REGIONAL® MANAGEMENT

RM LISTED NYSE

2Q 24
Earnings Presentation

July 31, 2024

Legal Disclosures

This document contains summarized information concerning Regional Management Corp. (the "Company") and the Company's business, operations, financial performance, and trends. No representation is made that the information in this document is complete. For additional financial, statistical, and business information, please see the Company's most recent Annual Report on Form 10-K and Quarterly Reports on Form 10-Q filed with the U.S. Securities and Exchange Commission (the "SEC"), as well as the Company's other reports filed with the SEC from time to time. Such reports are or will be available on the Company's website (www.regionalmanagement.com) and on the SEC's website (www.sec.gov). The information and opinions contained in this document are provided as of the date of this presentation and are subject to change without notice. This document has not been approved by any regulatory or supervisory authority.

This presentation, the related remarks, and the responses to various questions may contain various "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are not statements of historical fact but instead represent the Company's expectations or beliefs concerning future events. Forward-looking statements include, without limitation, statements concerning financial outlook or future plans, objectives, goals, projections, strategies, events, or performance, and underlying assumptions and other statements related thereto. Words such as "may," "will," "should," "likely," "anticipates," "expects," "intends," "plans," "projects," "believes," "estimates," "outlook," and similar expressions may be used to identify these forward-looking statements. Such forward-looking statements speak only as of the date on which they were made and are about matters that are inherently subject to risks and uncertainties, many of which are outside of the control of the Company. As a result, actual performance and results may differ materially from those contemplated by these forward-looking statements. Therefore, investors should not place undue reliance on such statements.

Factors that could cause actual results or performance to differ from the expectations expressed or implied in forward-looking statements include, but are not limited to, the following: managing growth effectively, implementing Regional Management's growth strategy, and opening new branches as planned; Regional Management's convenience check strategy; Regional Management's policies and procedures for underwriting, processing, and servicing loans; Regional Management's ability to collect on its loan portfolio; Regional Management's insurance operations; exposure to credit risk and repayment risk, which risks may increase in light of adverse or recessionary economic conditions; the implementation of evolving underwriting models and processes, including as to the effectiveness of Regional Management's custom scorecards; changes in the competitive environment in which Regional Management operates or a decrease in the demand for its products; the geographic concentration of Regional Management's loan portfolio; the failure of third-party service providers, including those providing information technology products; changes in economic conditions in the markets Regional Management serves, including levels of unemployment and bankruptcies; the ability to achieve successful acquisitions and strategic alliances; the ability to make technological improvements as quickly as competitors; security breaches, cyber-attacks, failures in information systems, or fraudulent activity; the ability to originate loans; reliance on information technology resources and providers, including the risk of prolonged system outages; changes in current revenue and expense trends, including trends affecting delinquencies and credit losses; any future public health crises, including the impact of such crisis on our operations and financial condition; changes in operating and administrative expenses; the departure, transition, or replacement of key personnel; the ability to timely and effectively implement, transition to, and maintain the necessary information technology systems, infrastructure, processes, and controls to support Regional Management's operations and initiatives; changes in interest rates; existing sources of liquidity may become insufficient or access to these sources may become unexpectedly restricted; exposure to financial risk due to asset-backed securitization transactions; risks related to regulation and legal proceedings, including changes in laws or regulations or in the interpretation or enforcement of laws or regulations; changes in accounting standards, rules, and interpretations and the failure of related assumptions and estimates; the impact of changes in tax laws and guidance, including the timing and amount of revenues that may be recognized; risks related to the ownership of Regional Management's common stock, including volatility in the market price of shares of Regional Management's common stock; the timing and amount of future cash dividend payments; and anti-takeover provisions in Regional Management's charter documents and applicable state law. The foregoing factors and others are discussed in greater detail in the Company's filings with the SEC. The Company will not update or revise forward-looking statements to reflect events or circumstances after the date of this presentation or to reflect the occurrence of unanticipated events or the non-occurrence of anticipated events, whether as a result of new information, future developments, or otherwise, except as required by law.

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.

2Q 24 Highlights

545,900
Customer Accounts
Up 7.4% YoY

$1.77 billion
Net Finance Receivables
Up 5.0% YoY

$426 million
Origination Volume
Up 6.8% YoY

13.8%
Operating Expense Ratio*
Continued expense management

32.7%
Total Revenue Yield*
Up 80 basis points YoY

6.9%
30+ Delinquencies
Down 20 basis points from 1Q 24

12.7%
Net Credit Loss Rate*
Down 40 basis points YoY

1.9%
Return on Assets*
Up 50 basis points YoY

$0.86
Diluted Earnings Per Share
Up from $0.63 per share in 2Q 23

4.2%
Dividend Yield*
2Q 24 $0.30 dividend per share

$564 million
Unused Capacity
Substantial bandwidth to fund growth

88%
Fixed-Rate Debt
$187 million securitization added in 2Q 24

*See appendix for glossary

2Q 24 Financial Highlights

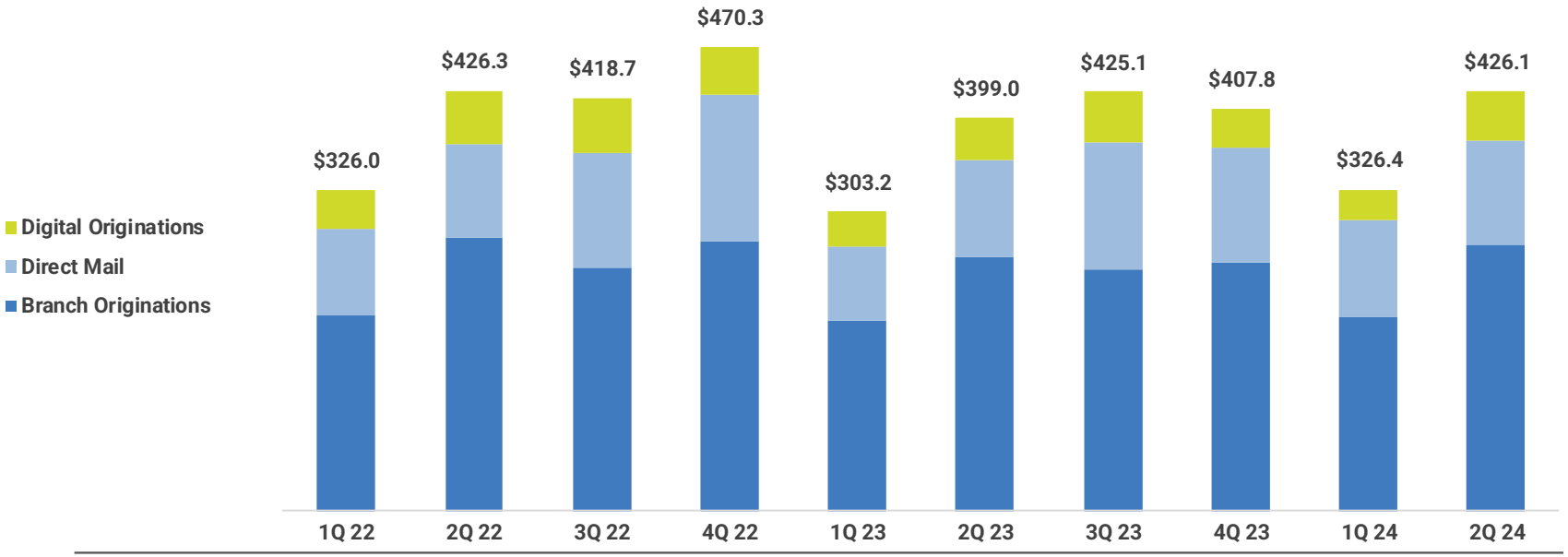
$ in millions *(except per share amounts)*	2Q 24	2Q 23	$ Chg B/(W)	% Chg B/(W)
Total revenue	$ 143.0	$ 133.5	$ 9.5	7.1%
Provision for credit losses	53.8	52.6	(1.3)	(2.4%)
G&A expense	60.1	56.9	(3.2)	(5.7%)
Interest expense	17.9	16.2	(1.6)	(10.1%)
Income taxes	2.8	1.8	(1.0)	(55.1%)
Net income	**$ 8.4**	**$ 6.0**	**$ 2.4**	**40.2%**
Diluted EPS	**$ 0.86**	**$ 0.63**	**$ 0.23**	**36.5%**
Ending net finance receivables	$ 1,773.7	$ 1,688.9	$ 84.8	5.0%
Average net finance receivables	$ 1,748.8	$ 1,674.1	$ 74.6	4.5%
Operating expense ratio	13.8%	13.6%	(0.2%)	(1.5%)
Return on assets	1.9%	1.4%	0.5%	35.7%
Return on equity	10.0%	7.6%	2.4%	31.6%

