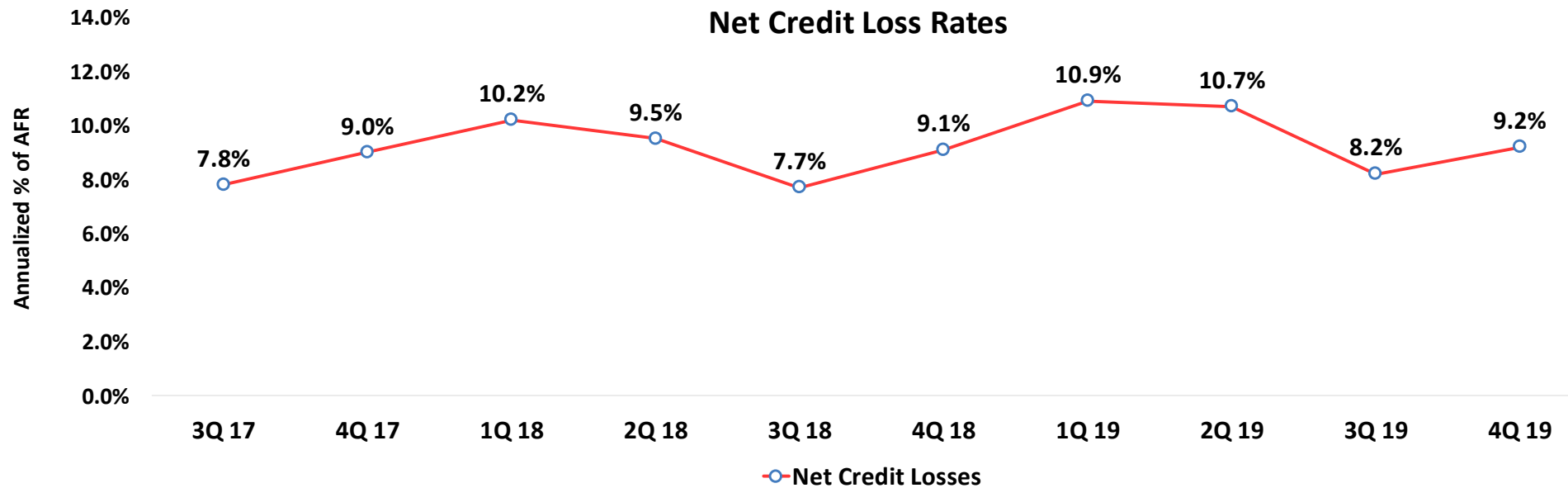
	3Q 17	4Q 17	1Q 18	2Q 18	3Q 18	4Q 18	1Q 19	2Q 19	3Q 19	4Q 19
Sequential Δ	6.5%	5.7%	2.2%	0.4%	6.2%	5.0%	1.4%	1.0%	8.1%	6.0%
YoY Δ	11.8%	12.7%	14.8%	15.6%	15.3%	14.5%	13.6%	14.2%	16.3%	17.4%

	3Q 17	4Q 17	1Q 18	2Q 18	3Q 18	4Q 18	1Q 19	2Q 19	3Q 19	4Q 19
Sequential Δ	(0.2%)	(0.5%)	(0.5%)	(0.3%)	0.5%	0.8%	(1.3%)	0.7%	0.2%	0.3%
YoY Δ	(0.3%)	-	(1.4%)	(1.5%)	(0.8%)	0.5%	(0.3%)	0.7%	0.4%	(0.1%)

Note: Table above reflects changes in total revenue yield

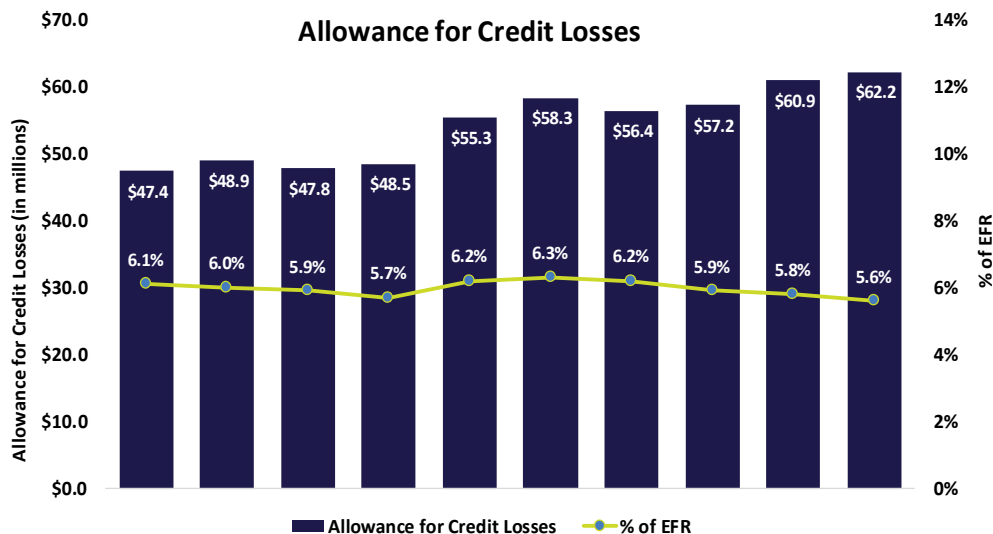
Recent Net Credit Loss Trends

- Annualized net credit loss rate increased 10 basis points vs. the prior-year period. The increase includes 10 basis points of additional non-file insurance claims (bankruptcy losses) that shifted to net credit losses following the business policy change implemented in 4Q 18.

