

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2025

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period ended

Commission File Number: 001-35477

Regional Management Corp.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

979 Batesville Road, Suite B
Greer, South Carolina
(Address of principal executive offices)

57-0847115
(I.R.S. Employer
Identification No.)

29651
(Zip Code)

(864) 448-7000
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol	Name of Each Exchange on Which Registered
Common Stock, \$0.10 par value	RM	New York Stock Exchange

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (Section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☒
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of April 30, 2025, the registrant had outstanding 9,920,620 shares of Common Stock, \$0.10 par value.

REGIONAL MANAGEMENT CORP.
QUARTERLY REPORT ON FORM 10-Q
Fiscal Quarter Ended March 31, 2025
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GLOSSARY

Terms and abbreviations used in this report are defined below:

Term or Abbreviation	Definition
2015 Plan	2015 Long-Term Incentive Plan
2024 Plan	2024 Long-Term Incentive Plan
AFS	available-for-sale
ASU	Accounting Standards Update
Board	the Company's Board of Directors
B(W)	comparatively better shown as positives, comparatively worse shown as negatives
CFPB	Consumer Financial Protection Bureau
CODM	Chief Operating Decision Maker
Company	Regional Management Corp.
Consent Agreement	Consent Agreement between the CFPB and the Company dated January 4, 2024
Cost of funds	annualized (as applicable) interest expense as a percentage of average net finance receivables
Debt balance	the balance for each respective debt agreement, composed of principal balance and accrued interest
Delinquency rate	delinquent loans outstanding as a percentage of ending net finance receivables
Efficiency ratio	annualized (as applicable) general and administrative expenses as a percentage of total revenue
Exchange Act	the Securities Exchange Act of 1934, as amended
FASB	Financial Accounting Standard Board
FICO	Fair Isaac Corporation
Funded debt-to-equity ratio	debt divided by total stockholders' equity
GAAP	U.S. Generally Accepted Accounting Principles
Inc (Dec)	comparative increases shown as positives, comparative decreases shown as negatives
Issuance Trust	the Company's indirect SPE through which private offerings and sales consisting of the issuance of classes of fixed-rate, asset-backed notes are completed
KTIP	key team member incentive program
LGD	loss given default
LTIP	long-term incentive program
Net credit loss rate	annualized (as applicable) net credit losses as a percentage of average net finance receivables
Notice	notice provided by the CFPB to the Company dated March 7, 2023
NQSO	nonqualified stock option
Operating expense ratio	annualized (as applicable) general and administrative expenses as a percentage of average net finance receivables
PD	probability of default
PRSU	performance restricted stock unit
QoQ	quarter-over-quarter
RMIT	Regional Management Issuance Trust
RMR	Regional Management Receivables
RMR III	Regional Management Receivables III, LLC
RMR IV	Regional Management Receivables IV, LLC
RMR V	Regional Management Receivables V, LLC
RMR VI	Regional Management Receivables VI, LLC
RMR VII	Regional Management Receivables VII, LLC
RSA	restricted stock award
RSU	restricted stock unit
SEC	Securities and Exchange Commission
SOFR	secured overnight financing rate
SPE	wholly owned, bankruptcy-remote, special purpose entity

Term or Abbreviation	Definition
Stockholders' equity ratio	total stockholders' equity as a percentage of total assets
VIE	variable interest entity
YoY	year-over-year

PART I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS.

Regional Management Corp. and Subsidiaries Consolidated Balance Sheets (in thousands, except par value amounts)

	(Unaudited) March 31, 2025	December 31, 2024
Assets		
Cash	\$ 4,158	\$ 3,951
Net finance receivables	1,890,351	1,892,535
Unearned insurance premiums	(47,107)	(48,068)
Allowance for credit losses	(199,100)	(199,500)
Net finance receivables, less unearned insurance premiums and allowance for credit losses	1,644,144	1,644,967
Restricted cash	122,312	131,684
Lease assets	40,699	38,442
Intangible assets	26,750	24,524
Restricted AFS investments	21,687	21,712
Property and equipment	13,635	13,677
Deferred tax assets, net	9,421	9,286
Other assets	17,877	20,866
Total assets	\$ 1,900,683	\$ 1,909,109
Liabilities and Stockholders' Equity		
Liabilities:		
Debt	\$ 1,477,860	\$ 1,478,336
Unamortized debt issuance costs	(7,924)	(6,338)
Net debt	1,469,936	1,471,998
Lease liabilities	42,788	40,579
Other liabilities	30,083	39,454
Total liabilities	1,542,807	1,552,031
Commitments and contingencies (Note 12)		
Stockholders' equity:		
Preferred stock (\$0.10 par value, 100,000 shares authorized, none issued or outstanding)	—	—
Common stock (\$0.10 par value, 1,000,000 shares authorized, 15,187 shares issued and 10,088 shares outstanding at March 31, 2025 and 14,921 shares issued and 10,010 shares outstanding at December 31, 2024)	1,519	1,492
Additional paid-in capital	134,206	130,725
Retained earnings	382,532	378,482
Accumulated other comprehensive income (loss)	(171)	62
Treasury stock (5,098 shares at March 31, 2025 and 4,911 shares at December 31, 2024)	(160,210)	(153,683)
Total stockholders' equity	357,876	357,078
Total liabilities and stockholders' equity	\$ 1,900,683	\$ 1,909,109

See accompanying notes to consolidated financial statements.

Regional Management Corp. and Subsidiaries
Consolidated Statements of Comprehensive Income
(Unaudited)
(in thousands, except per share amounts)

	Three Months Ended March 31,	
	2025	2024
Revenue		
Interest and fee income	\$ 136,553	\$ 128,818
Insurance income, net	11,297	10,974
Other income	5,117	4,516
Total revenue	152,967	144,308
Expenses		
Provision for credit losses	57,992	46,423
Personnel	41,142	37,820
Occupancy	6,906	6,375
Marketing	5,406	4,315
Other	12,589	11,938
Total general and administrative expenses	66,043	60,448
Interest expense	19,771	17,504
Income before income taxes	9,161	19,933
Income taxes	2,154	4,728
Net income	<u>\$ 7,007</u>	<u>\$ 15,205</u>
Net income per common share:		
Basic	<u>\$ 0.73</u>	<u>\$ 1.59</u>
Diluted	<u>\$ 0.70</u>	<u>\$ 1.56</u>
Weighted-average common shares outstanding:		
Basic	<u>9,610</u>	<u>9,569</u>
Diluted	<u>10,025</u>	<u>9,746</u>
Other comprehensive income (loss), net of tax		
Unrealized income (loss) on restricted AFS investments	(296)	195
Income taxes on unrealized items	63	(42)
Other comprehensive income (loss), net of tax	(233)	153
Total comprehensive income	<u>\$ 6,774</u>	<u>\$ 15,358</u>

See accompanying notes to consolidated financial statements.

Regional Management Corp. and Subsidiaries
Consolidated Statements of Stockholders' Equity
(Unaudited)
(in thousands)

As of and for the Three Months Ended March 31, 2025							
	Common Stock		Additional Paid-In	Retained	Accumulated	Treasury	Total
	Shares	Amount	Capital	Earnings	Other Comprehensive Income (Loss)	Stock	
Beginning balance	14,921	\$ 1,492	\$ 130,725	\$ 378,482	\$ 62	\$ (153,683)	\$ 357,078
Cash dividends	—	—	—	(2,957)	—	—	(2,957)
Issuance of restricted stock awards	257	26	(26)	—	—	—	—
Exercise of stock options	23	2	—	—	—	—	2
Repurchase of common stock	—	—	—	—	—	(6,527)	(6,527)
Shares withheld related to net share settlement	(14)	(1)	(81)	—	—	—	(82)
Share-based compensation	—	—	3,588	—	—	—	3,588
Net income	—	—	—	7,007	—	—	7,007
Other comprehensive loss	—	—	—	—	(233)	—	(233)
Ending balance	<u>15,187</u>	<u>\$ 1,519</u>	<u>\$ 134,206</u>	<u>\$ 382,532</u>	<u>\$ (171)</u>	<u>\$ (160,210)</u>	<u>\$ 357,876</u>

As of and for the Three Months Ended March 31, 2024							
	Common Stock		Additional Paid-In	Retained	Accumulated	Treasury	Total
	Shares	Amount	Capital	Earnings	Other Comprehensive Income (Loss)	Stock	
Beginning balance	\$ 14,566	\$ 1,457	\$ 121,752	\$ 349,579	\$ (372)	\$ (150,143)	\$ 322,273
Cash dividends	—	—	—	(2,993)	—	—	(2,993)
Issuance of restricted stock awards	110	11	(11)	—	—	—	—
Shares withheld related to net share settlement	(1)	—	(10)	—	—	—	(10)
Share-based compensation	—	—	1,832	—	—	—	1,832
Net income	—	—	—	15,205	—	—	15,205
Other comprehensive income	—	—	—	—	153	—	153
Ending balance	<u>14,675</u>	<u>\$ 1,468</u>	<u>\$ 123,563</u>	<u>\$ 361,791</u>	<u>\$ (219)</u>	<u>\$ (150,143)</u>	<u>\$ 336,460</u>

See accompanying notes to consolidated financial statements.

Regional Management Corp. and Subsidiaries
Consolidated Statements of Cash Flows
(Unaudited)
(in thousands)

	Three Months Ended March 31,	
	2025	2024
Cash flows from operating activities:		
Net income	\$ 7,007	\$ 15,205
Adjustments to reconcile net income to net cash provided by operating activities:		
Provision for credit losses	57,992	46,423
Depreciation and amortization	3,603	3,498
Amortization of deferred origination fees and costs	(4,045)	(3,874)
Loss on disposal of intangibles, property, and equipment	82	215
Share-based compensation	3,501	1,832
Deferred income taxes, net	(72)	108
Changes in operating assets and liabilities:		
Decrease in unearned insurance premiums	(961)	(2,217)
(Increase) decrease in lease assets	(2,257)	903
Decrease in other assets	6,562	8,077
Decrease in other liabilities	(9,956)	(10,802)
Increase (decrease) in lease liabilities	2,209	(897)
Net cash provided by operating activities	63,665	58,471
Cash flows from investing activities:		
Originations of finance receivables	(394,151)	(325,995)
Repayments of finance receivables	338,362	309,019
Purchases of intangible assets	(3,203)	(2,603)
Purchases of property and equipment	(1,275)	(1,026)
Purchases of restricted AFS investments	—	(3,832)
Proceeds from maturities of restricted AFS investments	—	4,108
Net cash used in investing activities	(60,267)	(20,329)
Cash flows from financing activities:		
Advances on revolving credit facilities	415,024	359,518
Payments on revolving credit facilities	(589,527)	(351,421)
Advances on securitizations	265,000	—
Payments on securitizations	(90,269)	(48,996)
Payments for debt issuance costs	(2,762)	(400)
Taxes refunded (paid) related to net share settlement of equity awards	(408)	147
Cash dividends	(3,152)	(3,254)
Repurchases of common stock	(6,469)	—
Net cash used in financing activities	(12,563)	(44,406)
Net change in cash and restricted cash	(9,165)	(6,264)
Cash and restricted cash at beginning of period	135,635	128,673
Cash and restricted cash at end of period	\$ 126,470	\$ 122,409
Supplemental cash flow information:		
Interest paid	\$ 19,151	\$ 16,308
Income taxes refunded	\$ (81)	\$ (967)
Operating leases paid	\$ 3,117	\$ 2,806
Non-cash lease assets and liabilities acquired	\$ 4,710	\$ 1,368

The following table reconciles cash and restricted cash from the Consolidated Balance Sheets to the statements above:

	March 31, 2025	December 31, 2024	March 31, 2024
Cash	\$ 4,158	\$ 3,951	\$ 4,215
Restricted cash	122,312	131,684	118,194
Total	<u>\$ 126,470</u>	<u>\$ 135,635</u>	<u>\$ 122,409</u>

See accompanying notes to consolidated financial statements.