- Net income of $8.4 million and diluted EPS of $0.86, up $0.23, or 36.5%, versus 2Q 23
- Total revenue increased $9.5 million, or 7.1%, due to the impact of pricing changes flowing into the portfolio, growth in our higher-rate small loan business, and an increase in ANR* of 4.5%
- Provision for credit losses increased by $1.3 million, or 2.4%
  - 2Q 24 net credit losses increased $0.6 million from higher ANR
  - Lower provision release of $0.7 million year-over-year
- 2Q 24 operating expense ratio increased 20 basis points
  - The prior-year ratio included insurance settlement proceeds of $1.0 million, which decreased the ratio by 20 basis points
  - Revenue growth outpaced G&A expense growth by 2.9x compared to the prior-year period
- Interest expense increased $1.6 million due to higher interest rates and ANR growth of $74.6 million

*See appendix for glossary

Originations Trend

Quarterly Origination Trend *($ in millions)*



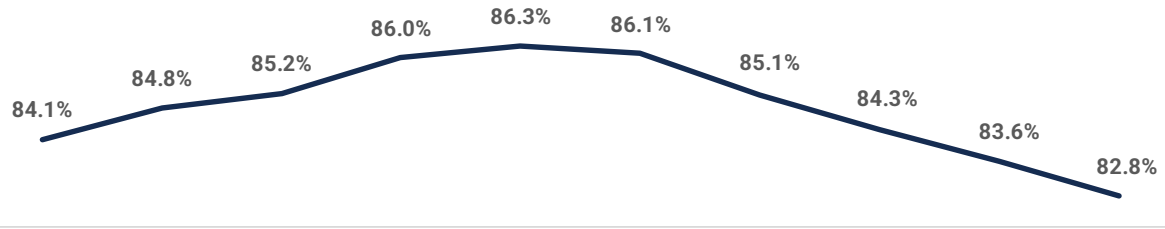
	1Q 22	2Q 22	3Q 22	4Q 22	1Q 23	2Q 23	3Q 23	4Q 23	1Q 24	2Q 24
% YoY Δ	38.8%	12.9%	(0.5%)	8.3%	(7.0%)	(6.4%)	1.5%	(13.3%)	7.6%	6.8%

- Record direct mail originations for a second quarter of $104.7 million, up from $97.4 million in 2Q 23
- Originations were concentrated on programs to present and former borrowers, who perform better than new borrowers
- 2Q 24 digital, direct mail, and branch originations were up year-over-year by 16.7%, 7.4%, and 4.9%, respectively

Controlled Portfolio Growth and Solid Small Loan Growth

	Ending Net Finance Receivables (*$ in millions*)										vs. 1Q 24		vs. 2Q 23	
	1Q 22	2Q 22	3Q 22	4Q 22	1Q 23	2Q 23	3Q 23	4Q 23	1Q 24	2Q 24	$ Chg I/(D)	% Chg I/(D)	$ Chg I/(D)	% Chg I/(D)
Large loans (> $2,500)	$997	$1,060	$1,116	$1,208	$1,212	$1,238	$1,272	$1,274	$1,251	$1,266	$15	1.2%	$28	2.3%
Small loans (≤ $2,500)	438	455	480	482	456	445	474	493	491	506	15	3.0%	61	13.7%
Retail loans	11	11	11	10	8	6	5	4	3	2	(1)	(26.3%)	(4)	(67.2%)
Total	**$1,446**	**$1,526**	**$1,608**	**$1,699**	**$1,676**	**$1,689**	**$1,751**	**$1,771**	**$1,744**	**$1,774**	**$29**	**1.7%**	**$85**	**5.0%**
Total YoY Δ ($)	$340	$342	$293	$273	$230	$163	$143	$72	$68	$85				
Total YoY Δ (%)	30.8%	28.9%	22.3%	19.2%	15.9%	10.7%	8.9%	4.2%	4.1%	5.0%				

ENR* at or below 36% APR and Product Mix



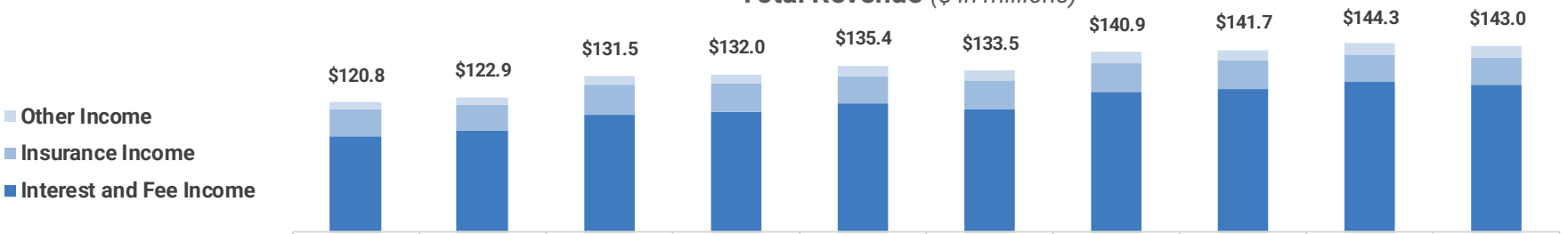
Product Mix	1Q 22	2Q 22	3Q 22	4Q 22	1Q 23	2Q 23	3Q 23	4Q 23	1Q 24	2Q 24
Large loans (> $2,500)	69.0%	69.4%	69.4%	71.1%	72.3%	73.3%	72.6%	71.9%	71.7%	71.4%
Small loans (≤ $2,500)	30.3%	29.8%	29.9%	28.3%	27.2%	26.3%	27.1%	27.9%	28.1%	28.5%
Retail loans	0.7%	0.7%	0.7%	0.6%	0.5%	0.4%	0.3%	0.2%	0.2%	0.1%

- Generated sequential portfolio growth of $29 million, or 1.7%, in 2Q 24
- Achieved year-over-year portfolio growth of $85 million, or 5.0%, in 2Q 24, down from 10.7% in 2Q 23 due to credit tightening for disciplined growth
- Produced solid year-over-year small loan portfolio growth of $61 million, or 13.7%, in 2Q 24
- As of June 30, 2024, 83% of our portfolio carried an APR at or below 36%, down from 86% as of the prior-year period due to product mix shift to higher-rate small loan business

*See appendix for glossary

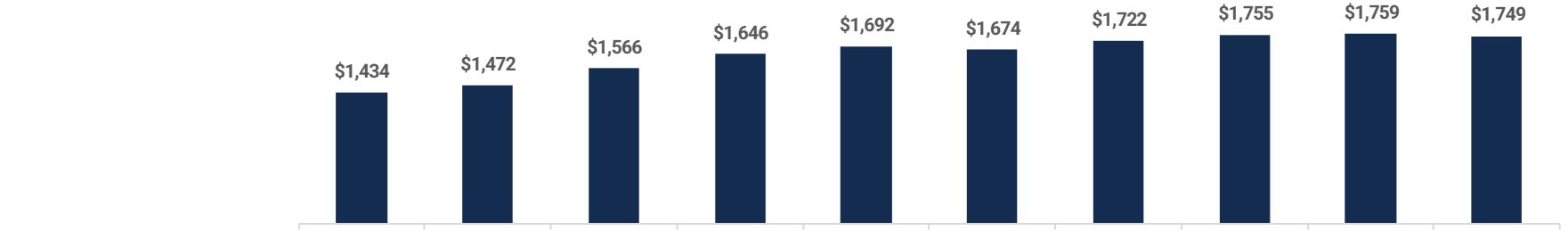
Revenue Up 7.1% on Controlled Receivable Growth