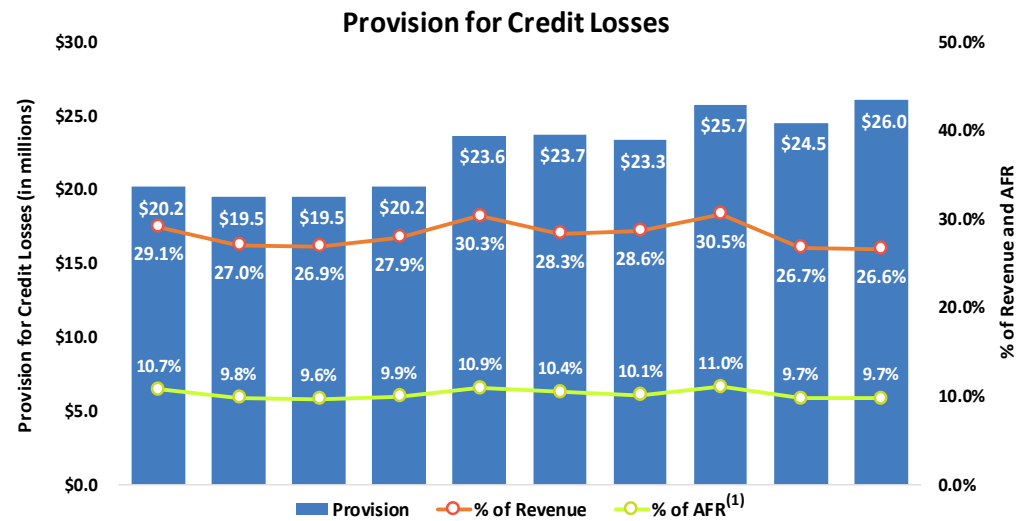


Sequential Δ	(2.1%)	1.2%	1.2%	(0.7%)	(1.8%)	1.4%	1.8%	(0.2%)	(2.5%)	1.0%
Year/Year Δ	(0.2%)	(0.8%)	(0.7%)	(0.4%)	(0.1%)	0.1%	0.7%	1.2%	0.5%	0.1%
Net credit loss rate above includes:										
Non-file claims	0.5%	0.4%	0.3%	0.2%	0.3%	0.8%	0.7%	0.7%	0.7%	0.9%
Bulk debt sale proceeds	(0.5%)	-	-	-	-	-	-	-	-	-
Hurricane losses	-	-	0.4%	0.5%	-	0.1%	0.4%	0.6%	-	-

Recent Provision Trends



% of EFR	3Q 17	4Q 17	1Q 18	2Q 18	3Q 18	4Q 18	1Q 19	2Q 19	3Q 19	4Q 19
Sequential Δ	0.3%	(0.1%)	(0.1%)	(0.2%)	0.5%	0.1%	(0.1%)	(0.3%)	(0.1%)	(0.2%)
YoY Δ	0.5%	0.3%	-	(0.1%)	0.1%	0.3%	0.3%	0.2%	(0.4%)	(0.7%)



% of Revenue	3Q 17	4Q 17	1Q 18	2Q 18	3Q 18	4Q 18	1Q 19	2Q 19	3Q 19	4Q 19
Sequential Δ	0.6%	(2.1%)	(0.1%)	1.0%	2.4%	(2.0%)	0.3%	1.9%	(3.8%)	(0.1%)
YoY Δ	2.8%	(3.3%)	(2.2%)	(0.6%)	1.2%	1.3%	1.7%	2.6%	(3.6%)	(1.7%)

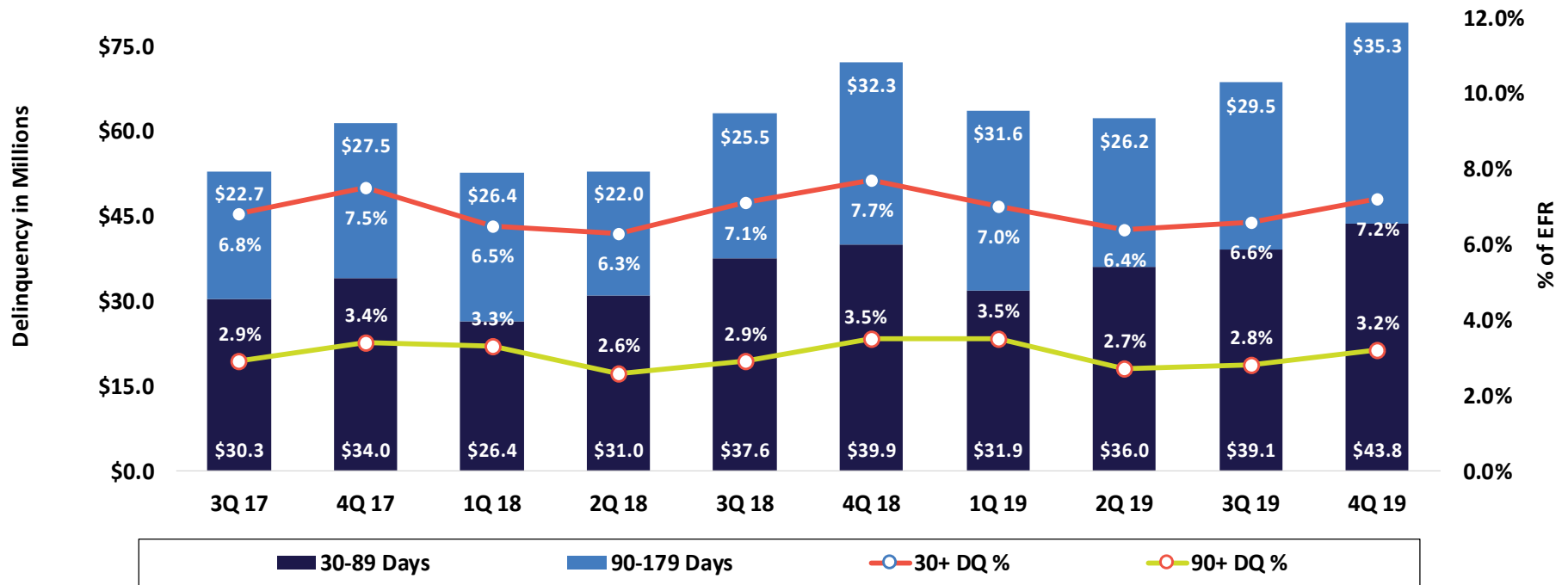
% of AFR (1)	3Q 17	4Q 17	1Q 18	2Q 18	3Q 18	4Q 18	1Q 19	2Q 19	3Q 19	4Q 19
Sequential Δ	0.2%	(0.9%)	(0.2%)	0.3%	1.0%	(0.5%)	(0.3%)	0.9%	(1.3%)	-
YoY Δ	1.0%	(1.2%)	(1.2%)	(0.6%)	0.2%	0.6%	0.5%	1.1%	(1.2%)	(0.7%)