Regional Management Corp. and Subsidiaries
Notes to Consolidated Financial Statements

Note 1. Nature of Business

The Company was incorporated and began operations in 1987. The Company is engaged in the consumer finance business, offering large loans, small loans, and related payment and collateral protection insurance products. The Company formerly offered retail loans but ceased accepting applications for retail loan products effective November 2022. The Company continues to own and service its existing portfolio of retail loans. As of March 31, 2025, the Company operated under the name “Regional Finance” online and in branch locations in 19 states across the United States.

The Company’s large loan receivables are direct loans to customers, some of which are convenience check receivables and the vast majority of which are secured by non-essential household goods, automobiles, and/or other vehicles. Convenience checks are direct loans originated by mailing checks to customers based on a pre-screening process that includes a review of the prospective customer’s credit profile provided by national credit reporting bureaus or data aggregators. A recipient of a convenience check is able to enter into a loan by endorsing and depositing or cashing the check. The Company’s small loan portfolio is comprised of branch small loan receivables and convenience check receivables. Branch small loan receivables are direct loans to customers and are secured by non-essential household goods and, in some instances, an automobile. Retail loan receivables consist principally of retail installment sales contracts collateralized by the purchased furniture, appliances, and other retail items and are initiated by and purchased from retailers, subject to the Company’s credit approval.

The Company’s loan volume and contractual delinquency follow seasonal trends. Demand for the Company’s loans is typically highest during the second, third, and fourth quarters, which the Company believes is largely due to customers borrowing money for vacation, back-to-school, and holiday spending. Loan demand has generally been the lowest during the first quarter, which the Company believes is largely due to the timing of income tax refunds. Delinquencies generally reach their lowest point in the first half of the year and rise in the second half of the year. Changes in quarterly growth or liquidation could result in larger allowance for credit loss releases in periods of portfolio liquidation and larger provisions for credit losses in periods of portfolio growth. Consequently, the Company experiences seasonal fluctuations in its operating results. However, changes in macroeconomic factors, including inflation, higher interest rates, and geopolitical conflict, have impacted the Company’s typical seasonal trends for loan volume and delinquency.

Note 2. Basis of Presentation and Significant Accounting Policies

Basis of presentation: The consolidated financial statements of the Company have been prepared in accordance with SEC regulations and GAAP for interim financial information and, accordingly, do not include all information and note disclosures required by GAAP for complete financial statements. The interim financial statements in this Quarterly Report on Form 10-Q have not been audited by an independent registered public accounting firm in accordance with standards of the Public Company Accounting Oversight Board (United States), but in the opinion of management, the interim financial statements include all adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of the Company’s financial position, results of operations, and cash flows in accordance with GAAP. These consolidated financial statements should be read in conjunction with the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2024, as filed with the SEC.

Significant accounting policies: The following is a description of significant accounting policies used in preparing the financial statements. The accounting and reporting policies of the Company are in accordance with GAAP.

Principles of consolidation: The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation. The Company operates through a separate wholly owned subsidiary in each state. The Company also consolidates VIEs when it is considered to be the primary beneficiary of the VIE because it has (i) power over the significant activities of the VIE and (ii) the obligation to absorb losses or the right to receive returns that could be significant to the VIE.

Variable interest entities: The Company transfers pools of loans to SPEs to secure debt for general funding purposes. These entities have the limited purpose of acquiring finance receivables, in addition to holding and making payments on the related debts. Assets transferred to each SPE are legally isolated from the Company and its affiliates, as well as the claims of the Company’s and its affiliates’ creditors. Further, the assets of each SPE are owned by such SPE and are not available to satisfy the debts or other obligations of the Company or any of its affiliates. The Company continues to service the finance receivables transferred to the SPEs. The lenders and investors in the debt issued by the SPEs generally only have recourse to the assets of the SPEs and do not have recourse to the general credit of the Company.

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The SPEs' debt arrangements are structured to provide credit enhancements to the lenders and investors, which may include overcollateralization, subordination of interests, excess spread, and reserve funds. These enhancements, along with the isolated finance receivables pools, increase the creditworthiness of the SPEs above that of the Company as a whole. This increases the marketability of the Company's collateral for borrowing purposes, leading to more favorable borrowing terms, improved interest rate risk management, and additional flexibility to grow the business.

The SPEs are considered VIEs under GAAP and are consolidated into the financial statements of their primary beneficiary. The Company is considered to be the primary beneficiary of the SPEs because it has (i) power over the significant activities through its role as servicer of the finance receivables under each debt arrangement, (ii) the obligation to absorb losses that could be significant through note investment, if applicable, and (iii) the obligation to absorb losses or the right to receive returns that could be significant through the Company's interest in the monthly residual cash flows of the SPEs.

Consolidation of VIEs results in these transactions being accounted for as secured borrowings; therefore, the pooled receivables and the related debts remain on the consolidated balance sheet of the Company. Each debt is secured solely by the assets of the VIEs and not by any other assets of the Company. The assets of the VIEs are the only source of funds for repayment on each debt, and restricted cash held by the VIEs can only be used to support payments on the debt. The Company recognizes revenue and provision for credit losses on the finance receivables of the VIEs and interest expense on the related secured debt.

Use of estimates: The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses, and disclosure of contingent assets and liabilities for the periods indicated in the financial statements. Actual results could differ from those estimates.

Estimates that are susceptible to change relate to the determination of the allowance for credit losses, the valuation of deferred tax assets and liabilities, and the fair value of financial instruments.

Recent accounting pronouncements: In December 2023, the FASB issued ASU 2023-09, enhancing the transparency and decision usefulness of income tax disclosures. The amendment, among other things, improves transparency of income tax disclosures by requiring more consistent categories and greater disaggregation of information in rate reconciliations, and disaggregation of income taxes paid by jurisdiction. The amendments in this update are effective for annual periods beginning after December 15, 2024, and early adoption is permitted for annual financial statements that have not yet been issued or made available for issuance. The income tax guidance should be applied on a prospective basis, however, retrospective application is permitted. The Company is currently evaluating the impact of this update on its consolidated financial statements.

In November 2024, the FASB issued ASU 2024-03, enhancing the disclosures about a company's expenses. The amendment, among other things, improves these disclosures by requiring disaggregated expense information about a company's expense types. The amendments in this update are effective for annual periods beginning after December 15, 2026, and early adoption is permitted. The enhanced expense guidance can be applied on either a prospective (for financial statements issued during reporting periods after the effective date of this ASU) or retrospective (to any or all prior periods presented) basis. The Company is currently evaluating the impact of this update on its consolidated financial statements.

Net finance receivables: Generally, the Company classifies finance receivables as held for investment based on management's intent at the time of origination. The Company determines classification on a receivable-by-receivable basis. The Company classifies finance receivables as held for investment due to its ability and intent to hold them until their contractual maturities. Net finance receivables consist of the Company's installment loans. The Company carries net finance receivables at amortized cost, which includes remaining principal balance, accrued interest, and net unamortized deferred origination costs and unamortized fees.

Loan renewals are a significant piece of new volume and are considered a terminal event of the previous loan. The Company may renew delinquent secured or unsecured loan accounts if the customer meets the Company's underwriting criteria and it does not appear the cause of past delinquency will affect the customer's ability to repay the renewed loan.

Finance receivable origination fees and costs: Non-refundable fees received and direct costs (personnel and digital loan origination costs) incurred for the origination of finance receivables are deferred and recognized to interest income over their contractual lives using the constant yield method. Unamortized amounts are recognized in interest income at the time that finance receivables are paid in full, renewed, or charged off.

Nonaccrual status: Accrual of interest income on finance receivables is suspended when an account becomes 90 days delinquent. If the account is charged off, the accrued interest income is reversed as a reduction of interest and fee income. Interest received on such loans is accounted for on the cash-basis method, until qualifying for return to accrual. Under the cash-basis method, interest income is recorded when the payment is received. Loans resume accruing interest when the past due status is brought below 90

days. The Company made a policy election to not record an allowance for credit losses related to accrued interest because it has nonaccrual and charge-off policies that result in the timely suspension and reversal of accrued interest.

Allowance for credit losses: The allowance for credit losses is based on historical credit experience, current conditions, and reasonable and supportable economic forecasts. The historical loss experience is adjusted for quantitative and qualitative factors that are not fully reflected in the historical data. In determining its estimate of expected credit losses, the Company evaluates information related to credit metrics, changes in its lending strategies and underwriting practices, and the current and forecasted direction of the economic and business environment. These metrics include, but are not limited to, loan portfolio mix and growth, unemployment, credit loss trends, delinquency trends, changes in underwriting, and operational risks.

The Company selected a PD / LGD model to estimate its base allowance for credit losses, in which the estimated loss is equal to the product of PD and LGD. Historical net finance receivables are tracked over the term of the pools to identify the incidences of loss (PDs) and the average severity of losses (LGDs).

To enhance the precision of the allowance for credit loss estimate, the Company evaluates its finance receivable portfolio on a pool basis and segments each pool of finance receivables with similar credit risk characteristics. As part of its evaluation, the Company considers loan portfolio characteristics such as product type, loan size, loan term, internal or external credit scores, delinquency status, geographical location, and vintage. Based on analysis of historical loss experience, the Company selected the following segmentation: product type, FICO score, and delinquency status.

As finance receivables are originated, provisions for credit losses are recorded in amounts sufficient to maintain an allowance for credit losses at an adequate level to provide for estimated losses over the contractual life of the finance receivables (considering the effect of prepayments). Subsequent changes to the contractual terms that are a result of re-underwriting are not included in the finance receivable's contractual life (considering the effect of prepayments). The Company uses its segmentation loss experience to forecast expected credit losses. Historical information about losses generally provides a basis for the estimate of expected credit losses. The Company also considers the need to adjust historical information to reflect the extent to which current conditions differ from the conditions that existed for the period over which historical information was evaluated. These adjustments to historical loss information may be qualitative or quantitative in nature.

Reasonable and supportable macroeconomic forecasts are required for the Company's allowance for credit loss model. The Company engaged a major rating service to assist with compiling a reasonable and supportable forecast. The Company reviews macroeconomic forecasts to use in its allowance for credit losses. The Company adjusts the historical loss experience by relevant qualitative factors for these expectations. The Company does not require reversion adjustments, as the contractual lives of its portfolio are shorter than its available forecast periods.

The Company charges credit losses against the allowance for all products when an account reaches 180 days contractually delinquent, subject to certain exceptions. The Company's customer accounts without a lien on a vehicle in a confirmed bankruptcy are charged off in the month following the bankruptcy notification or at 60 days contractually delinquent, subject to certain exceptions. Deceased borrower accounts are charged off in the month following the proper notification of passing, with the exception of borrowers with credit life insurance. Subsequent recoveries of amounts charged off, if any, are credited to the allowance.

Restricted cash: Restricted cash includes cash and cash equivalents for which the Company's ability to withdraw funds is contractually limited. The Company's restricted cash consists of cash reserves that are maintained as collateral for potential credit life insurance claims and cash restricted for debt servicing of the Company's revolving warehouse credit facilities and securitizations.

Restricted AFS investments: The Company classifies its investments in debt securities that were purchased with the Company's restricted cash as restricted AFS investments and carries the investments at fair value. Unrealized gains and losses, net of taxes, are excluded from earnings and reported in other comprehensive income or loss until realized. The unrealized gains and losses, net of taxes, are recorded on the consolidated balance sheet in accumulated other comprehensive income or loss in stockholders' equity. Realized gains and losses from the sale of AFS investments are specifically identified and reclassified from accumulated other comprehensive income or loss and included within earnings on the consolidated statement of income.