Total Revenue *($ in millions)*



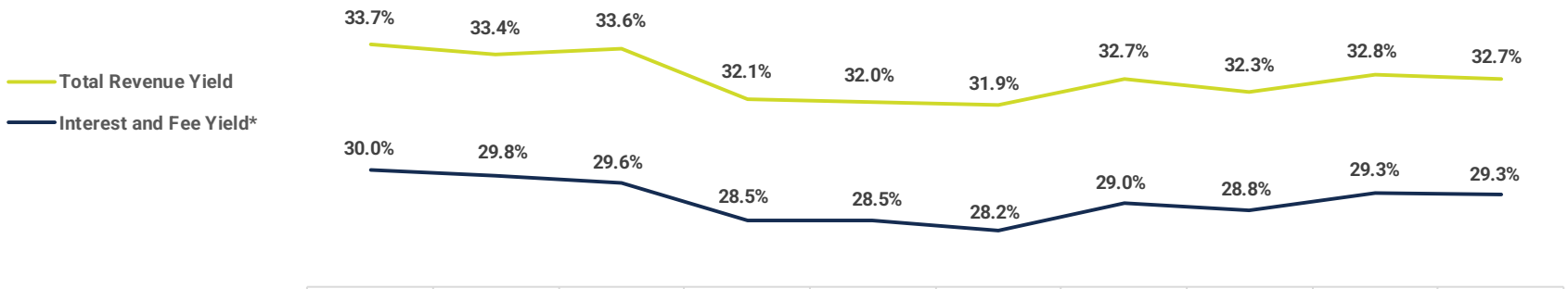
	1Q 22	2Q 22	3Q 22	4Q 22	1Q 23	2Q 23	3Q 23	4Q 23	1Q 24	2Q 24
Sequential Δ	1.1%	1.7%	7.0%	0.4%	2.5%	(1.4%)	5.5%	0.6%	1.9%	(0.9%)
YoY Δ	23.7%	23.3%	17.9%	10.5%	12.0%	8.6%	7.2%	7.3%	6.6%	7.1%

Average Net Finance Receivables *($ in millions)*



	1Q 22	2Q 22	3Q 22	4Q 22	1Q 23	2Q 23	3Q 23	4Q 23	1Q 24	2Q 24
Sequential Δ	5.2%	2.6%	6.4%	5.1%	2.8%	(1.1%)	2.9%	1.9%	0.2%	(0.6%)
YoY Δ	27.7%	30.9%	26.1%	20.7%	18.0%	13.8%	10.0%	6.6%	3.9%	4.5%

Total Revenue and Interest & Fee Yields



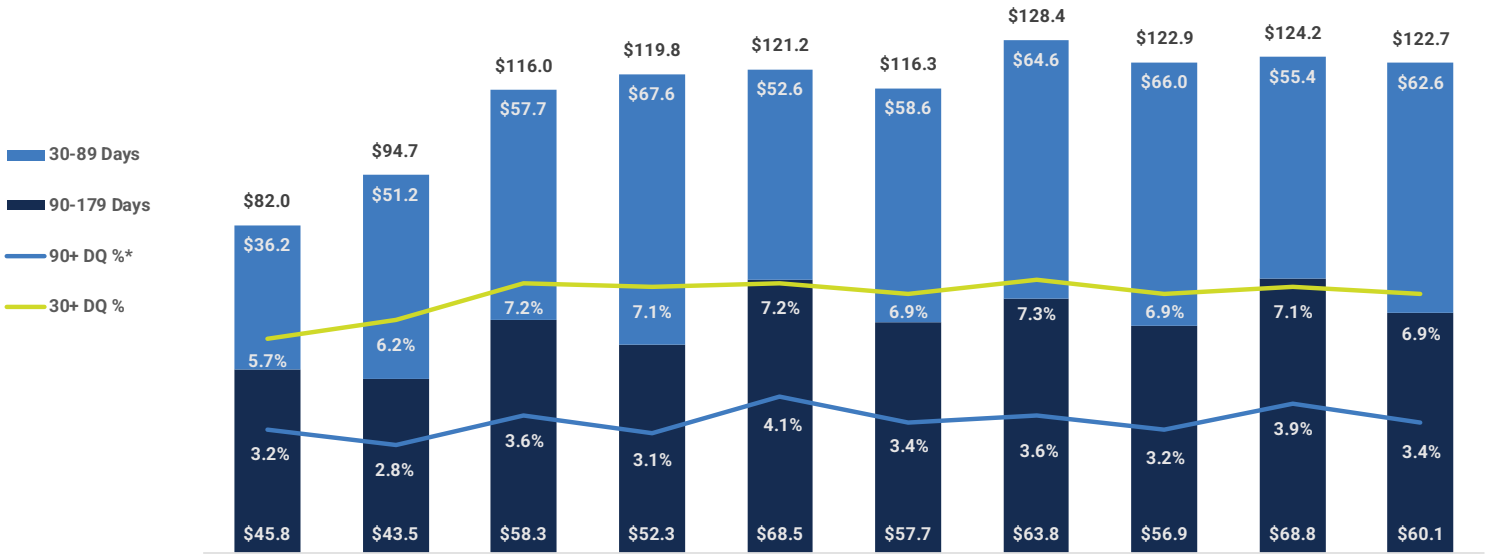
	1Q 22	2Q 22	3Q 22	4Q 22	1Q 23	2Q 23	3Q 23	4Q 23	1Q 24	2Q 24
Total revenue sequential Δ	(1.4%)	(0.3%)	0.2%	(1.5%)	(0.1%)	(0.1%)	0.8%	(0.4%)	0.5%	(0.1%)
Total revenue YoY Δ	(1.1%)	(2.1%)	(2.3%)	(3.0%)	(1.7%)	(1.5%)	(0.9%)	0.2%	0.8%	0.8%

- Revenue grew 7.1% year-over-year to $143.0 million in 2Q 24
- Year-over-year ANR growth of 4.5%, down from 13.8% year-over-year growth in 2Q 23 due to credit tightening for disciplined growth
- Interest and fee yield increased 110 basis points year-over-year due to the impact of pricing changes flowing into the portfolio, growth in our higher-rate small loan business, and improved credit performance; total revenue yield increased by 80 basis points year-over-year due to lower insurance revenue from portfolio mix shift

*See appendix for glossary

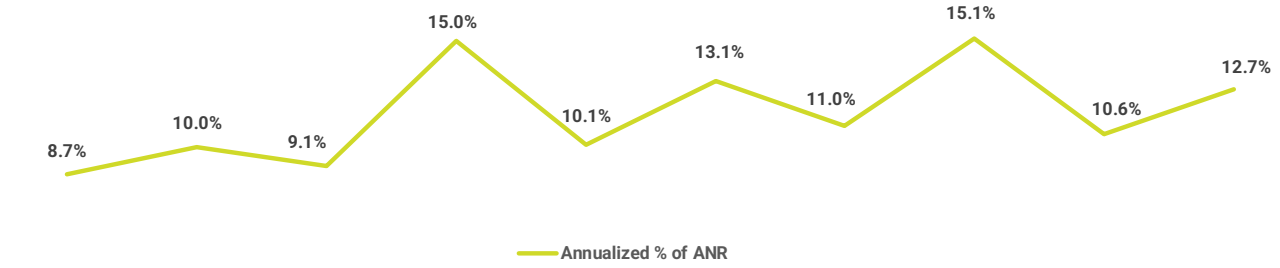
Recent Credit Trends – Starting to See Improvement in 2Q 24