(1) Annualized provision for credit losses as a percentage of average finance receivables

Seasonal Pattern of Delinquency

- 4Q 19 delinquency is down from prior year
 - 30+ days past due of 7.2% is 50 basis points lower than prior year
 - 90+ days past due of 3.2% is 30 basis points lower than prior year

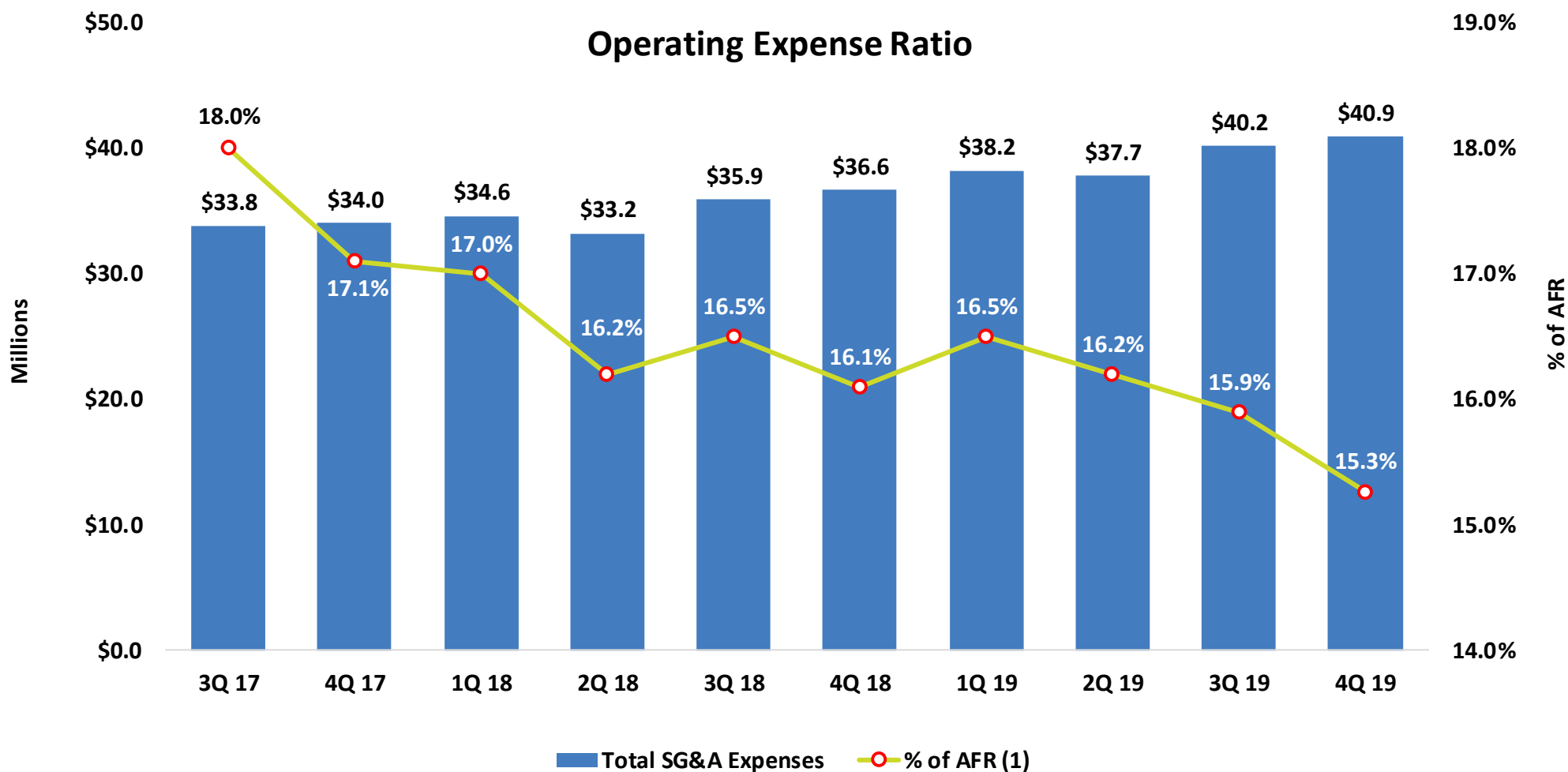
30+ & 90+ Delinquency Rates



30+ DQ	3Q 17	4Q 17	1Q 18	2Q 18	3Q 18	4Q 18	1Q 19	2Q 19	3Q 19	4Q 19
Sequential Δ	0.3%	0.7%	(1.0%)	(0.2%)	0.8%	0.6%	(0.7%)	(0.6%)	0.2%	0.6%
YoY Δ	(0.3%)	0.1%	-	(0.2%)	0.3%	0.2%	0.5%	0.1%	(0.5%)	(0.5%)

90+ DQ	3Q 17	4Q 17	1Q 18	2Q 18	3Q 18	4Q 18	1Q 19	2Q 19	3Q 19	4Q 19
Sequential Δ	0.2%	0.5%	(0.1%)	(0.7%)	0.3%	0.6%	-	(0.8%)	0.1%	0.4%
YoY Δ	(0.2%)	(0.1%)	0.3%	(0.1%)	-	0.1%	0.2%	0.1%	(0.1%)	(0.3%)