Share-based compensation: The Company measures compensation cost for share-based awards at estimated fair value and recognizes compensation expense over the service period for awards expected to vest. The Company uses the closing stock price on the date of grant as the fair value of RSAs, performance-contingent RSUs, and service-based RSUs. The fair value of NQSOs is determined using the Black-Scholes valuation model, and the fair value of PRSUs is determined using the Monte Carlo valuation model. When applicable, the Black-Scholes and Monte Carlo models require the input of assumptions, including expected volatility, expected dividends, expected term, risk-free interest rate, and a discount associated with post-vest holding restrictions, changes to

which can affect the fair value estimate. Expected volatility is based on the Company’s historical stock price volatility. Expected dividends are calculated using the expected dividend yield (annualized dividends divided by the grant date stock price). The expected term is calculated by using the simplified method (average of the vesting and original contractual terms) due to insufficient historical data to estimate the expected term. The risk-free rate is based on the zero-coupon U.S. Treasury bond rate over the expected term of the awards. The estimated discount associated with post-vest holding restrictions is calculated using a blend of the Finnerty and Chaffe models. In addition, the estimation of share-based awards that will ultimately vest requires judgment, and to the extent actual results or updated estimates differ from current estimates, such amounts will be recorded as a cumulative adjustment in the period estimates are revised.

Note 3. Finance Receivables, Credit Quality Information, and Allowance for Credit Losses

Net finance receivables for the periods indicated consisted of the following:

<i>Dollars in thousands</i>	March 31, 2025	December 31, 2024
Large loans	\$ 1,345,825	\$ 1,336,780
Small loans	543,824	554,686
Retail loans	702	1,069
Total	<u>\$ 1,890,351</u>	<u>\$ 1,892,535</u>

Net finance receivables included net deferred origination fees and costs of \$15.2 million and \$15.7 million as of March 31, 2025 and December 31, 2024, respectively.

The credit quality of the Company’s finance receivable portfolio is dependent on the Company’s ability to enforce sound underwriting standards, maintain diligent servicing of the portfolio, and respond to changing economic conditions as it manages and grows its portfolio. The allowance for credit losses uses FICO scores and delinquency as key data points in estimating the allowance. The Company uses six FICO band categories to assess FICO scores. The first three FICO band categories include subprime FICO scores below 620. The fourth and fifth FICO band categories include near-prime FICO scores ranging from 620 to 659. The sixth FICO band category includes prime FICO scores of 660 or higher.

Net finance receivables by product, FICO band at origination, and origination year as of March 31, 2025 are as follows:

	Net Finance Receivables by Origination Year							Total Net Finance Receivables
<i>Dollars in thousands</i>	2025	2024	2023	2022	2021	Prior		
Large Loans:								
FICO Band								
1	\$ 25,856	\$ 75,620	\$ 30,409	\$ 10,066	\$ 3,132	\$ 857	\$ 145,940	
2	15,505	47,242	15,395	4,857	1,164	183	84,346	
3	24,538	77,302	28,538	12,905	2,931	224	146,438	
4	34,221	107,349	42,219	20,242	4,199	369	208,599	
5	39,030	117,552	46,873	22,576	5,972	476	232,479	
6	94,653	258,177	114,025	49,007	11,275	886	528,023	
Total	<u>\$ 233,803</u>	<u>\$ 683,242</u>	<u>\$ 277,459</u>	<u>\$ 119,653</u>	<u>\$ 28,673</u>	<u>\$ 2,995</u>	<u>\$ 1,345,825</u>	
Small Loans:								
FICO Band								
1	\$ 24,504	\$ 49,218	\$ 7,705	\$ 1,087	\$ 164	\$ 47	\$ 82,725	
2	10,509	24,028	3,687	394	32	3	38,653	
3	17,104	38,827	5,732	459	22	3	62,147	
4	20,235	49,233	7,683	487	22	8	77,668	
5	21,476	56,877	10,322	638	11	4	89,328	
6	47,382	124,056	20,758	1,089	12	6	193,303	
Total	<u>\$ 141,210</u>	<u>\$ 342,239</u>	<u>\$ 55,887</u>	<u>\$ 4,154</u>	<u>\$ 263</u>	<u>\$ 71</u>	<u>\$ 543,824</u>	
Retail Loans:								
FICO Band								
1	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 2	\$ 2	
2	—	—	—	37	1	—	38	
3	—	—	—	122	14	1	137	
4	—	—	—	165	31	5	201	
5	—	—	—	121	26	—	147	
6	—	—	—	146	30	1	177	
Total	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 591</u>	<u>\$ 102</u>	<u>\$ 9</u>	<u>\$ 702</u>	
Total Loans:								
FICO Band								
1	\$ 50,360	\$ 124,838	\$ 38,114	\$ 11,153	\$ 3,296	\$ 906	\$ 228,667	
2	26,014	71,270	19,082	5,288	1,197	186	123,037	
3	41,642	116,129	34,270	13,486	2,967	228	208,722	
4	54,456	156,582	49,902	20,894	4,252	382	286,468	
5	60,506	174,429	57,195	23,335	6,009	480	321,954	
6	142,035	382,233	134,783	50,242	11,317	893	721,503	
Total	<u>\$ 375,013</u>	<u>\$ 1,025,481</u>	<u>\$ 333,346</u>	<u>\$ 124,398</u>	<u>\$ 29,038</u>	<u>\$ 3,075</u>	<u>\$ 1,890,351</u>	

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Net finance receivables by product, FICO band at origination, and origination year as of December 31, 2024 are as follows:

	Net Finance Receivables by Origination Year							
<i>Dollars in thousands</i>	2024	2023	2022	2021	2020	Prior	Total Net Finance Receivables	
Large Loans:								
FICO Band								
1	\$ 86,776	\$ 37,750	\$ 12,457	\$ 3,950	\$ 793	\$ 373	\$ 142,099	
2	55,211	19,464	6,171	1,602	173	92	82,713	
3	90,642	35,777	16,579	4,224	339	59	147,620	
4	125,867	52,564	25,521	6,140	570	100	210,762	
5	137,243	58,604	28,564	8,148	784	36	233,379	
6	300,714	140,149	62,303	15,514	1,464	63	520,207	
Total	\$ 796,453	\$ 344,308	\$ 151,595	\$ 39,578	\$ 4,123	\$ 723	\$ 1,336,780	
Small Loans:								
FICO Band								
1	\$ 67,809	\$ 11,905	\$ 1,737	\$ 257	\$ 40	\$ 26	\$ 81,774	
2	32,851	5,799	689	59	4	2	39,404	
3	52,846	9,456	873	49	4	1	63,229	
4	67,200	12,903	924	39	5	5	81,076	
5	75,458	16,882	1,313	22	3	3	93,681	
6	160,551	32,671	2,263	29	5	3	195,522	
Total	\$ 456,715	\$ 89,616	\$ 7,799	\$ 455	\$ 61	\$ 40	\$ 554,686	
Retail Loans:								
FICO Band								
1	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 2	\$ 2	
2	—	—	66	2	—	—	68	
3	—	—	188	27	—	1	216	
4	—	—	237	55	4	2	298	
5	—	—	187	47	—	—	234	
6	—	—	199	51	—	1	251	
Total	\$ —	\$ —	\$ 877	\$ 182	\$ 4	\$ 6	\$ 1,069	
Total Loans:								
FICO Band								
1	\$ 154,585	\$ 49,655	\$ 14,194	\$ 4,207	\$ 833	\$ 401	\$ 223,875	
2	88,062	25,263	6,926	1,663	177	94	122,185	
3	143,488	45,233	17,640	4,300	343	61	211,065	
4	193,067	65,467	26,682	6,234	579	107	292,136	
5	212,701	75,486	30,064	8,217	787	39	327,294	
6	461,265	172,820	64,765	15,594	1,469	67	715,980	
Total	\$ 1,253,168	\$ 433,924	\$ 160,271	\$ 40,215	\$ 4,188	\$ 769	\$ 1,892,535	

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Credit losses by product and origination year for the periods indicated are as follows:

<i>Dollars in thousands</i>	Three Months Ended March 31, 2025						
	2025	2024	2023	2022	2021	Prior	Total Credit Losses
Large loans	\$ 8	\$ 14,216	\$ 14,667	\$ 5,217	\$ 1,384	\$ 263	\$ 35,755
Small loans	11	17,157	7,900	749	44	7	25,868
Retail loans	—	—	—	72	13	1	86
Total	\$ 19	\$ 31,373	\$ 22,567	\$ 6,038	\$ 1,441	\$ 271	\$ 61,709

<i>Dollars in thousands</i>	Three Months Ended March 31, 2024						
	2024	2023	2022	2021	2020	Prior	Total Credit Losses
Large loans	\$ 19	\$ 12,522	\$ 14,246	\$ 4,091	\$ 631	\$ 202	\$ 31,711
Small loans	15	11,945	4,767	436	20	5	17,188
Retail loans	—	—	179	104	8	3	294
Total	\$ 34	\$ 24,467	\$ 19,192	\$ 4,631	\$ 659	\$ 210	\$ 49,193

The contractual delinquency of the net finance receivables portfolio by product and aging for the periods indicated are as follows:

<i>Dollars in thousands</i>	March 31, 2025							
	Large		Small		Retail		Total	
	\$	%	\$	%	\$	%	\$	%
Current	\$ 1,174,392	87.3%	\$ 449,200	82.6%	\$ 480	68.4%	\$ 1,624,072	85.9%
1 to 29 days past due	92,032	6.8%	40,180	7.4%	90	12.8%	132,302	7.0%
Delinquent accounts:								
30 to 59 days	20,036	1.4%	12,725	2.3%	29	4.1%	32,790	1.8%
60 to 89 days	16,878	1.3%	11,869	2.2%	31	4.4%	28,778	1.5%
90 to 119 days	14,086	1.1%	10,102	1.9%	16	2.3%	24,204	1.3%
120 to 149 days	13,642	1.0%	9,201	1.7%	23	3.3%	22,866	1.2%
150 to 179 days	14,759	1.1%	10,547	1.9%	33	4.7%	25,339	1.3%
Total delinquency	\$ 79,401	5.9%	\$ 54,444	10.0%	\$ 132	18.8%	\$ 133,977	7.1%
Total net finance receivables	\$ 1,345,825	100.0%	\$ 543,824	100.0%	\$ 702	100.0%	\$ 1,890,351	100.0%
Net finance receivables in nonaccrual status	\$ 50,071	3.7%	\$ 33,133	6.1%	\$ 99	14.1%	\$ 83,303	4.4%

<i>Dollars in thousands</i>	December 31, 2024							
	Large		Small		Retail		Total	
	\$	%	\$	%	\$	%	\$	%
Current	\$ 1,139,070	85.2%	\$ 450,603	81.2%	\$ 708	66.2%	\$ 1,590,381	84.0%
1 to 29 days past due	109,656	8.2%	46,488	8.4%	168	15.7%	156,312	8.3%
Delinquent accounts:								
30 to 59 days	22,909	1.7%	13,998	2.5%	41	3.9%	36,948	1.9%
60 to 89 days	21,493	1.6%	13,699	2.5%	50	4.7%	35,242	1.9%
90 to 119 days	16,609	1.3%	11,443	2.1%	33	3.1%	28,085	1.5%
120 to 149 days	14,357	1.1%	9,602	1.7%	28	2.6%	23,987	1.3%
150 to 179 days	12,686	0.9%	8,853	1.6%	41	3.8%	21,580	1.1%
Total delinquency	\$ 88,054	6.6%	\$ 57,595	10.4%	\$ 193	18.1%	\$ 145,842	7.7%
Total net finance receivables	\$ 1,336,780	100.0%	\$ 554,686	100.0%	\$ 1,069	100.0%	\$ 1,892,535	100.0%
Net finance receivables in nonaccrual status	\$ 54,228	4.1%	\$ 34,465	6.2%	\$ 137	12.8%	\$ 88,830	4.7%

The accrual of interest income on finance receivables is suspended when an account becomes 90 days delinquent. If a loan is charged off, the accrued interest is reversed as a reduction of interest and fee income. During the three months ended March 31,

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2025 and 2024, the Company reversed \$7.3 million and \$5.2 million of accrued interest as reductions of interest and fee income, respectively.