30+ & 90+ Delinquency Rates *($ in millions)*



30+ Delinquencies	1Q 22	2Q 22	3Q 22	4Q 22	1Q 23	2Q 23	3Q 23	4Q 23	1Q 24	2Q 24
Sequential Δ	(0.3%)	0.5%	1.0%	(0.1%)	0.1%	(0.3%)	0.4%	(0.4%)	0.2%	(0.2%)
YoY Δ	1.4%	2.6%	2.5%	1.1%	1.5%	0.7%	0.1%	(0.2%)	(0.1%)	-
90+ Delinquencies										
Sequential Δ	0.5%	(0.4%)	0.8%	(0.5%)	1.0%	(0.7%)	0.2%	(0.4%)	0.7%	(0.5%)
YoY Δ	0.8%	1.2%	1.6%	0.4%	0.9%	0.6%	-	0.1%	(0.2%)	-

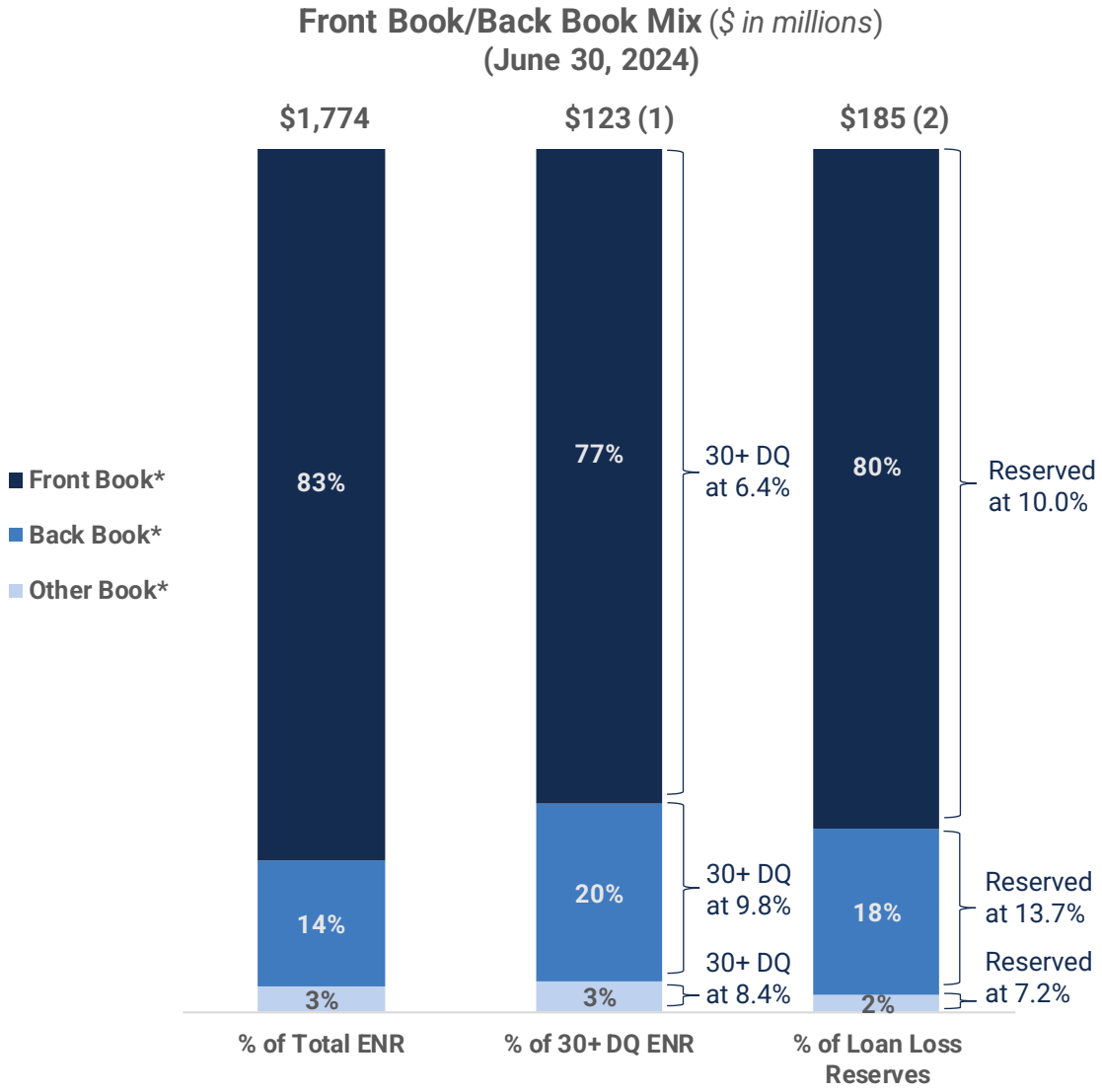
Net Credit Loss Rates



	1Q 22	2Q 22	3Q 22	4Q 22	1Q 23	2Q 23	3Q 23	4Q 23	1Q 24	2Q 24
Sequential Δ	2.3%	1.3%	(0.9%)	5.9%	(4.9%)	3.0%	(2.1%)	4.1%	(4.5%)	2.1%
YoY Δ	1.0%	2.6%	4.1%	8.6%	1.4%	3.1%	1.9%	0.1%	0.5%	(0.4%)

- 2Q 24 delinquency of 6.9% improved 20 basis points sequentially
  - 2Q 24 30+ delinquency is inclusive of a 10 basis point impact from growing higher-rate small loan business since 2Q 23
  - 30+ days past due of $122.7 million compares favorably to loan loss reserves of $185.4 million as of 2Q 24
- 2Q 24 net credit loss rate of 12.7%, down 40 basis points from 2Q 23, inclusive of a 20 basis point impact from higher-rate small loan business

Front Book 83% of Total Portfolio



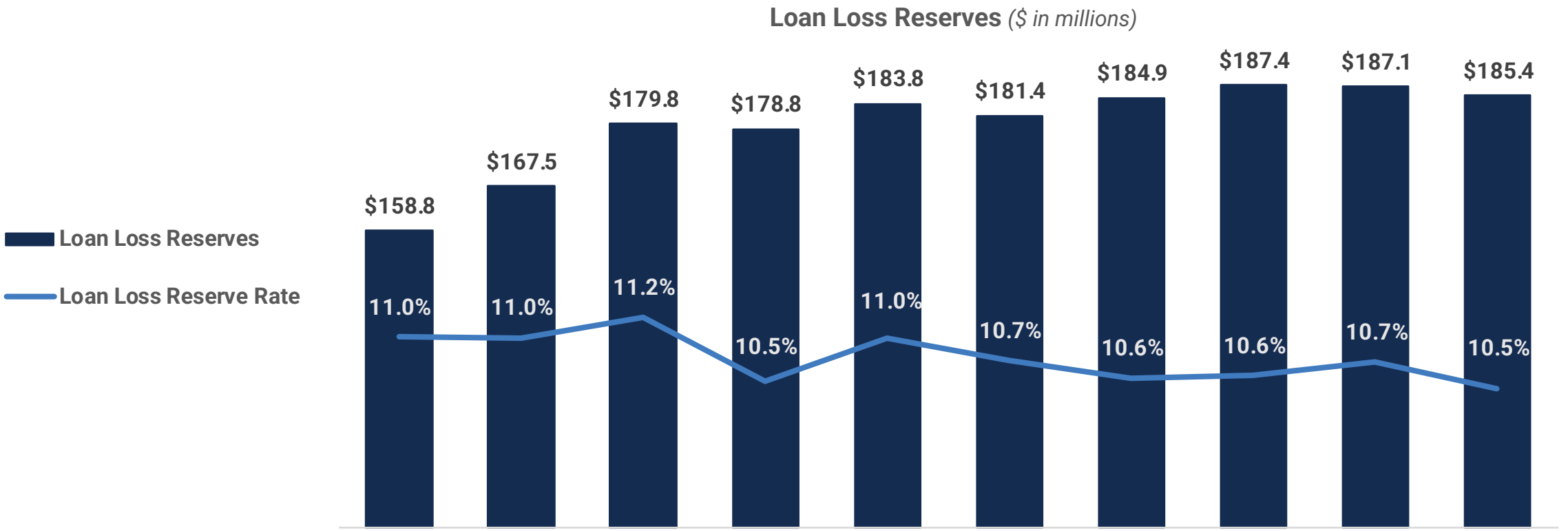
(1) Total delinquency over 30 days is 6.9%
(2) Total portfolio loan loss reserve rate is 10.5%