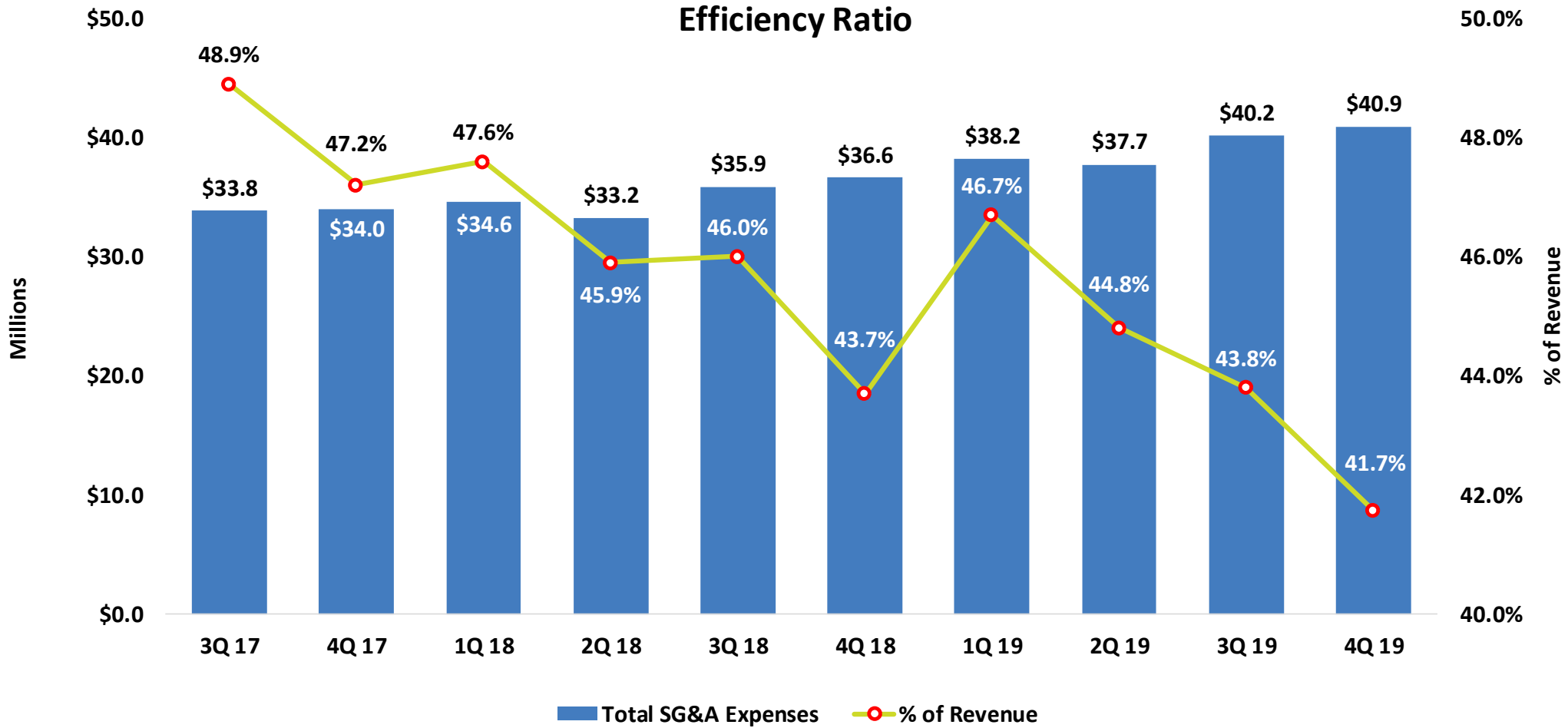
Achieving Operating Leverage While Investing in Our Business



As % of AFR (1)	3Q 17	4Q 17	1Q 18	2Q 18	3Q 18	4Q 18	1Q 19	2Q 19	3Q 19	4Q 19
Year/Year Δ	(0.1%)	0.8%	(0.7%)	(1.7%)	(1.5%)	(1.0%)	(0.5%)	-	(0.6%)	(0.8%)