The following are reconciliations of the allowance for credit losses by product for the periods indicated:

<i>Dollars in thousands</i>	As of and For the Three Months Ended March 31, 2025			
	Large	Small	Retail	Total
Beginning balance	\$ 133,506	\$ 65,826	\$ 168	\$ 199,500
Provision for credit losses	34,621	23,358	13	57,992
Credit losses	(35,755)	(25,868)	(86)	(61,709)
Recoveries	2,039	1,269	9	3,317
Ending balance	\$ 134,411	\$ 64,585	\$ 104	\$ 199,100
Net finance receivables	\$ 1,345,825	\$ 543,824	\$ 702	\$ 1,890,351
Allowance as percentage of net finance receivables	10.0%	11.9%	14.8%	10.5%

<i>Dollars in thousands</i>	As of and For the Three Months Ended March 31, 2024			
	Large	Small	Retail	Total
Beginning balance	\$ 127,992	\$ 58,736	\$ 672	\$ 187,400
Provision for credit losses	28,655	17,729	39	46,423
Credit losses	(31,711)	(17,188)	(294)	(49,193)
Recoveries	1,592	865	13	2,470
Ending balance	\$ 126,528	\$ 60,142	\$ 430	\$ 187,100
Net finance receivables	\$ 1,250,647	\$ 490,830	\$ 2,809	\$ 1,744,286
Allowance as percentage of net finance receivables	10.1%	12.3%	15.3%	10.7%

The Company uses certain loan modification programs for borrowers experiencing financial difficulties as a loss mitigation strategy to improve collectability of the loans and assist customers through financial setbacks. The programs consist of offering payment deferrals, refinancing, and, in limited instances, settlements. Customers may also pursue financial assistance through external sources, such as filing for bankruptcy protection. Modification programs available to our customers are described in more detail below:

- Customers with temporary hardships may be offered payment deferrals related to past due payments. Such deferrals extend the customer's maturity date and are generally considered insignificant delays, unless the deferral exceeds three deferrals in a rolling twelve-month period.
- Customers with delinquent loans who meet certain criteria are eligible to receive a reduced interest rate and/or term extension, making the monthly payments more affordable.
- The Company may also agree to settle a past-due loan by accepting less than the full principal balance owed, in certain limited cases, once it is determined that collection of the entire outstanding balance is unlikely.
- Customers who receive bankruptcy protection may receive principal forgiveness, interest rate reductions, and/or term extensions.

The information relating to modifications made to borrowers experiencing financial difficulty and their related percentage of applicable net finance receivables for the periods indicated are as follows:

<i>Dollars in thousands</i>	As of and for the Three Months Ended March 31, 2025					
	Large		Small		Total	
	\$	%	\$	%	\$	%
Interest rate reduction	\$ 5,239	0.3%	\$ 1,876	0.4%	\$ 7,115	0.4%
Interest rate reduction & term extension	2,317	0.2%	476	0.1%	2,793	0.1%
Term extension	852	0.1%	145	—	997	0.1%
Principal forgiveness, interest rate reduction, & term extension	175	—	10	—	185	—
Total	\$ 8,583	0.6%	\$ 2,507	0.5%	\$ 11,090	0.6%

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	As of and for the Three Months Ended March 31, 2024					
	Large		Small		Total	
	\$	%	\$	%	\$	%
<i>Dollars in thousands</i>						
Interest rate reduction & term extension	\$ 3,545	0.3%	637	0.1%	\$ 4,182	0.2%
Term extension	1,493	0.1%	271	0.1%	1,764	0.1%
Principal forgiveness, interest rate reduction, & term extension	143	—	12	—	155	—
Total	<u>\$ 5,181</u>	<u>0.4%</u>	<u>\$ 920</u>	<u>0.2%</u>	<u>\$ 6,101</u>	<u>0.3%</u>

The financial effects of the modifications made to borrowers experiencing financial difficulty for the periods indicated are as follows:

Three Months Ended March 31, 2025		
Loan Modification	Product	Financial Effect
Interest rate reduction	Large loans	Reduced the weighted-average contractual interest rate by 18.4%.
	Small loans	Reduced the weighted-average contractual interest rate by 29.1%.
Term extension	Large loans	Added a weighted-average 1.3 years to the life of loans.
	Small loans	Added a weighted-average 1.2 years to the life of loans.
Principal forgiveness	Large loans	Reduced the amortized cost basis of the loans by \$0.3 million.
	Small loans	Reduced the amortized cost basis of the loans by \$0.1 million.

Three Months Ended March 31, 2024		
Loan Modification	Product	Financial Effect
Interest rate reduction	Large loans	Reduced the weighted-average contractual interest rate by 7.1%.
	Small loans	Reduced the weighted-average contractual interest rate by 13.2%.
Term extension	Large loans	Added a weighted-average 1.5 years to the life of loans.
	Small loans	Added a weighted-average 1.4 years to the life of loans.
Principal forgiveness	Large loans	Reduced the amortized cost basis of the loans by \$0.4 million.
	Small loans	Reduced the amortized cost basis of the loans by \$0.1 million.

The following tables provide the amortized cost basis for modifications made to borrowers experiencing financial difficulty within the previous twelve months that subsequently defaulted. The Company defines payment default as 90 days past due for this disclosure. The respective amounts for each modification for the periods indicated are as follows:

	As of and for the Three Months Ended March 31, 2025		
	Large	Small	Total
<i>Dollars in thousands</i>			
Interest rate reduction	\$ 1,466	\$ 717	\$ 2,183
Interest rate reduction & term extension	806	155	961
Term extension	89	19	108
Principal forgiveness, interest rate reduction, & term extension	36	—	36
Total	<u>\$ 2,397</u>	<u>\$ 891</u>	<u>\$ 3,288</u>

	As of and for the Three Months Ended March 31, 2024		
	Large	Small	Total
<i>Dollars in thousands</i>			
Interest rate reduction & term extension	\$ 1,669	\$ 272	\$ 1,941
Term extension	47	6	53
Principal forgiveness, interest rate reduction, & term extension	14	6	20
Total	<u>\$ 1,730</u>	<u>\$ 284</u>	<u>\$ 2,014</u>

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The contractual delinquencies of loans that were modified to borrowers experiencing financial difficulty within the previous twelve months for the periods indicated are as follows:

<i>Dollars in thousands</i>	March 31, 2025		
	Large	Small	Total
Current	\$ 16,029	\$ 3,929	\$ 19,958
30 - 89 days past due	2,251	751	3,002
90+ days past due	1,832	784	2,616
Total (1)	<u>\$ 20,112</u>	<u>\$ 5,464</u>	<u>\$ 25,576</u>

(1) Excludes modified finance receivables that subsequently charged off of \$1.8 million and \$0.4 million in large and small loans, respectively.

<i>Dollars in thousands</i>	March 31, 2024		
	Large	Small	Total
Current	\$ 11,924	\$ 2,024	\$ 13,948
30 - 89 days past due	934	216	1,150
90+ days past due	1,341	209	1,550
Total (1)	<u>\$ 14,199</u>	<u>\$ 2,449</u>	<u>\$ 16,648</u>

(1) Excludes modified finance receivables that subsequently charged off of \$1.2 million and \$0.3 million in large and small loans, respectively.

Note 4. Restricted Available-for-Sale Investments

The following tables reconcile the amortized cost, gross unrealized gains and losses included in accumulated other comprehensive income or loss, and estimated fair value of the Company's restricted AFS investments as of the periods indicated:

<i>Dollars in thousands</i>	March 31, 2025			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Restricted investments	\$ 21,904	\$ —	\$ (217)	\$ 21,687

<i>Dollars in thousands</i>	December 31, 2024			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Restricted investments	\$ 21,633	\$ 92	\$ (13)	\$ 21,712

The following tables include the gross unrealized losses and estimated fair values of restricted AFS investments that were in a continuous unrealized loss position, for which no allowance for credit loss has been recorded, as of the periods indicated:

<i>Dollars in thousands</i>	March 31, 2025					
	Less than 12 Months		12 Months or Longer		Total	
	Estimated Fair Value	Gross Unrealized Losses	Estimated Fair Value	Gross Unrealized Losses	Estimated Fair Value	Gross Unrealized Losses
Restricted investments	\$ 21,687	\$ (217)	\$ —	\$ —	\$ 21,687	\$ (217)

<i>Dollars in thousands</i>	December 31, 2024					
	Less than 12 Months		12 Months or Longer		Total	
	Estimated Fair Value	Gross Unrealized Losses	Estimated Fair Value	Gross Unrealized Losses	Estimated Fair Value	Gross Unrealized Losses
Restricted investments	\$ 2,205	\$ (13)	\$ —	\$ —	\$ 2,205	\$ (13)

The restricted AFS investments consist of U.S. Treasuries which are measured at fair value and include accrued interest receivables of \$0.3 million and \$13 thousand as of March 31, 2025 and December 31, 2024, respectively. The investments consist of highly rated securities backed by the U.S. federal government. As a result, the Company has not recorded an allowance for credit losses related to the restricted AFS investments.

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The following table includes the amortized cost and estimated fair values of restricted AFS investments by contractual maturity as of the period indicated:

<i>Dollars in thousands</i>	March 31, 2025	
	Amortized Cost	Estimated Fair Value
Due in one year	\$ 19,663	\$ 19,473
Due within one year to five years	2,241	2,214
Due within five years to ten years	—	—
Due after ten years	—	—
Total	\$ 21,904	\$ 21,687

The Company had no gross realized gains or losses during the three months ended March 31, 2025 and 2024, respectively. For additional information on the Company's restricted AFS investments, see Note 8, "Disclosure About Fair Value of Financial Instruments."

Note 5. Variable Interest Entities

As part of its overall funding strategy, the Company has transferred certain finance receivables to affiliated VIEs for asset-backed financing transactions, including securitizations. The Company's revolving warehouse credit facilities and securitizations are issued by the Company's SPEs, which are considered VIEs under GAAP and are consolidated into the financial statements of their primary beneficiary.

These debts are supported by the expected cash flows from the underlying collateralized finance receivables. Collections on these finance receivables are remitted to restricted cash collection accounts, which totaled \$107.9 million and \$117.1 million as of March 31, 2025 and December 31, 2024, respectively. Cash inflows from the finance receivables are distributed to the lenders/investors, the service providers, and/or the residual interest that the Company owns in accordance with a monthly contractual priority of payments. The SPEs pay a servicing fee to the Company, which is eliminated in consolidation. Distributions from the SPEs to the Company are permitted under the debt arrangements.

At each sale of receivables from the Company's affiliates to the SPEs, the Company makes certain representations and warranties about the quality and nature of the collateralized receivables. The debt arrangements require the Company to repurchase the receivables in certain circumstances, including circumstances in which the representations and warranties made by the Company concerning the quality and characteristics of the receivables are inaccurate. Assets transferred to each SPE are legally isolated from the Company and its affiliates, as well as the claims of the Company's and its affiliates' creditors. Further, the assets of each SPE are owned by such SPE and are not available to satisfy the debts or other obligations of the Company or any of its affiliates.