*See appendix for glossary

- Higher-credit-quality ENR from the front book is performing as expected and becoming a larger portion of the portfolio
- Front book is 83% of the total portfolio, an increase from 78% as of March 31, 2024
  - Front book is 77% of the 30+ delinquent loan receivables
  - Front and back book delinquencies are 6.4% and 9.8%, respectively; front book continues to mature
- Loans from our back book represent 20% of 30+ delinquent loan receivables as of June 30, 2024, and are expected to represent only 8% to 10% of the total portfolio by the end of 2024
- Front and back book loan loss reserves are 80% and 18% of total loan loss reserves, respectively
  - Front and back book loan loss reserve rates* are 10.0% and 13.7%, respectively

Reserved For Stressed Credit Losses

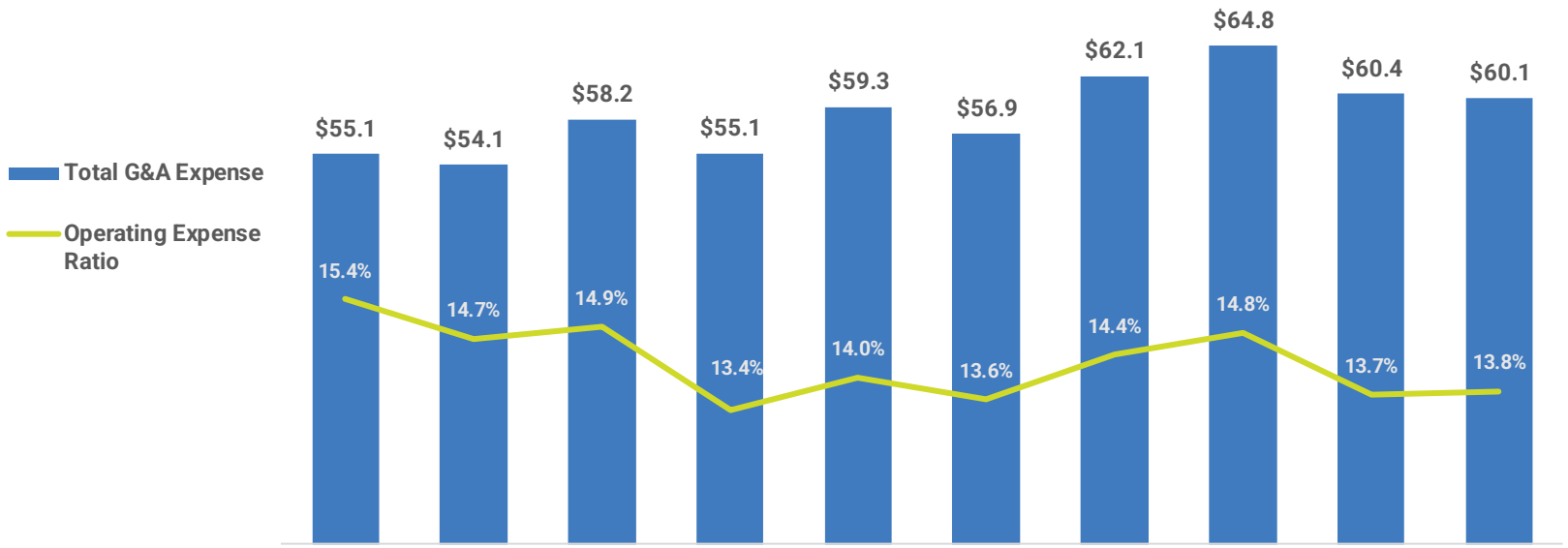
- In 2Q 24, we decreased our loan loss reserves by $1.7 million primarily due to changes in estimated future macroeconomic impacts on credit losses, partially offset by portfolio growth during the quarter
- Changes in our product mix may impact our loan loss reserve rate



	1Q 22	2Q 22	3Q 22	4Q 22	1Q 23	2Q 23	3Q 23	4Q 23	1Q 24	2Q 24
Sequential Δ	(0.2%)	-	0.2%	(0.7%)	0.5%	(0.3%)	(0.1%)	-	0.1%	(0.2%)
YoY Δ	(1.6%)	(0.8%)	(0.2%)	(0.7%)	-	(0.3%)	(0.6%)	0.1%	(0.3%)	(0.2%)

Continued Focus on Operating Leverage & Expense Control

Operating Expense Ratio *($ in millions)*



Operating Expense Ratio	1Q 22	2Q 22	3Q 22	4Q 22	1Q 23	2Q 23	3Q 23	4Q 23	1Q 24	2Q 24
YoY Δ	(0.9%)	(1.8%)	(0.5%)	(2.9%)	(1.4%)	(1.1%)	(0.5%)	1.4%	(0.3%)	0.2%

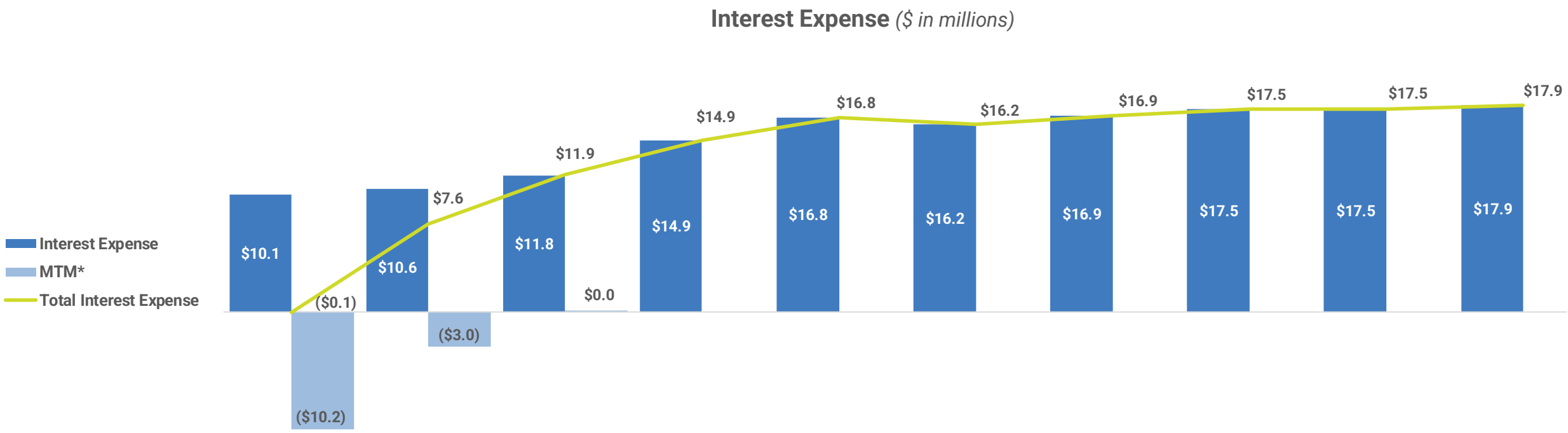
Operating Expense *($ in millions)*

	2Q 24	2Q 23	YoY Δ
Total revenue	$143.0	$133.5	$9.5
G&A expense	$60.1	$56.9	$3.2
Average net finance receivables	$1,748.8	$1,674.1	$74.6
Operating expense ratio	**13.8%**	**13.6%**	**0.2%**
Revenue-to-G&A expense increase			**2.9x**