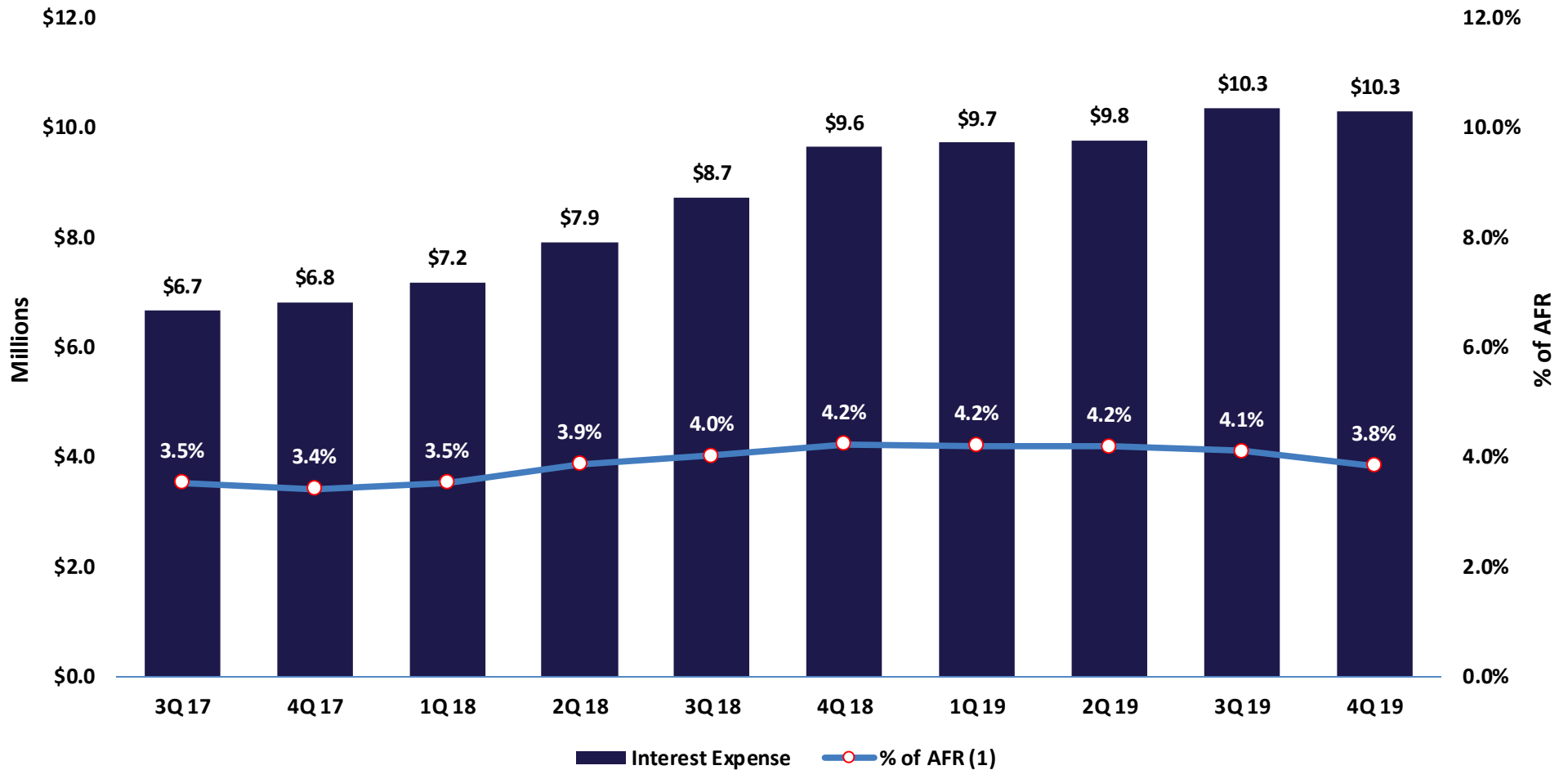
(1) Annualized general and administrative expenses as a percentage of average finance receivables

Achieving Operating Leverage While Investing in Our Business



As % of Revenue	3Q 17	4Q 17	1Q 18	2Q 18	3Q 18	4Q 18	1Q 19	2Q 19	3Q 19	4Q 19
Year/Year Δ	0.2%	2.2%	(0.2%)	(2.5%)	(2.9%)	(3.5%)	(0.9%)	(1.1%)	(2.2%)	(2.0%)

Interest Expense Trend



% of AFR (1)	3Q 17	4Q 17	1Q 18	2Q 18	3Q 18	4Q 18	1Q 19	2Q 19	3Q 19	4Q 19
YoY Δ	0.5%	0.4%	0.6%	0.9%	0.5%	0.8%	0.7%	0.3%	0.1%	(0.4%)

- Currently have \$350 million notional amount of interest rate caps to hedge against rapid rate increases

(1) Annualized interest expense as a percentage of average finance receivables

Senior Revolver Amendment

- Extended the maturity to September 2022
- Changed Agent to Wells Fargo
- Increased advance rate on convenience check loans, which increases borrowing capacity
- Negotiated better covenants and legal provisions
- Added a new lender
- Added flexibility to execute on small loan securitizations and warehouse facilities

Warehouse Facility Amendment

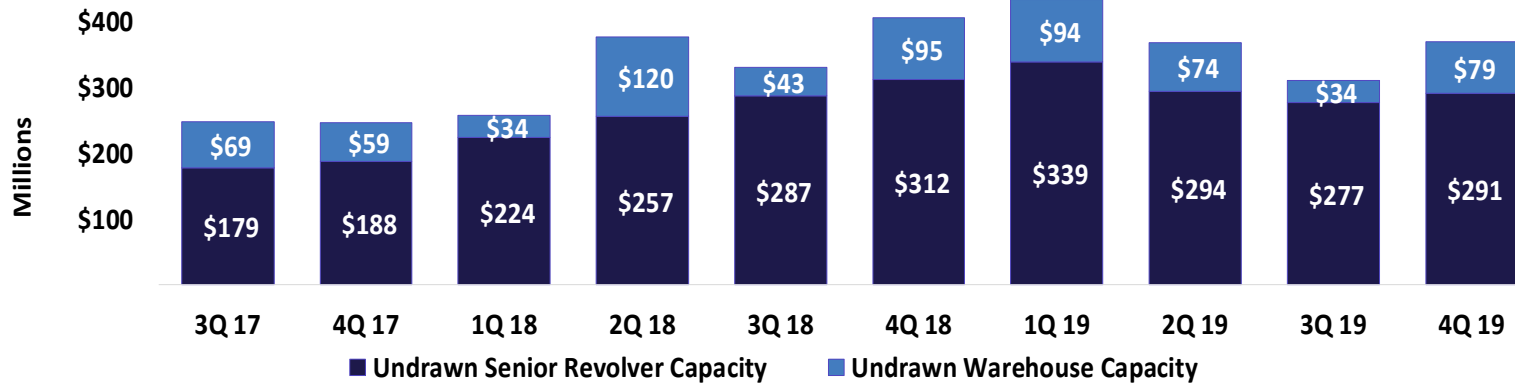
- Extended the maturity to April 2022
- Reduced pricing by 5 basis points
- Added flexibility to continue making larger large loans

RMIT 2019-1 Securitization

- \$130 million of new fixed-rate debt through the securitization market
- Continued strong investor demand and interest in RM paper
- Lowest cost of funds to date (weighted-average rate of 3.17%)