The following table presents the assets and liabilities of our consolidated VIEs:

<i>Dollars in thousands</i>	March 31, 2025	December 31, 2024
Assets		
Cash	\$ 380	\$ 378
Net finance receivables	1,402,231	1,317,604
Allowance for credit losses	(145,574)	(136,850)
Restricted cash	121,580	130,970
Other assets	3,237	3,078
Total assets	\$ 1,381,854	\$ 1,315,180
Liabilities		
Net debt	\$ 1,329,453	\$ 1,253,096
Other liabilities	17	19
Total liabilities	\$ 1,329,470	\$ 1,253,115

Note 6. Debt

The following is a summary of the Company's debt as of the periods indicated:

<i>Dollars in thousands</i>	March 31, 2025			December 31, 2024		
	Debt	Unamortized Debt Issuance Costs (1)	Net Debt	Debt	Unamortized Debt Issuance Costs (1)	Net Debt
Revolving credit facilities	\$ 140,783	\$ (295)	\$ 140,488	\$ 315,904	\$ (437)	\$ 315,467
Securitized facilities	1,337,077	(7,629)	1,329,448	1,162,432	(5,901)	1,156,531
Total	\$ 1,477,860	\$ (7,924)	\$ 1,469,936	\$ 1,478,336	\$ (6,338)	\$ 1,471,998
Unused amount of revolving credit facilities (subject to borrowing base)	\$ 640,667			\$ 466,164		

(1) Unamortized debt issuance costs related to the revolving warehouse credit facilities are presented within other assets in the consolidated balance sheets. These credit facilities had \$2.4 million and \$2.2 million in such costs as of March 31, 2025 and December 31, 2024, respectively.

Revolving credit facilities: The Company's revolving credit facilities are secured by substantially all of the Company's finance receivables and equity interests of the majority of its subsidiaries. The Company pays unused commitment fees on its revolving credit facilities, generally based upon the average outstanding balance. As of March 31, 2025, the Company held \$4.2 million in unrestricted cash. The Company had \$125.2 million of immediate available liquidity to draw down cash under the senior revolving credit facility and had no immediate availability to draw down cash under any of its revolving warehouse credit facilities as of March 31, 2025; however, each of the Company's revolving warehouse credit facilities holds restricted cash reserves to satisfy provisions of its respective credit agreement.

The following table includes the key terms under each of the Company's revolving credit facilities as of March 31, 2025:

<i>Dollars in thousands</i>	Total Credit Facility	Debt Balance	Restricted Cash Reserves	Advance Rate Cap	Current Advance Rate	Unused Commitment Fee	Revolving Period End Date	Maturity Date
Senior	\$ 355,000	\$ 140,778	\$ —	83%	67%	0.5% - 1.0%	N/A	Sep 2025
RMR IV warehouse	125,000	1	53	79%	79%	0.4% - 0.7%	May 2025	May 2026
RMR V warehouse	100,000	1	377	80%	80%	0.4% - 0.7%	Nov 2026	Nov 2027
RMR VI warehouse (1)	75,000	1	98	75%	75%	0.5%	Feb 2027	Feb 2028
RMR VII warehouse	125,000	2	326	76%	76%	0.4% - 0.7%	N/A	Oct 2026
Total	\$ 780,000	\$ 140,783	\$ 854					

(1) Following a January 2025 amendment, the revolving period end date is now February 2027 (previously February 2025), and the maturity date is now February 2028 (previously February 2026).

Borrowings under the revolving credit facilities bear interest, payable monthly, at a rate equal to the sum of any applicable floor, benchmark adjustment, margin, and the market rate of each respective rate type that was effective as of March 31, 2025 (as follows):

	Floor	Benchmark Adjustment	Margin	Rate Type	Effective Interest Rate
Senior	0.5%	0.1%	3.0%	1-month SOFR	7.4%
RMR IV warehouse	—	0.1%	2.8%	1-month SOFR	7.2%
RMR V warehouse	—	—	2.1%	Conduit	6.7%
RMR VI warehouse (1)	—	—	2.1%	1-month SOFR	6.4%
RMR VII warehouse	—	—	2.4%	1-month SOFR	6.7%

(1) Following a January 2025 amendment, (i) the margin was reduced to 2.1% (previously 2.5%) and (ii) interest may accrue based on the daily or 1-month SOFR (previously only the 1-month SOFR).

Securitized facilities: From time to time, the Company and its SPE, RMR III, complete private offerings and sales of asset-backed notes through the Company's Issuance Trusts. The asset-backed notes are secured by finance receivables and other related assets that RMR III purchased from the Company, which RMR III then sells and transfers to the Issuance Trusts. The Issuance Trusts hold

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restricted cash reserves to satisfy provisions of the transaction documents. Borrowings under the securitizations bear interest, payable monthly, and principal repayments begin the month subsequent to the end of the revolving period. Prior to maturity, the Company may redeem the notes in full, but not in part, at its option on securitization-specific, designated dates. No payments of principal of the notes will be made during the revolving periods.

The following table includes the key terms under each of the Company's securitizations as of March 31, 2025:

<i>Dollars in thousands</i>	Issue Date	Issue Amount	Debt Balance	Restricted Cash Reserves	Effective Interest Rate	Revolving Period End Date	Maturity Date
RMIT 2021-1	Feb 2021	248,700	75,840	2,604	3.0%	Feb 2024	Mar 2031
RMIT 2021-2	Jul 2021	200,000	200,192	2,083	2.3%	Jul 2026	Aug 2033
RMIT 2021-3	Oct 2021	125,000	125,202	1,471	3.9%	Sep 2026	Oct 2033
RMIT 2022-1	Feb 2022	250,000	232,459	2,646	3.6%	Feb 2025	Mar 2032
RMIT 2024-1	Jun 2024	187,305	187,788	1,078	6.2%	May 2027	Jul 2036
RMIT 2024-2	Nov 2024	250,000	250,557	1,418	5.3%	Nov 2026	Dec 2033
RMIT 2025-1 (1)	Mar 2025	265,000	265,039	1,489	5.3%	Mar 2027	Apr 2034
Total		\$ 1,526,005	\$ 1,337,077	\$ 12,789			

(1) In March 2025, the Company, its SPE, RMR III, and the Company's indirect SPE, RMIT 2025-1, completed a private offering and sale of \$265 million of asset-backed notes. The transaction consisted of the issuance of four classes of fixed-rate, asset-backed notes by RMIT 2025-1. The asset-backed notes are secured by finance receivables and other related assets that RMR III purchased from the Company, which RMR III then sold and transferred to RMIT 2025-1. Prior to maturity in April 2034, the Company may redeem the notes in full, but not in part, at its option on any note payment date on or after the payment date occurring in April 2027. No payments of principal of the notes will be made during the revolving period.

RMIT 2020-1 Securitization: In September 2020, the Company, its SPE, RMR III, and its indirect SPE, RMIT 2020-1, completed a private offering and sale of \$180 million of asset-backed notes. In March 2025, the Company and RMR III exercised the right to make an optional principal repayment in full and, in connection with such prepayment, the securitization terminated.

The Company's debt arrangements are subject to certain covenants, including monthly and annual reporting, maintenance of specified interest coverage and debt ratios, restrictions on distributions, limitations on other indebtedness, and certain other restrictions. As of March 31, 2025, the Company was in compliance with all debt covenants.

Note 7. Stockholders' Equity

Stock repurchase program: In December 2024, the Company announced that the Board had authorized a \$30 million stock repurchase program. The authorization was effective immediately and extends through December 31, 2026. As of March 31, 2025, under this repurchase program, the Company had repurchased 292 thousand shares of common stock at a total cost of \$10.1 million, including commissions and estimated excise taxes.

Quarterly cash dividend: The Board may in its discretion declare and pay cash dividends on the Company's common stock. The following table presents the dividends declared per share of common stock for the periods indicated:

	Three Months Ended March 31,	
	2025	2024
Dividends declared per common share	\$ 0.30	\$ 0.30

See Note 14, "Subsequent Events," for information regarding the Company's cash dividend following the end of the fiscal quarter.

Note 8. Disclosure About Fair Value of Financial Instruments

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value:

Cash and restricted cash: Cash and restricted cash is recorded at cost, which approximates fair value due to its highly liquid nature.

Restricted AFS investments: The fair value of U.S. Treasury securities is priced using an external pricing service which the Company corroborates using a secondary external vendor. For additional information on the Company's restricted AFS investments, see Note 4, "Restricted Available-for-Sale Investments."

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Net finance receivables: The Company determines the fair value of net finance receivables using a discounted cash flows methodology. The application of this methodology requires the Company to make certain estimates and judgments. These estimates and judgments include, but are not limited to, prepayment rates, default rates, loss severity, and risk-adjusted discount rates.

Debt: The Company estimates the fair value of debt using estimated credit marks based on an index of similar financial instruments (credit facilities) and projected cash flows from the underlying collateralized finance receivables (securitizations), each discounted using a risk-adjusted discount rate.

Certain of the Company's assets estimated fair value are classified and disclosed in one of the following three categories:

Level 1 – Quoted market prices in active markets for identical assets or liabilities.

Level 2 – Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data.

Level 3 – Unobservable inputs that are not corroborated by market data.

In determining the appropriate levels, the Company performs an analysis of the assets and liabilities that are estimated at fair value. At each reporting period, all assets and liabilities for which the fair value measurement is based on significant unobservable inputs are classified as Level 3.

The following table includes the carrying amounts and estimated fair values of financial assets and liabilities disclosed but not carried at fair value:

<i>Dollars in thousands</i>	March 31, 2025		December 31, 2024	
	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
Assets				
Level 1				
Cash	\$ 4,158	\$ 4,158	\$ 3,951	\$ 3,951
Restricted cash	122,312	122,312	131,684	131,684
Level 3				
Net finance receivables, less unearned insurance premiums and allowance for credit losses	1,644,144	1,686,552	1,644,967	1,695,325
Liabilities				
Level 3				
Debt	1,477,860	1,449,977	1,478,336	1,428,607

The following table includes the carrying amounts and estimated fair values of amounts the Company measures at fair value on a recurring basis:

<i>Dollars in thousands</i>	March 31, 2025		December 31, 2024	
	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
Assets				
Level 2				
Restricted AFS investments	\$ 21,687	\$ 21,687	\$ 21,712	\$ 21,712

As of the periods indicated above, there were no financial assets or liabilities measured at fair value on a non-recurring basis.

Note 9. Income Taxes

The Company records interim provisions for income taxes based on an estimated annual effective tax rate. The Company recognizes discrete tax benefits or deficiencies in the income tax line of the consolidated statements of income. Generally, these discrete benefits or deficiencies are primarily the result of exercises or vestings of share-based awards.

The following table summarizes the components of income taxes for the periods indicated:

<i>Dollars in thousands</i>	Three Months Ended March 31,	
	2025	2024
Provision for corporate taxes	\$ 2,226	\$ 4,786
Discrete tax benefits	(72)	(58)
Total	\$ 2,154	\$ 4,728

Note 10. Earnings Per Share

The following schedule reconciles the computation of basic and diluted earnings per share for the periods indicated:

<i>Dollars in thousands, except per share amounts</i>	Three Months Ended March 31,	
	2025	2024
Numerator:		
Net income	\$ 7,007	\$ 15,205
Denominator:		
Weighted-average shares outstanding for basic earnings per share	9,610	9,569
Effect of dilutive securities	415	177
Weighted-average shares adjusted for dilutive securities	10,025	9,746
Earnings per share:		
Basic	\$ 0.73	\$ 1.59
Diluted	\$ 0.70	\$ 1.56

The Company did not exclude any outstanding shares of common stock for the three months ended March 31, 2025 from the computation of diluted earnings per share because they were anti-dilutive. For the three months ended March 31, 2024, the Company excluded 0.5 million outstanding shares because they were anti-dilutive.