- 2Q 24 operating expense ratio increased 20 basis points from the prior-year period
  - 2Q 23 included insurance settlement proceeds of $1.0 million, which decreased the ratio 20 basis points
- 2Q 24 year-over-year total revenue growth outpaced G&A expense growth by 2.9x

Cost of Funds – Flat for 4 Quarters Due to Proactive Interest Rate Management

- 2Q 24 cost of funds* increased 20 basis points year-over-year on higher interest rates and portfolio growth



Interest Expense	1Q 22	2Q 22	3Q 22	4Q 22	1Q 23	2Q 23	3Q 23	4Q 23	1Q 24	2Q 24
Cost of funds	-	2.1%	3.0%	3.6%	4.0%	3.8%	4.0%	4.0%	4.0%	4.0%
YoY Δ cost of funds	(2.6%)	(0.7%)	0.2%	1.3%	4.0%	1.7%	1.0%	0.4%	-	0.2%

*See appendix for glossary

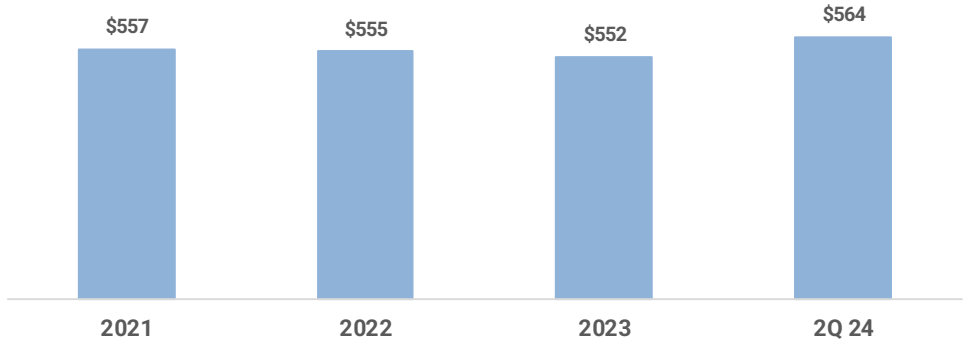
Strong Funding Profile

- As of June 30, 2024, total unused capacity was $564 million (subject to borrowing base)
- Available liquidity of $149 million as of June 30, 2024
- Fixed-rate debt represented 88% of total debt as of June 30, 2024, and had a weighted-average revolving duration of 1.2 years

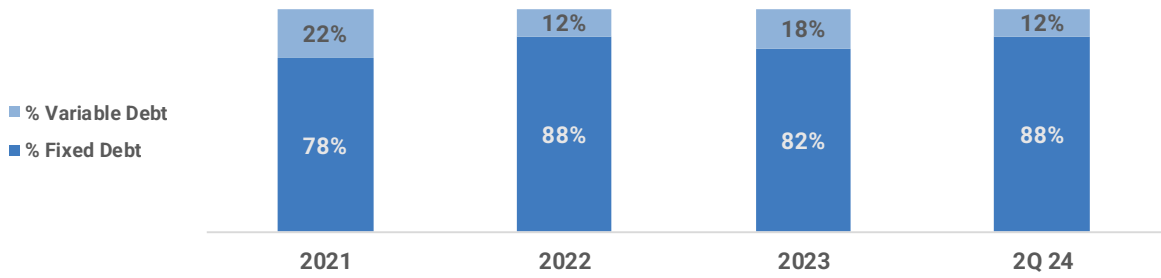
Securitizations as of June 30, 2024 *($ in millions)*

Transaction Period	Amount	Revolving Maturity	Maturity	WAC*
3Q 20	$84	Sep 2023	Oct 2030	3.42%
1Q 21	$179	Feb 2024	Mar 2031	2.24%
3Q 21	$200	Jul 2026	Aug 2033	2.30%
4Q 21	$125	Sep 2026	Oct 2033	3.88%
1Q 22	$250	Feb 2025	Mar 2032	3.59%
4Q 22	$184	Oct 2024	Nov 2031	7.51%
2Q 24	$187	May 2027	Jul 2036	6.19%

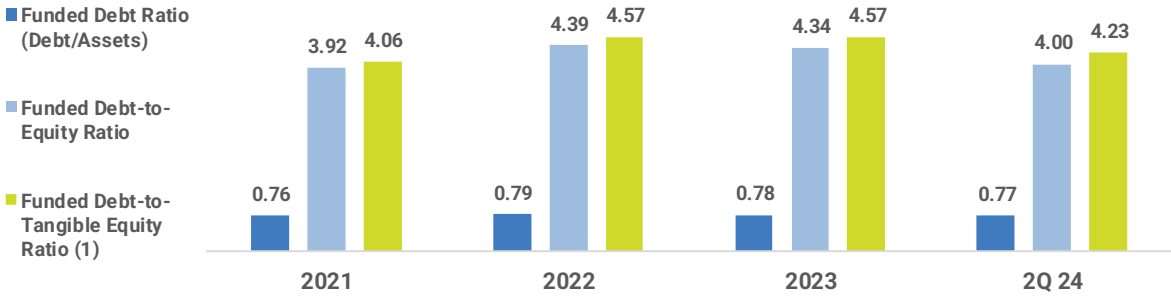
Unused Capacity *($ in millions)*



Fixed vs. Variable Debt



Funded Debt Ratios



	2021	2022	2023	2Q 24
Cost of Funds	2.6%	2.2%	3.9%	4.0%

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

2Q 24 Results and Outlooks

Key Metrics	2Q 24 Results	3Q 24 Outlook	FY 24 Outlook
ENR Growth	$29.5 million	~$48.0 million	~6.0%
ANR Growth/(Liquidation)	$(10.0) million	~$43.0 million	~4.0 - 4.5%
Total Revenue Yield	10 basis points sequential decrease	~40 basis points sequential increase	~60 - 70 basis points year-over-year increase
Net Credit Losses/ Net Credit Loss Rate	$55.5 million	~$47.5 million	~11.1 - 11.2%
Reserves as % of ENR	10.5%	~10.4 - 10.5%	~10.2 - 10.3%
G&A Expense	$60.1 million	~$64.5 million	~$250.0 million
Interest Expense/ Cost of Funds	$17.9 million	~$19.8 million	~4.3%
Effective Tax Rate	24.7%	~24.5%(1)	~24.0 - 25.0%(1)
Full Year Net Income			$41.0 - $44.0 million

(1) Prior to discrete items, such as any tax impacts of equity compensation

Appendix

Higher ENR Per Branch is Driving Efficiency

- Branch consolidations and our new-state, lighter-footprint strategy with larger branches are driving higher ENR per branch
- Same store* year-over-year growth rate of 4.5% in 2Q 24 vs. 7.2% in the prior-year period
- Less than one year branch cohort consists of two branches that opened in 2Q 24, compared to 18 branches as of 2Q 23