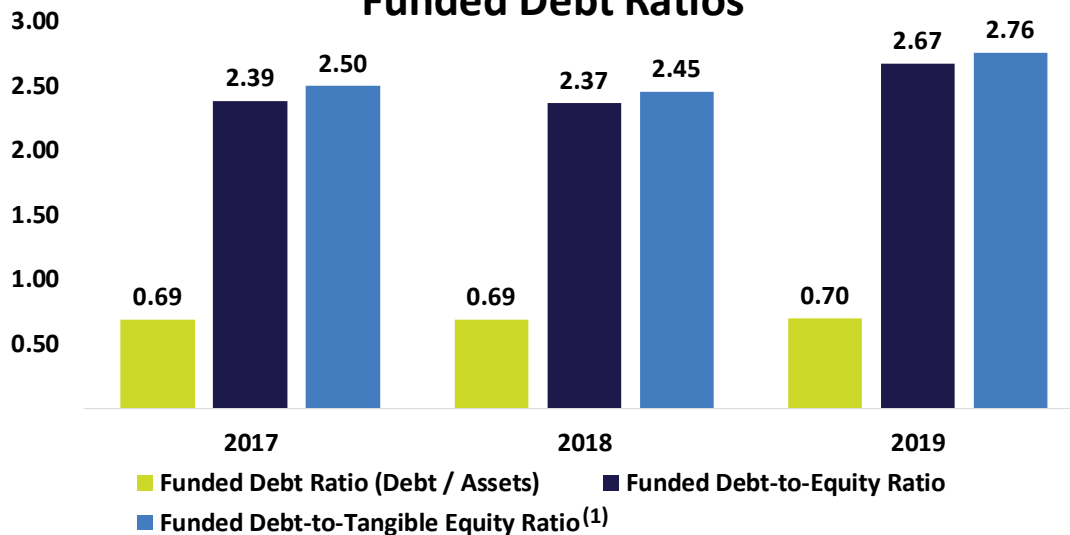
Strong Funding Profile

Debt Capacity

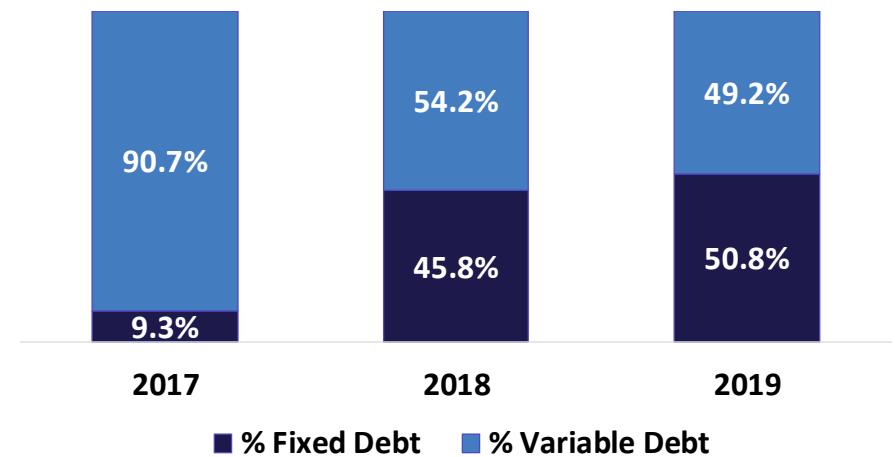


- As of December 31, 2019, total undrawn capacity was \$369 million (subject to borrowing base)
- Fixed-rate debt represents 51% of total debt
- \$130 million securitization in 4Q 19 increased capacity and added \$130 million to fixed-rate debt

Funded Debt Ratios



Fixed vs Variable Debt



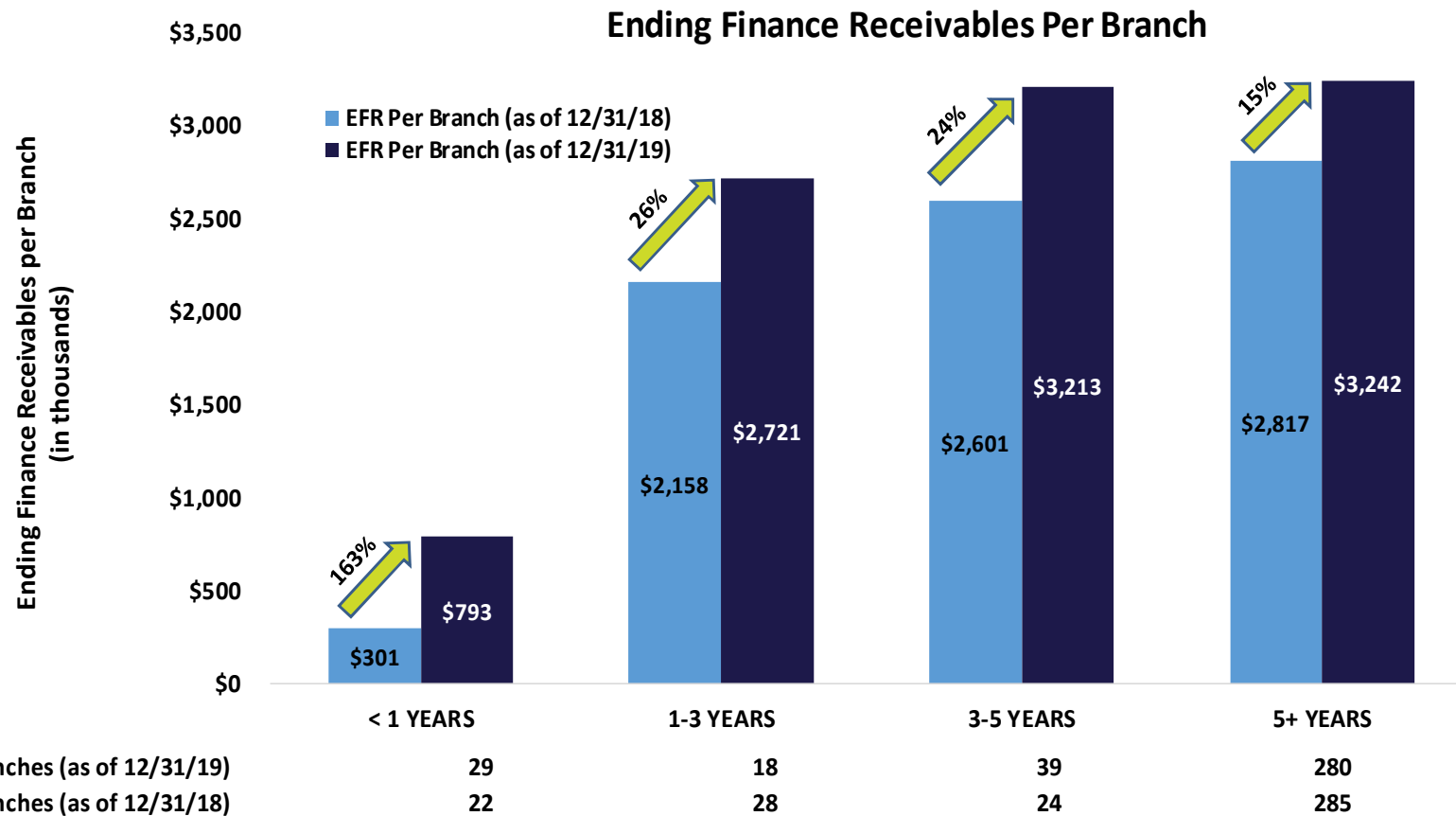
Interest Expense % ⁽²⁾	2017	2018	2019
	3.2%	3.9%	4.1%