Note 11. Share-Based Compensation

The Company previously adopted the 2015 Plan (including re-approval as amended and restated in April 2017 and May 2021). On May 16, 2024, the stockholders of the Company approved the 2024 Plan. As of March 31, 2025, subject to adjustments as provided in the 2024 Plan, the maximum aggregate number of shares of the Company's common stock that could be issued under the 2024 Plan could not exceed the sum of (i) 381,000 shares plus (ii) any shares remaining available for the grant of awards as of May 16, 2024 under the 2015 Plan, plus (iii) any shares subject to an award granted under the 2015 Plan which award is forfeited, cash-settled, cancelled, terminated, expires, or lapses for any reason after May 16, 2024 without the issuance of shares or pursuant to which such shares are forfeited (subject to adjustment for anti-dilution purposes as provided in the 2024 Plan). Of the amount described in the preceding sentence, no more than 381,000 shares may be issued under the 2024 Plan pursuant to the grant of incentive stock options (subject to adjustment for anti-dilution purposes). As of May 16, 2024, there were 1.0 million shares available for grant under the 2024 Plan, inclusive of shares previously available for grant under the 2015 Plan that were rolled over to the 2024 Plan. No further grants will be made under the 2015 Plan. However, awards that are outstanding under the 2015 Plan will continue in accordance with their respective terms. As of March 31, 2025, there were 0.2 million shares available for grant under the 2024 Plan.

For the three months ended March 31, 2025 and 2024, the Company recorded share-based compensation expense of \$3.5 million and \$1.8 million, respectively. As of March 31, 2025, unrecognized share-based compensation expense to be recognized over future periods approximated \$18.9 million. This amount will be recognized as expense over a weighted-average period of 2.1 years. Share-based compensation expenses are recognized on a straight-line basis over the requisite service period of the agreement. All share-based compensation is classified as equity awards. During the three months ended March 31, 2025, share-based compensation of \$0.1 million was capitalized as software. There was no capitalization of share-based compensation for the three months ended March 31, 2024.

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The Company allows for the settlement of share-based awards on a net share basis. With net share settlement, the employee does not surrender any cash or shares upon the exercise of stock options or the vesting of stock awards or stock units. Rather, the Company withholds the number of shares with a value equivalent to the option exercise price (for stock options) and the statutory tax withholding (for all share-based awards). Net share settlements have the effect of reducing the number of shares that would have otherwise been issued as a result of exercise or vesting.

Long-term incentive program: The Company issues PRSUs, service-based RSUs, and RSAs to certain members of senior management under the Company's LTIP. Recurring annual grants are made at the discretion of the Board. The annual grants are subject to cliff- and graded-vesting, generally concluding at the end of the third calendar year and subject to continued employment or as otherwise provided in the underlying award agreements. Vested PRSUs are subject to an additional one-year holding period following the vesting date. The actual value of the PRSUs that may be earned can range from 0% to 150% of target based on relative total shareholder return, plus an additive 20% based on pre-provision return on assets over the performance period, resulting in a maximum payout of 170%.

PRSUs granted prior to 2025 may earn 0% to 150% of target based on positive or negative cumulative total shareholder return concluding at the end of the third calendar year.

Key team member incentive program: The Company also has a KTIP for certain other members of senior management. Recurring annual participation in the program is at the discretion of the Board and executive management. The annual grants are subject to graded-vesting, generally concluding at the end of the third calendar year and subject to continued employment or as otherwise provided in the underlying award agreements.

Prior to 2024, the annual grant was subject to performance over a one-year period. Payout under the program ranged from 0% to 150% of target based on the achievement of five Company performance metrics and individual performance goals (subject to continued employment and certain other terms and conditions of the program). If earned, an RSA was issued following the one-year performance period that vested ratably over a subsequent two-year period (subject to continued employment or as otherwise provided in the underlying award agreement).

Inducement and retention program: From time to time, the Company issues stock awards and other long-term incentive awards in conjunction with employment offers to select new employees and retention grants to select existing employees. The Company issues these awards to attract and retain talent and to provide market competitive compensation. The grants have various vesting terms, including fully-vested awards at the grant date, cliff-vesting, and graded-vesting over periods of up to five years (subject to continued employment or as otherwise provided in the underlying award agreements).

Non-employee director compensation program: The Company awards its non-employee directors a cash retainer and shares of restricted common stock. The RSAs are granted on the fifth business day following the Company's annual meeting of stockholders and fully vest upon the earlier of the first anniversary of the grant date or the completion of the directors' annual service to the Company (so long as the period between the date of the annual stockholders' meeting related to the grant date and the date of the next annual stockholders' meeting is not less than 50 weeks).

The following are the terms and amounts of the awards issued under the Company's share-based incentive programs:

Non-qualified stock options: The exercise price of all stock options is equal to the Company's closing stock price on the date of grant. Stock options are subject to various vesting terms, including graded- and cliff-vesting over periods of up to five years. In addition, stock options vest and become exercisable in full or in part under certain circumstances, including following the occurrence of a change of control (as defined in the option award agreements). Participants who are awarded options must exercise their options within a maximum of ten years of the grant date.

The following table summarizes the stock option activity for the three months ended March 31, 2025:

<i>Dollars and shares in thousands, except per share amounts</i>	Number of Shares	Weighted-Average Exercise Price Per Share	Weighted-Average Remaining Contractual Life (Years)	Aggregate Intrinsic Value
Options outstanding at beginning of period	444	\$ 23.65		
Granted	—	—		
Exercised	(23)	18.13		
Forfeited	—	—		
Expired	—	—		
Options outstanding at end of period	421	\$ 23.94	4.3	\$ 2,640

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Options exercisable at end of period	421	\$ 23.94	4.3	\$ 2,640
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The following table provides additional stock option information for the periods indicated:

<i>Dollars in thousands, except per share amounts</i>	Three Months Ended March 31,	
	2025	2024
Weighted-average grant date fair value per share	\$ —	\$ —
Intrinsic value of options exercised	\$ 401	\$ —
Fair value of stock options that vested	\$ —	\$ —

Performance restricted stock units: Compensation expense for PRSUs is based on the fair value of the award estimated on the grant date using the Monte Carlo valuation model. The following are the weighted-average assumptions for the PRSU grants for the periods indicated:

	Three Months Ended March 31,	
	2025	2024
Expected volatility	42.0%	—
Risk-free rate	4.0%	—
Discount for post-vesting restrictions	11.8%	—

The following table summarizes PRSU activity for the three months ended March 31, 2025:

<i>Dollars and units in thousands, except per unit amounts</i>	Units	Weighted-Average Grant Date Fair Value Per Unit
Non-vested units at beginning of period	311	\$ 33.93
Granted	135	25.90
Achieved performance adjustment	(24)	52.07
Vested	(43)	52.07
Forfeited	—	—
Non-vested units at end of period	379	\$ 27.86

The following table provides additional PRSU information for the periods indicated:

<i>Dollars in thousands, except per unit amounts</i>	Three Months Ended March 31,	
	2025	2024
Weighted-average grant date fair value per unit	\$ 25.90	\$ —
Fair value of PRSUs that vested	\$ 2,237	\$ —

Performance-contingent restricted stock units: Compensation expense for performance-contingent RSUs was based on the Company's closing stock price on the date of grant and the probability that certain financial goals would be achieved over the performance period. Compensation expense was estimated based on expected performance and was adjusted at each reporting period.

There was no performance-contingent RSU balance or activity for the three months ended March 31, 2025 and 2024, respectively.

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Restricted stock units: The fair value and compensation expense of the primary portion of the Company's service-based RSUs are calculated using the Company's closing stock price on the date of grant. These RSUs include RSUs granted pursuant to the Company's LTIP.

The following table summarizes service-based RSU activity for the three months ended March 31, 2025:

<i>Dollars and units in thousands, except per unit amounts</i>	Units	Weighted-Average Grant Date Fair Value Per Unit
Non-vested units at beginning of period	35	\$ 28.20
Granted	51	29.74
Vested	—	—
Forfeited	—	—
Non-vested units at end of period	86	\$ 29.10

The following table provides additional service-based RSU information for the periods indicated:

<i>Dollars in thousands, except per unit amounts</i>	Three Months Ended March 31,	
	2025	2024
Weighted-average grant date fair value per unit	\$ 29.74	\$ —
Fair value of RSUs that vested	\$ —	\$ —

Restricted stock awards: The fair value and compensation expense of the primary portion of the Company's RSAs are calculated using the Company's closing stock price on the date of grant. These RSAs include director awards, inducement awards, RSAs granted pursuant to the Company's LTIP, and, beginning in 2024, RSAs granted pursuant to the Company's KTIP.

Prior to 2024, the Company's KTIP was administered as a performance-based program. The fair value and compensation expense of RSAs granted pursuant to the Company's performance-based KTIP was calculated using the Company's closing stock price on the date of grant and the probability that certain financial goals would be achieved over the performance period. Compensation expense was estimated based on expected performance and was adjusted at each reporting period.

The following table summarizes RSA activity for the three months ended March 31, 2025:

<i>Dollars and shares in thousands, except per share amounts</i>	Shares	Weighted-Average Grant Date Fair Value Per Share
Non-vested shares at beginning of period	334	\$ 28.80
Granted	217	29.74
Vested	(1)	28.76
Forfeited	(3)	28.60
Non-vested shares at end of period	547	\$ 29.18

The following table provides additional RSA information for the periods indicated:

<i>Dollars in thousands, except per share amounts</i>	Three Months Ended March 31,	
	2025	2024
Weighted-average grant date fair value per share	\$ 29.74	\$ 29.61
Fair value of RSAs that vested	\$ 18	\$ 58

Note 12. Commitments and Contingencies

In the normal course of business, the Company has been named as a defendant in legal actions in connection with its activities. Some of the actual or threatened legal actions include claims for compensatory damages or claims for indeterminate amounts of damages. The Company contests liability and the amount of damages, as appropriate, in each pending matter.

Where available information indicates that it is probable that a liability has been incurred and the Company can reasonably estimate the amount of that loss, the Company accrues the estimated loss by a charge to net income.

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However, in many legal actions, it is inherently difficult to determine whether any loss is probable, or even reasonably possible, or to estimate the amount of loss. This is particularly true for actions that are in their early stages of development or where plaintiffs seek indeterminate damages. In addition, even where a loss is reasonably possible or an exposure to loss exists in excess of the liability already accrued, it is not always possible to reasonably estimate the size of the possible loss or range of loss. Before a loss, additional loss, range of loss, or range of additional loss can be reasonably estimated for any given action, numerous issues may need to be resolved, including through lengthy discovery, following determination of important factual matters, and/or by addressing novel or unsettled legal questions.

For certain other legal actions, the Company can estimate reasonably possible losses, additional losses, ranges of loss, or ranges of additional loss in excess of amounts accrued, but the Company does not believe, based on current knowledge and after consultation with counsel, that such losses will have a material adverse effect on the consolidated financial statements.

While the Company will continue to identify legal actions where it believes a material loss to be reasonably possible and reasonably estimable, there can be no assurance that material losses will not be incurred from claims that the Company has not yet been notified of or are not yet determined to be probable, or reasonably possible and reasonable to estimate.

The Company expenses legal costs as they are incurred.

Note 13. Segment Reporting

The Company has one reportable segment: consumer finance. Consolidated net income is the measure used by the CODM in evaluating the segment profit or loss of the Company. The CODM either reviews or is otherwise regularly provided with amounts for the following measures in the Company's financial results for the periods indicated:

<i>Dollars in thousands</i>	Three Months Ended March 31,	
	2025	2024
Interest income	\$ 126,769	\$ 119,896
Fee income	9,784	8,922
Insurance income, net	11,297	10,974
Other income	5,117	4,516
Provision for credit losses	57,992	46,423
Share-based compensation expense	3,501	1,832
Depreciation and amortization expense	2,300	2,246
Interest expense	19,771	17,504
Income tax expense	2,154	4,728

As part of the CODM's review and evaluation process for allocating resources, the CODM is provided with only the consolidated expenses as noted on the face of the Company's consolidated statements of comprehensive income.

During the process for allocating resources for the Company, the CODM also receives asset information, primarily relating to total assets. Total assets remained constant at \$1.9 billion as of both March 31, 2025 and December 31, 2024. The Company's balance sheet expenditures for long-lived assets either reviewed by the CODM or otherwise regularly provided to the CODM are included in the Company's Consolidated Statements of Cash Flows. These expenditures are represented as "Purchases of intangible assets," "Purchases of property and equipment," and "Operating leases paid" within the referenced statements.