ENR Per Branch *($ in thousands)*

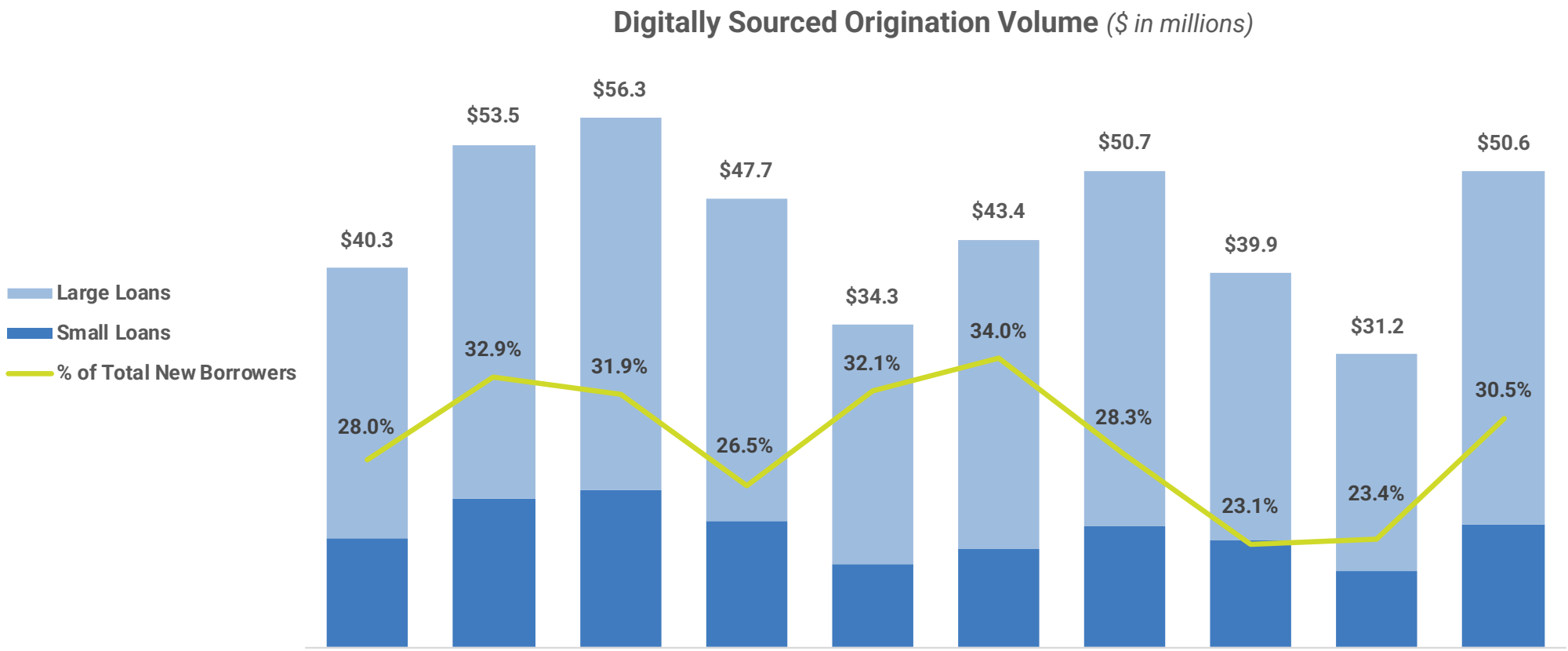


	< 1 Year	1-3 Years	3-5 Years	5+ Years	All
# of branches (2Q 23)	18	30	35	264	347
# of branches (2Q 24)	2	36	27	278	343

*See glossary

Digitally Sourced Originations

- Digital volume represented 30.5% of our total new borrower volume in 2Q 24
- Large loans represented 72.0% of new borrower digitally sourced loans booked in 2Q 24



Total Digital Originations	1Q 22	2Q 22	3Q 22	4Q 22	1Q 23	2Q 23	3Q 23	4Q 23	1Q 24	2Q 24
% YoY Δ	150.0%	48.6%	17.0%	(2.1%)	(14.9%)	(18.9%)	(9.9%)	(16.4%)	(9.2%)	16.7%

Significant Capacity to Absorb Losses

$ in millions	2Q 24
Total stockholders' equity	$344.9
Allowance for credit losses	185.4
TTM* net income	24.9
Absorption capacity including TTM net income	**$555.2**
Absorption capacity as % of ending net finance receivables	**31.3%**
Total stockholders' equity	$344.9
Allowance for credit losses	185.4
TTM pre-tax pre-provision income* (non-GAAP)	252.6
Absorption capacity including TTM PTPP (non-GAAP)	**$782.9**
Absorption capacity as % of ending net finance receivables (non-GAAP)	**44.1%**
TTM net credit loss rate	12.4%
Ending net finance receivables	$1,773.7

*See glossary

Diversified Liquidity Profile

- Long history of liquidity support from a strong group of banking partners
- Diversified funding platform with a senior revolving facility, warehouse facilities, and securitizations

	Senior Revolver	Warehouse Facilities	Private Securitization	Securitizations
Size	$355 million	$375 million	$125 million	$1,084 million
Interest Type	Floating	Floating	Fixed	Fixed
Maturity	Sep 2025	$125 million, May 2026 $100 million, Nov 2025 $75 million, Feb 2026 $75 million, Oct 2025	Oct 2033	2020-1, $84 million, Oct 2030 2021-1, $179 million, Mar 2031 2021-2, $200 million, Aug 2033 2022-1, $250 million, Mar 2032 2022-2B, $184 million, Nov 2031 2024-1, $187 million, Jul 2036
Effective Rate (as of June 30, 2024)	8.43% (one-month SOFR plus a 3.00% margin and a 0.10% SOFR spread adjustment with a SOFR floor of 0.50%)	$125 million, 8.23% (one-month SOFR plus a margin of 2.80% and a 0.10% SOFR spread adjustment) $100 million, 8.28% (the commercial paper rate plus a margin of 2.75%) $75 million, 7.93% (one-month SOFR plus a margin of 2.50% and a 0.10% SOFR spread adjustment) $75 million, 8.43% (one-month SOFR plus a margin of 3.00% and a 0.10% SOFR spread adjustment)	3.88%	2020-1, $84 million, 3.42% 2021-1, $179 million, 2.24% 2021-2, $200 million, 2.30% 2022-1, $250 million, 3.59% 2022-2B, $184 million, 7.51% 2024-1, $187 million, 6.19%
Lenders	Wells Fargo Bank (Agent), BMO Harris, First Horizon, Texas Capital	Wells Fargo Bank - $125 million JPMorgan Chase Bank - $100 million Regions Bank - $75 million BMO Capital Markets Corp. - $75 million	Qualified institutional investor	Qualified institutional investors
Collateral	Allows for funding of all products and APRs	Allows for funding of all products with ≤ 36% APR (excluding retail)	Allows for the funding of all products, including > 36% APR loans (excluding retail)	Allows for funding of all products with ≤ 36% APR (excluding retail)

Consolidated Income Statements

$ in thousands	2Q 24	2Q 23	2023	2022	2021	2020
Revenue						
Interest and fee income	$ 127,898	$ 118,083	$ 489,698	$ 450,854	$ 382,544	$ 335,215
Insurance income, net	10,507	11,203	44,529	43,502	35,482	28,349
Other income	4,620	4,198	17,172	12,831	10,325	10,342
Total revenue	143,025	133,484	551,399	507,187	428,351	373,906
Expenses						
Provision for credit losses	53,802	52,551	220,034	185,115	89,015	123,810
Personnel	37,097	36,419	156,872	141,243	119,833	109,560
Occupancy	6,149	6,158	25,029	23,809	24,126	22,629
Marketing	4,836	3,844	15,774	15,378	14,405	10,357
Other	12,054	10,475	45,444	42,098	37,150	33,770
Total general and administrative	60,136	56,896	243,119	222,528	195,514	176,316
Interest expense	17,865	16,224	67,463	34,223	31,349	37,852
Income before income taxes	11,222	7,813	20,783	65,321	112,473	35,928
Income taxes	2,777	1,790	4,825	14,097	23,786	9,198
Net income	**$ 8,445**	**$ 6,023**	**$ 15,958**	**$ 51,224**	**$ 88,687**	**$ 26,730**