(1) This is a non-GAAP measure. Refer to the Appendix for a reconciliation to the most comparable GAAP measure.

(2) Interest expense as a percentage of average finance receivables

Continued Growth Opportunity from Existing and De Novo Branches

- Same store⁽¹⁾ portfolio growth in 4Q 19 of 16.7% vs. 13.7% in the prior-year period
- Considerable growth opportunities in our existing branch footprint, particularly from branches opened within the last 3 years
- Plan to open approximately 25 to 30 de novo branches in 2020

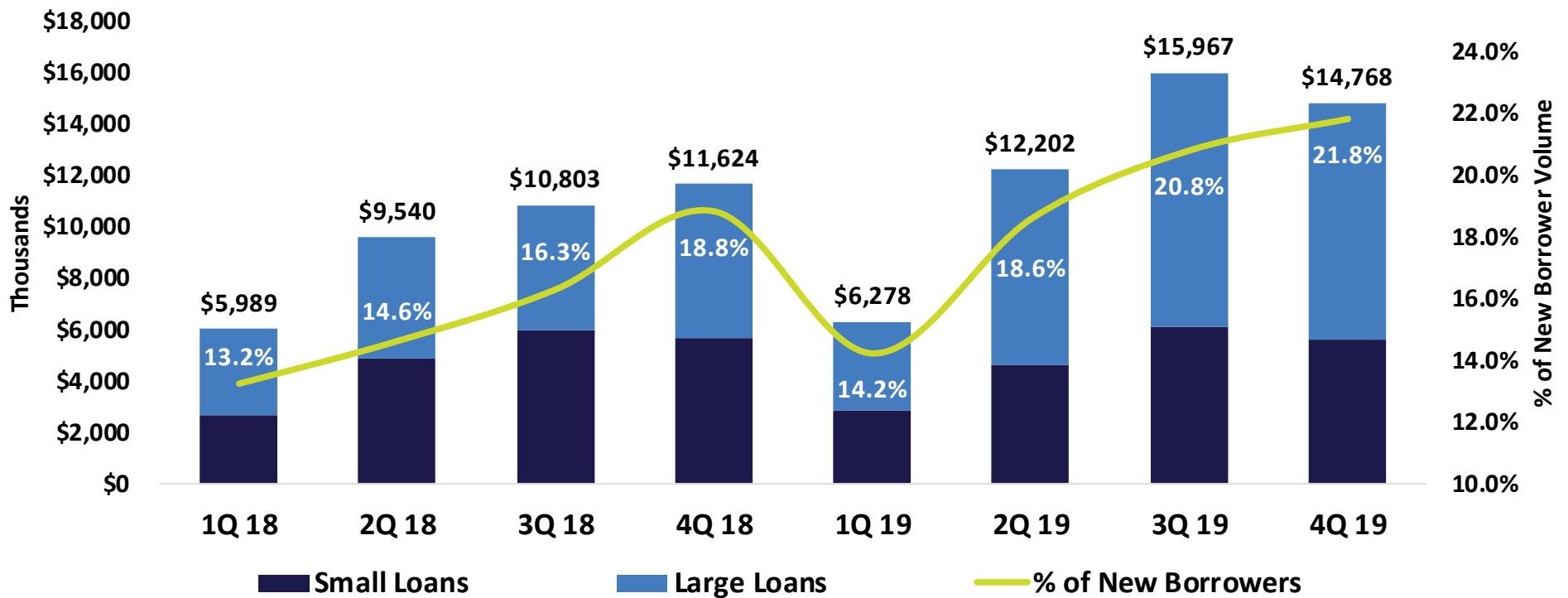


(1) Same store sales are based on branches more than 1 year old

Digitally-Sourced Originations Continue to Accelerate

- Digital originations are sourced from either our affiliate partnerships or directly from our website
- All digitally-sourced loans are underwritten in our branches by our custom credit scorecards and serviced by our branches
- As of 4Q 19, our digitally-sourced volume represented approximately 22% of our total new borrower volume, inclusive of convenience checks cashed
 - Large loans represented 62% of digitally-sourced loans booked