Note 14. Subsequent Events

Quarterly cash dividend: In April 2025, the Company announced that the Board declared a quarterly cash dividend of \$0.30 per share. The dividend will be paid on June 11, 2025 to shareholders of record at the close of business on May 21, 2025. The declaration, amount, and payment of any future cash dividends on shares of the Company's common stock will be at the discretion of the Board.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

The following discussion and analysis should be read in conjunction with, and is qualified in its entirety by reference to, our unaudited consolidated financial statements and the related notes that appear elsewhere in this Quarterly Report on Form 10-Q. These discussions contain forward-looking statements that reflect our current expectations and that include, but are not limited to, statements concerning our strategies, future operations, future financial position, future revenues, projected costs, expectations regarding demand and acceptance for our financial products, growth opportunities and trends in the market in which we operate, prospects, and plans and objectives of management. The words "anticipates," "believes," "estimates," "expects," "intends," "may," "plans," "projects," "predicts," "will," "would," "should," "could," "potential," "continue," and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. We may not actually achieve the plans, intentions, or expectations disclosed in our forward-looking statements, and you should not place undue reliance on our forward-looking statements. Our forward-looking statements involve risks and uncertainties that could cause actual results, events, and/or performance to differ materially from the plans, intentions, and expectations disclosed in the forward-looking statements. Such risks and uncertainties include, without limitation, the risks set forth in our filings with the SEC, including our Annual Report on Form 10-K for the fiscal year ended December 31, 2024 (which was filed with the SEC on February 21, 2025) and this Quarterly Report on Form 10-Q. The forward-looking information we have provided in this Quarterly Report on Form 10-Q pursuant to the safe harbor established under the Private Securities Litigation Reform Act of 1995 should be evaluated in the context of these factors. Forward-looking statements speak only as of the date they were made, and we undertake no obligation to update or revise such statements, except as required by the federal securities laws.

Overview

We are a diversified consumer finance company that provides installment loan products primarily to customers with limited access to consumer credit from banks, thrifts, credit card companies, and other lenders. As of March 31, 2025, we operate under the name "Regional Finance" online and in 353 branch locations in 19 states across the United States, serving 575,000 active accounts. Most of our loan products are secured, and each is structured on a fixed-rate, fixed-term basis with fully amortizing equal monthly installment payments, repayable at any time without penalty. We source our loans through our omni-channel platform, which includes our branches, centrally-managed direct mail campaigns, digital partners, and our consumer website. We operate an integrated branch model in which nearly all loans, regardless of origination channel, are serviced through our branch network with the support of centralized sales, underwriting, service, collections, and administrative teams. This model provides us with frequent contact with our customers, which we believe improves our credit performance and customer loyalty. Our goal is to consistently grow our finance receivables and to soundly manage our portfolio risk, while providing our customers with attractive and easy-to-understand loan products that serve their varied financial needs.

Our products include:

- *Large Loans (>\$2,500)* – As of March 31, 2025, we had 262.1 thousand large installment loans outstanding, representing \$1.3 billion in net finance receivables. This included 71.8 thousand large loan convenience checks, representing \$204.0 million in net finance receivables.
- *Small Loans (≤\$2,500)* – As of March 31, 2025, we had 312.2 thousand small installment loans outstanding, representing \$543.8 million in net finance receivables. This included 168.6 thousand small loan convenience checks, representing \$261.0 million in net finance receivables.
- *Retail Loans* – As of March 31, 2025, we had 0.7 thousand retail purchase loans outstanding, representing \$0.7 million in net finance receivables.
- *Optional Insurance Products* – We offer optional payment and collateral protection insurance to our direct loan customers.

Large and small installment loans are our core products and will be the drivers of future growth. We ceased accepting applications for our retail loan product offering in November 2022 to focus on growing our core loan portfolio. We continue to own and service our existing portfolio of retail loans. Our primary sources of revenue are interest and fee income from our loan products, of which interest and fees relating to large and small installment loans are the largest component. In addition to interest and fee income from loans, we earn revenue from optional insurance products purchased by customers of our direct loan products.

Outlook

We continually assess the macroeconomic environment in which we operate in order to adapt appropriately and timely to current market conditions. Macroeconomic factors, including, but not limited to, inflationary pressures, higher interest rates, tariffs, and impacts from current geopolitical events outside the U.S., may affect our business, liquidity, financial condition, and results of operations.

We continue to execute our barbell strategy of growth in our higher-margin loan portfolio while balancing the associated risk with growth in our high-quality, auto-secured loan portfolio. Our portfolio of loans with an annual percentage rate greater than 36% grew by \$59.1 million, or 20.6%, year-over-year, while our auto-secured loan portfolio grew by \$59.0 million, or 37.0%, year-over-year.

Our allowance for credit losses was 10.5% of net finance receivables as of March 31, 2025. Going forward, macroeconomic conditions may necessitate changes to the macroeconomic assumptions within our forecast and to our credit loss performance outlook, either of which could lead to further changes in our allowance for credit losses, reserve rate, and provision for credit losses expense.

We have proactively diversified our funding over the past few years and continue to maintain a strong liquidity profile. As of March 31, 2025, we had \$129.3 million of available liquidity, comprised of unrestricted cash on hand and immediate availability to draw down cash from our revolving credit facilities. In addition, we had \$640.7 million of unused capacity on our revolving credit facilities (subject to the borrowing base) as of March 31, 2025. We believe our liquidity position provides substantial runway to support the fundamental operations of our business and to fund future growth.

Factors Affecting Our Results of Operations

Our business is impacted by several factors affecting our revenues, costs, and results of operations, including the following:

Quarterly Information and Seasonality. Our loan volume and contractual delinquency follow seasonal trends. Demand for our loans is typically highest during the second, third, and fourth quarters, which we believe is largely due to customers borrowing money for vacation, back-to-school, and holiday spending. Loan demand has generally been the lowest during the first quarter, which we believe is largely due to the timing of income tax refunds. Delinquencies generally reach their lowest point in the first half of the year and rise in the second half of the year. Changes in quarterly growth or liquidation could result in larger allowance for credit loss releases in periods of portfolio liquidation and larger provisions for credit losses in periods of portfolio growth. Consequently, we experience seasonal fluctuations in our operating results. However, changes in macroeconomic factors, including inflation, higher interest rates, and geopolitical conflict, have impacted our typical seasonal trends for loan volume and delinquency.

Growth in Loan Portfolio. The revenue that we generate from interest and fees is largely driven by the balance of loans that we originate. We source our loans through our branches, centrally-managed direct mail program, digital partners, and our consumer website. The majority of our loans, regardless of origination channel, are serviced through our branches. Increasing the number of loans per branch and growing our state footprint allows us to increase the number of customers we are able to serve. We continue to assess our branch network for clear opportunities to add branches in new and existing states where it is favorable for us to conduct business or consolidate operations into larger branches within close geographic proximity. This branch optimization is consistent with our omni-channel strategy and builds upon our recent successes in entering new states with a lighter branch footprint, while still providing customers with best-in-class service. As we consider our growth rate, we not only consider the health of the consumer, the strength of the economy, and the credit performance of our portfolio, but we also balance our commitment to deliver strong short-term results for investors while also generating the portfolio growth that will fuel our success and returns over the long-term. As we grow our portfolio, we are required to reserve for expected lifetime credit losses at the origination of each loan, which reduces net income. The related revenue benefits are recognized over the life of each loan.

Product Mix. We are exposed to different credit risks and charge different interest rates and fees with respect to the various types of loans we offer. Our product mix also varies to some extent by state, and we may further diversify our product mix in the future. The interest rates and fees vary from state to state, depending on the competitive environment and relevant laws and regulations.

Asset Quality and Allowance for Credit Losses. Our results of operations are highly dependent upon the credit quality of our loan portfolio. The credit quality of our loan portfolio is the result of our ability to enforce sound underwriting standards, maintain diligent servicing of the portfolio, and respond to changing economic conditions as we grow our loan portfolio.

The primary underlying factors driving the provision for credit losses for each loan type are our underwriting standards, delinquency trends, the general economic conditions in the areas in which we conduct business, loan portfolio growth, and the effectiveness of our servicing and collection efforts. We monitor these factors, and the amount and past due status of all loans, to identify trends that might require us to modify the allowance for credit losses.

Interest Rates. Our costs of funds are affected by changes in interest rates, as the interest rates that we pay on certain of our credit facilities are variable. As a component of our strategy to manage the interest rate risk associated with future interest payments on our variable-rate debt, a majority of our funding was held at a fixed rate as of March 31, 2025, representing 90% of our total debt.

Operating Costs. Our financial results are impacted by the costs of operations and head office functions. Those costs are included in general and administrative expenses within our consolidated statements of comprehensive income.

Components of Results of Operations

Interest and Fee Income. Our interest and fee income consists primarily of interest earned on outstanding loans. Accrual of interest income on finance receivables is suspended when an account becomes 90 days delinquent. If the account is charged off, the accrued interest income is reversed as a reduction of interest and fee income.

Most states allow certain fees in connection with lending activities, such as loan origination fees, acquisition fees, and maintenance fees. Some states allow for higher fees while keeping interest rates lower. Loan fees are additional charges to the customer and generally are included in the annual percentage rate shown in the Truth in Lending disclosure that we make to our customers. The fees may or may not be refundable to the customer in the event of an early payoff, depending on state law. Fees are recognized as income over the life of the loan on the constant yield method.

Insurance Income, Net. Our insurance operations are a material part of our overall business and are integral to our lending activities. Insurance income, net consists primarily of earned premiums, net of certain direct costs, from the sale of various optional payment and collateral protection insurance products offered to customers who obtain loans directly from us. Insurance income, net also includes the earned premiums and direct costs associated with the non-file insurance that we purchase to protect us from credit losses where, following an event of default, we are unable to take possession of personal property collateral because our security interest is not perfected. We do not sell insurance to non-borrowers. Direct costs included in insurance income, net are claims paid, claims reserves, ceding fees, and premium taxes paid. We do not allocate to insurance income, net, any other head office or branch administrative costs associated with management of insurance operations, management of our captive insurance company, marketing and selling insurance products, legal and compliance review, or internal audits.

As reinsurer, we maintain restricted reserves comprised of restricted cash and restricted AFS investments for life insurance in an amount determined by the unaffiliated insurance company. As of March 31, 2025, the restricted reserves consisted of \$21.2 million of unearned premium reserves and \$1.2 million of unpaid claims reserves. The unaffiliated insurance company maintains the reserves for non-life claims.

Other Income. Our other income consists primarily of late charges assessed on customers who fail to make a payment within a specified number of days following the due date of the payment. In addition, interest income from restricted cash, commissions earned from the sale of club membership products, and investment income from restricted AFS securities are included in other income.

Provision for Credit Losses. Provisions for credit losses are charged to income in amounts that we estimate as sufficient to maintain an allowance for credit losses at an adequate level to provide for lifetime expected credit losses on the related finance receivable portfolio. We reserve for expected lifetime credit losses at origination of each loan, while the revenue benefits are recognized over the life of the loan. Credit loss experience, current conditions, reasonable and supportable economic forecasts, delinquency of finance receivables, loan portfolio growth, the value of underlying collateral, and management's judgment are factors used in assessing the overall adequacy of the allowance and the resulting provision for credit losses. Substantial adjustments to the allowance may be necessary if there are significant changes in forecasted economic conditions or loan portfolio performance.

General and Administrative Expenses. Our financial results are impacted by the costs of operations and head office functions. Those costs are included in general and administrative expenses within our consolidated statements of comprehensive income. Our general and administrative expenses are comprised of four categories: personnel, occupancy, marketing, and other.

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Our personnel expenses are the largest component of our general and administrative expenses and consist primarily of the salaries and wages, overtime, contract labor, relocation costs, incentives, benefits, and related payroll taxes associated with all of our operations and head office employees.