Consolidated Balance Sheets

$ in thousands	2Q 24	2Q 23	2023	2022	2021	2020
Cash	$ 4,323	$ 10,330	$ 4,509	$ 3,873	$ 10,507	$ 8,052
Net finance receivables	1,773,743	1,688,937	1,771,410	1,699,393	1,426,257	1,136,259
Unearned insurance premiums	(46,081)	(49,059)	(47,892)	(51,008)	(47,837)	(34,545)
Allowance for credit losses	(185,400)	(181,400)	(187,400)	(178,800)	(159,300)	(150,000)
Net finance receivables, less unearned insurance premiums and allowance for credit losses	1,542,262	1,458,478	1,536,118	1,469,585	1,219,120	951,714
Restricted cash	138,891	131,132	124,164	127,926	138,682	63,824
Lease assets	35,144	34,996	34,303	34,521	28,721	27,116
Intangible assets	19,264	13,949	15,846	12,122	9,517	8,689
Property and equipment	13,411	14,689	13,787	14,526	12,938	14,008
Deferred tax assets, net	12,376	15,278	13,641	13,810	18,420	14,121
Restricted available-for-sale investments	2,157	20,298	22,740	20,416	-	-
Other assets	21,224	24,466	29,419	28,208	21,757	16,332
Total assets	**$ 1,789,052**	**$ 1,723,616**	**$ 1,794,527**	**$ 1,724,987**	**$ 1,459,662**	**$ 1,103,856**
Debt	$ 1,378,449	$ 1,344,855	$ 1,399,814	$ 1,355,359	$ 1,107,953	$ 768,909
Unamortized debt issuance costs	(5,616)	(6,923)	(4,578)	(9,512)	(11,010)	(6,661)
Net debt	1,372,833	1,337,932	1,395,236	1,345,847	1,096,943	762,248
Lease liabilities	37,286	37,150	36,576	36,712	30,700	29,201
Accounts payable and accrued expenses	34,030	27,032	40,442	33,795	49,283	40,284
Total liabilities	**1,444,149**	**1,402,114**	**1,472,254**	**1,416,354**	**1,176,926**	**831,733**
Common stock	1,496	1,464	1,457	1,433	1,416	1,385
Additional paid-in capital	126,373	116,202	121,752	112,384	104,745	105,483
Retained earnings	367,216	354,346	349,579	345,545	306,105	227,343
Accumulated other comprehensive loss	(39)	(367)	(372)	(586)	-	-
Treasury stock	(150,143)	(150,143)	(150,143)	(150,143)	(129,530)	(62,088)
Total stockholders' equity	**344,903**	**321,502**	**322,273**	**308,633**	**282,736**	**272,123**
Total liabilities and stockholders' equity	**$ 1,789,052**	**$ 1,723,616**	**$ 1,794,527**	**$ 1,724,987**	**$ 1,459,662**	**$ 1,103,856**

Non-GAAP Financial Measures

In addition to financial measures presented in accordance with generally accepted accounting principles ("GAAP"), this presentation contains certain non-GAAP financial measures. The Company's management utilizes non-GAAP measures as additional metrics to aid in, and enhance, its understanding of the Company's financial results. The Company believes that these non-GAAP measures provide useful information by excluding certain material items that may not be indicative of our operating results. As a result, the Company believes that the non-GAAP measures that it has presented will aid in the evaluation of the operating performance of the business. Pre-tax pre-provision income and absorption capacity including pre-tax pre-provision income are non-GAAP measures that adjust GAAP measures to exclude income taxes and provision for credit losses. Management uses these absorption measures to evaluate and manage the Company's position to absorb losses. The Company also believes that these absorption measures provide useful information to users of the Company's financial statements in the evaluation of its capacity to absorb losses. Furthermore, tangible equity and the funded debt-to-tangible equity ratio are non-GAAP measures that adjust GAAP measures to exclude intangible assets. Management uses these equity measures to evaluate and manage the company's capital and leverage position. The Company also believes that these equity measures are commonly used in the financial services industry and provide useful information to users of the Company's financial statements in the evaluation of its capital and leverage position.

As a result, the Company also believes that these adjusted measures will aid users of its financial statements in the evaluation of its operating performance. 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, the Company's non-GAAP measures may not be comparable to similarly titled non-GAAP measures of other companies. The following tables provide reconciliations of GAAP measures to non-GAAP measures.

Non-GAAP Financial Measures (Cont'd)

$ in millions	TTM
Pre-Tax Pre-Provision Income Non-GAAP Reconciliation	
Net income	$24.9
Income taxes	7.6
Provision for credit losses	220.0
Pre-tax pre-provision income (non-GAAP)	$252.6

$ in millions	2Q 24	% of ENR
Absorption Capacity Non-GAAP Reconciliation		
Absorption capacity including TTM net income	$555.2	31.3%
Income taxes	7.6	
Provision for credit losses	220.0	
Absorption capacity including TTM PTPP (non-GAAP)	$782.9	44.1%
Ending net finance receivables	$1,773.7	

Non-GAAP Financial Measures (Cont'd)

$ in thousands	2Q 24	2Q 23	2023	2022	2021	2020
Total assets	$ 1,789,052	$ 1,723,616	$ 1,794,527	$ 1,724,987	$ 1,459,662	$ 1,103,856
Less: Intangible assets	19,264	13,949	15,846	12,122	9,517	8,689
Tangible assets (non-GAAP)	1,769,788	1,709,667	1,778,681	1,712,865	1,450,145	1,095,167
Debt	1,378,449	1,344,855	1,399,814	1,355,359	1,107,953	768,909
Total stockholders' equity	344,903	321,502	322,273	308,633	282,736	272,123
Less: Intangible assets	19,264	13,949	15,846	12,122	9,517	8,689
Tangible common equity (non-GAAP)	$ 325,639	$ 307,553	$ 306,427	$ 296,511	$ 273,219	$ 263,434
Shares outstanding	10,156	9,829	9,759	9,523	9,788	10,932
Funded debt-to-equity ratio	4.00	4.18	4.34	4.39	3.92	2.83
Funded debt-to-tangible equity ratio (non-GAAP)	4.23	4.37	4.57	4.57	4.06	2.92
Total stockholders' equity to total assets	19.3%	18.7%	18.0%	17.9%	19.4%	24.7%
Tangible equity to tangible assets (non-GAAP)	18.4%	18.0%	17.2%	17.3%	18.8%	24.1%
Book value per share	$ 33.96	$ 32.71	$ 33.02	$ 32.41	$ 28.89	$ 24.89
Tangible book value per share (non-GAAP)	$ 32.06	$ 31.29	$ 31.40	$ 31.14	$ 27.91	$ 24.10

Glossary

- ANR – average net finance receivables
- Back book – loans originated from 4Q 21 to 3Q 22 and all delinquent renewals associated with loans originated prior to 4Q 22
- Cost of funds – annualized interest expense as a percentage of average net finance receivables
- DQ % – delinquent loans outstanding as a percentage of ending net finance receivables
- Dividend yield – annualized dividends per share divided by the closing share price as of the last day of the quarter
- ENR – ending net finance receivables
- Front book – loans originated during or after 4Q 22 excluding delinquent renewals associated with loans originated prior to 4Q 22
- Funded debt ratio – total debt divided by total assets
- Interest and fee yield – annualized interest and fee income as a percentage of average net finance receivables
- Loan loss reserve rate – loan loss reserves as a percentage of ending net finance receivables
- MTM – mark-to-market value increase/decrease on interest rate caps
- Net credit loss rate – annualized net credit losses as a percentage of average net finance receivables
- Operating expense ratio – annualized general and administrative expenses as a percentage of average net finance receivables
- Other book – loans originated prior to 4Q 21
- PTPP – pre-tax pre-provision income (non-GAAP) is defined as net income, plus income taxes and provision for credit losses
- ROA – return on assets is annualized net income as a percentage of average total assets
- ROE – return on equity is annualized net income as a percentage of average stockholders' equity
- Same store – comparison of branches with a comparable branch base; the comparable branch base includes those branches open for at least one year
- Total revenue yield – annualized total revenue as a percentage of average net finance receivables
- TTM – trailing twelve months
- WAC – weighted-average coupon


REGIONAL®
MANAGEMENT
RM
LISTED
NYSE