Digitally-Sourced Origination Volume Trend



Appendix

Consolidated Income Statements



in thousands	4Q 19	4Q 18	2019	2018	2017	2016
Revenue						
Interest and fee income	\$ 87,784	\$ 75,013	\$ 321,169	\$ 280,121	\$ 249,034	\$ 220,963
Insurance income, net	6,551	5,624	20,817	14,793	13,061	9,456
Other income	3,649	3,112	13,727	11,792	10,364	10,099
Total revenue	97,984	83,749	355,713	306,706	272,459	240,518
Expenses						
Provision for credit losses	26,039	23,698	99,611	87,056	77,339	63,014
Personnel	25,305	22,074	94,000	84,068	75,992	68,979
Occupancy	5,876	5,933	24,618	22,519	21,530	20,059
Marketing	1,897	1,902	8,206	7,745	7,128	6,837
Other	7,813	6,707	30,160	25,952	26,305	22,757
Total general and administrative	40,891	36,616	156,984	140,284	130,955	118,632
Interest expense	10,285	9,643	40,125	33,464	23,908	19,924
Income before income taxes	20,769	13,792	58,993	45,902	40,257	38,948
Income taxes	5,086	3,022	14,261	10,557	10,294	14,917
Net income	\$ 15,683	\$ 10,770	\$ 44,732	\$ 35,345	\$ 29,963	\$ 24,031

Consolidated Balance Sheets



in thousands	2019	2018	2017	2016
Cash	\$ 2,263	\$ 3,657	\$ 5,230	\$ 4,446
Gross finance receivables	1,500,962	1,237,526	1,066,650	916,954
Unearned finance charges and insurance premiums	(396,149)	(305,283)	(249,187)	(199,179)
Finance receivables	1,104,813	932,243	817,463	717,775
Allowance for credit losses	(62,200)	(58,300)	(48,910)	(41,250)
Net finance receivables	1,042,613	873,943	768,553	676,525
Restricted cash	54,164	46,484	16,787	8,297
Lease assets	26,438	-	-	-
Property and equipment	15,301	13,926	12,294	11,693
Intangible assets	9,438	10,010	10,607	6,448
Deferred tax asset	619	-	-	33
Other assets	7,704	8,375	16,012	4,782
Total assets	\$ 1,158,540	\$ 956,395	\$ 829,483	\$ 712,224
Long-term debt	\$ 808,218	\$ 660,507	\$ 571,496	\$ 491,678
Unamortized debt issuance costs	(9,607)	(9,158)	(4,950)	(2,152)
Net long-term debt	798,611	651,349	566,546	489,526
Accounts payable and accrued expenses	28,676	25,138	18,565	15,223
Lease liabilities	28,470	-	-	-
Deferred tax liability	-	747	4,961	-
Total liabilities	855,757	677,234	590,072	504,749
Common stock	1,350	1,332	1,321	1,300
Additional paid-in capital	102,678	98,778	94,384	92,432
Retained earnings	248,829	204,097	168,752	138,789
Treasury stock	(50,074)	(25,046)	(25,046)	(25,046)
Total stockholders' equity	302,783	279,161	239,411	207,475
Total liabilities and stockholders' equity	\$ 1,158,540	\$ 956,395	\$ 829,483	\$ 712,224

Balance Sheet Metrics



In addition to financial measures presented in accordance with generally accepted accounting principles (“GAAP”), this presentation contains certain non-GAAP financial measures. We utilize non-GAAP measures as additional metrics to aid in, and enhance, the understanding of our financial results. Tangible assets, tangible equity, funded debt-to-tangible equity, tangible equity to tangible assets, and tangible equity per share are non-GAAP measures. We use these non-GAAP measures to evaluate and manage our capital and leverage position. We also believe that these non-GAAP measures are commonly used in the financial services industry and provide useful information to users of our financial statements in the evaluation of our capital and leverage position. This non-GAAP financial information should be considered in addition to, not as a substitute for or superior to, measures of financial performance prepared in accordance with GAAP. In addition, our non-GAAP measures may not be comparable to similarly titled non-GAAP measures of other companies. The following table provides a reconciliation of GAAP measures to non-GAAP measures.

in thousands	4Q 19	4Q 18	2019	2018	2017	2016
Total assets	\$1,158,540	\$ 956,395	\$1,158,540	\$ 956,395	\$ 829,483	\$ 712,224
Less: Intangible assets	9,438	10,010	9,438	10,010	10,607	6,448
Tangible assets (non-GAAP)	1,149,102	946,385	1,149,102	946,385	818,876	705,776
Gross long-term debt	808,218	660,507	808,218	660,507	571,496	491,678
Total stockholders' equity	302,783	279,161	302,783	279,161	239,411	207,475
Less: Intangible assets	9,438	10,010	9,438	10,010	10,607	6,448
Tangible common equity (non-GAAP)	\$ 293,345	\$ 269,151	\$ 293,345	\$ 269,151	\$ 228,804	\$ 201,027
Diluted weighted-average shares	11,327	12,010	11,773	12,078	11,783	12,085
Funded debt-to-equity ratio	2.67	2.37	2.67	2.37	2.39	2.37
Funded debt-to-tangible equity ratio (non-GAAP)	2.76	2.45	2.76	2.45	2.50	2.45
Total stockholders' equity to total assets	26.1%	29.2%	26.1%	29.2%	28.9%	29.1%
Tangible equity to tangible assets (non-GAAP)	25.5%	28.4%	25.5%	28.4%	27.9%	28.5%
Total stockholders' equity per share	\$ 26.73	\$ 23.24	\$ 25.72	\$ 23.11	\$ 20.32	\$ 17.17
Tangible equity per share (non-GAAP)	\$ 25.90	\$ 22.41	\$ 24.92	\$ 22.28	\$ 19.42	\$ 16.63