Our occupancy expenses consist primarily of the cost of renting our facilities, all of which are leased, and the utility, depreciation of leasehold improvements and furniture and fixtures, communication services, data processing, and other non-personnel costs associated with operating our business.

Our marketing expenses consist primarily of costs associated with our direct mail campaigns (including postage and costs associated with selecting recipients), digital marketing, maintaining our consumer website, and local marketing by branches. These costs are expensed as incurred.

Other expenses consist primarily of legal, compliance, audit, and consulting costs, as well as software maintenance and support, non-employee director compensation, electronic payment processing costs, bank service charges, office supplies, credit bureau charges, and the amortization of software, software licenses, and implementation costs. We frequently experience fluctuations in other expenses as we grow our loan portfolio and expand our market footprint. For a discussion regarding how risks and uncertainties associated with the current regulatory environment may impact our future expenses, net income, and overall financial condition, see Part II, Item 1A, "Risk Factors."

Interest Expense. Our interest expense consists primarily of paid and accrued interest for debt, unused line fees, and amortization of debt issuance costs on debt.

Income Taxes. Income taxes consist of state and federal income taxes. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The change in deferred tax assets and liabilities is recognized in the period in which the change occurs, and the effects of future tax rate changes are recognized in the period in which the enactment of new rates occurs.

Results of Operations

The following table summarizes our results of operations, both in dollars and as a percentage of average net finance receivables (annualized):

	1Q 25		1Q 24	
	Amount	% of Average Net Finance Receivables	Amount	% of Average Net Finance Receivables
<i>Dollars in thousands</i>				
Revenue				
Interest and fee income	\$ 136,553	28.9%	\$ 128,818	29.3%
Insurance income, net	11,297	2.4%	10,974	2.5%
Other income	5,117	1.1%	4,516	1.0%
Total revenue	152,967	32.4%	144,308	32.8%
Expenses				
Provision for credit losses	57,992	12.3%	46,423	10.6%
Personnel	41,142	8.7%	37,820	8.6%
Occupancy	6,906	1.5%	6,375	1.4%
Marketing	5,406	1.1%	4,315	1.0%
Other	12,589	2.7%	11,938	2.7%
Total general and administrative	66,043	14.0%	60,448	13.7%
Interest expense	19,771	4.2%	17,504	4.0%
Income before income taxes	9,161	1.9%	19,933	4.5%
Income taxes	2,154	0.4%	4,728	1.0%
Net income	\$ 7,007	1.5%	\$ 15,205	3.5%

Information explaining the changes in our results of operations from year-to-year is provided in the following pages.

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The following tables summarize the quarterly trends of our financial results:

In thousands, except per share amounts	Income Statement Quarterly Trend					QoQ \$	YoY \$
	1Q 24	2Q 24	3Q 24	4Q 24	1Q 25	B(W)	B(W)
Revenue							
Interest and fee income	\$ 128,818	\$ 127,898	\$ 133,932	\$ 138,246	\$ 136,553	\$ (1,693)	\$ 7,735
Insurance income, net	10,974	10,507	7,422	11,792	11,297	(495)	323
Other income	4,516	4,620	4,984	4,794	5,117	323	601
Total revenue	144,308	143,025	146,338	154,832	152,967	(1,865)	8,659
Expenses							
Provision for credit losses	46,423	53,802	54,349	57,626	57,992	(366)	(11,569)
Personnel	37,820	37,097	38,323	40,549	41,142	(593)	(3,322)
Occupancy	6,375	6,149	6,551	6,748	6,906	(158)	(531)
Marketing	4,315	4,836	5,078	4,777	5,406	(629)	(1,091)
Other	11,938	12,054	12,516	12,572	12,589	(17)	(651)
Total general and administrative	60,448	60,136	62,468	64,646	66,043	(1,397)	(5,595)
Interest expense	17,504	17,865	19,356	19,805	19,771	34	(2,267)
Income before income taxes	19,933	11,222	10,165	12,755	9,161	(3,594)	(10,772)
Income taxes	4,728	2,777	2,502	2,841	2,154	687	2,574
Net income	\$ 15,205	\$ 8,445	\$ 7,663	\$ 9,914	\$ 7,007	\$ (2,907)	\$ (8,198)
Net income per common share:							
Basic	\$ 1.59	\$ 0.88	\$ 0.79	\$ 1.02	\$ 0.73	\$ (0.29)	\$ (0.86)
Diluted	\$ 1.56	\$ 0.86	\$ 0.76	\$ 0.98	\$ 0.70	\$ (0.28)	\$ (0.86)
Weighted-average shares outstanding:							
Basic	9,569	9,613	9,683	9,691	9,610	81	(41)
Diluted	9,746	9,863	10,090	10,128	10,025	103	(279)
Balance Sheet & Other Key Metrics Quarterly Trends							
	1Q 24	2Q 24	3Q 24	4Q 24	1Q 25	QoQ \$	YoY \$
						Inc (Dec)	Inc (Dec)
Total assets	\$ 1,756,748	\$ 1,789,052	\$ 1,821,831	\$ 1,909,109	\$ 1,900,683	\$ (8,426)	\$ 143,935
Net finance receivables	\$ 1,744,286	\$ 1,773,743	\$ 1,819,756	\$ 1,892,535	\$ 1,890,351	\$ (2,184)	\$ 146,065
Allowance for credit losses	\$ 187,100	\$ 185,400	\$ 192,100	\$ 199,500	\$ 199,100	\$ (400)	\$ 12,000
Debt	\$ 1,358,795	\$ 1,378,449	\$ 1,395,892	\$ 1,478,336	\$ 1,477,860	\$ (476)	\$ 119,065
Interest and fee yield (annualized)	29.3%	29.3%	29.9%	29.8%	28.9%	(0.9)%	(0.4)%
Efficiency ratio	41.9%	42.0%	42.7%	41.8%	43.2%	1.4%	1.3%
Operating expense ratio	13.7%	13.8%	13.9%	14.0%	14.0%	—	0.3%
Delinquency rate	7.1%	6.9%	6.9%	7.7%	7.1%	(0.6)%	—
Net credit loss rate	10.6%	12.7%	10.6%	10.8%	12.4%	1.6%	1.8%
Book value per share	\$ 34.10	\$ 33.96	\$ 34.72	\$ 35.67	\$ 35.48	\$ (0.19)	\$ 1.38

Comparison of March 31, 2025, versus March 31, 2024

The following discussion and table describe the changes in finance receivables by product type:

- **Large Loans (>\$2,500)** – Large loans outstanding increased by \$95.2 million, or 7.6%, to over \$1.3 billion as of the periods ending March 31, 2025, compared to the period ended March 31, 2024. The increase was due to growth in our auto-secured loan portfolio, the growth of receivables in branches opened during 2024 and 2025, and the transition of small loan customers to large loans.
- **Small Loans (≤\$2,500)** – Small loans outstanding increased by \$53.0 million, or 10.8%, to \$543.8 million at March 31, 2025, from \$490.8 million at March 31, 2024. The increase was due to marketing, growth in our higher-margin loan portfolio, and growth of receivables in branches opened during 2024 and 2025, partially offset by the transition of small loan customers to large loans.
- **Retail Loans** – Retail loans outstanding decreased \$2.1 million, or 75.0%, to \$0.7 million at March 31, 2025, from \$2.8 million at March 31, 2024. We ceased accepting applications for our retail loan product offering as of November 2022 to focus on growing our core loan portfolio.

Dollars in thousands	Net Finance Receivables by Product			
	1Q 25	1Q 24	YoY \$ Inc (Dec)	YoY % Inc (Dec)
Large loans	\$ 1,345,825	\$ 1,250,647	\$ 95,178	7.6 %
Small loans	543,824	490,830	52,994	10.8 %
Retail loans	702	2,809	(2,107)	(75.0)%
Total	\$ 1,890,351	\$ 1,744,286	\$ 146,065	8.4 %
Number of branches	353	343	10	2.9 %
Net finance receivables per branch	\$ 5,355	\$ 5,085	\$ 270	5.3 %

Comparison of the Three Months Ended March 31, 2025, versus the Three Months Ended March 31, 2024

Net Income. Net income decreased \$8.2 million, or 53.9%, to \$7.0 million during the three months ended March 31, 2025, from \$15.2 million during the prior-year period. The decrease was due to an increase in provision for credit losses of \$11.6 million, an increase in general and administrative expenses of \$5.6 million, and an increase in interest expense of \$2.3 million, partially offset by an increase in revenue of \$8.7 million and a decrease in income taxes of \$2.6 million.

Revenue. Total revenue increased \$8.7 million, or 6.0%, to \$153.0 million during the three months ended March 31, 2025, from \$144.3 million during the prior-year period. The components of revenue are explained in greater detail below.

Interest and Fee Income. Interest and fee income increased \$7.7 million, or 6.0%, to \$136.6 million during the three months ended March 31, 2025, from \$128.8 million during the prior-year period. The increase was primarily due to a 7.4% increase in average net finance receivables, partially offset by a 0.4% decrease in annualized average yield. The decrease in yield was primarily due to the estimated 50 basis point benefit in the prior-year period related to the fourth quarter 2023 loan sale. The three months ended March 31, 2024 included reductions in revenue reversals of an estimated \$1.7 million attributable to the fourth quarter 2023 loan sale.

The following table sets forth the average net finance receivables balance and average yield for our loan products:

Dollars in thousands	Average Net Finance Receivables for the Three Months Ended			Average Yields for the Three Months Ended (1)		
	1Q 25	1Q 24	YoY % Inc (Dec)	1Q 25	1Q 24	YoY % Inc (Dec)
Large loans	\$ 1,340,122	\$ 1,263,491	6.1%	26.1%	26.0%	0.1%
Small loans	548,088	491,911	11.4%	35.9%	37.8%	(1.9)%
Retail loans	895	3,341	(73.2)%	14.7%	15.8%	(1.1)%
Total	\$ 1,889,105	\$ 1,758,743	7.4%	28.9%	29.3%	(0.4)%

(1) Annualized interest and fee income as a percentage of average net finance receivables.

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Total originations increased to \$392.1 million during the three months ended March 31, 2025, from \$326.4 million during the prior-year period. The following table represents the principal balance of loans originated and refinanced:

<i>Dollars in thousands</i>	Loans Originated for the Three Months Ended			
	1Q 25	1Q 24	YoY \$ Inc (Dec)	YoY % Inc (Dec)
Large loans	\$ 241,809	\$ 185,074	\$ 56,735	30.7%
Small loans	150,311	141,281	9,030	6.4%
Total	<u>\$ 392,120</u>	<u>\$ 326,355</u>	<u>\$ 65,765</u>	<u>20.2%</u>

The following table summarizes the components of the increase in interest and fee income:

<i>Dollars in thousands</i>	Components of Increase in Interest and Fee Income 1Q 25 Compared to 1Q 24 Increase (Decrease)			
	Volume	Rate	Volume & Rate	Net
Large loans	\$ 4,983	\$ 194	\$ 11	\$ 5,188
Small loans	5,314	(2,394)	(274)	2,646
Retail loans	(97)	(9)	7	(99)
Product mix	(652)	521	131	—
Total	<u>\$ 9,548</u>	<u>\$ (1,688)</u>	<u>\$ (125)</u>	<u>\$ 7,735</u>

Insurance Income, Net. Insurance income, net increased \$0.3 million, or 2.9% to \$11.3 million during the three months ended March 31, 2025, from \$11.0 million during the prior-year period. During both the three months ended March 31, 2025 and 2024, personal property insurance premiums represented the largest component of aggregate earned insurance premiums. During both the three months ended March 31, 2025 and 2024, life insurance claims expense represented the largest component of direct insurance expenses.

The following table summarizes the components of insurance income, net:

<i>Dollars in thousands</i>	Insurance Premiums and Direct Expenses for the Three Months Ended			
	1Q 25	1Q 24	YoY \$ B(W)	YoY % B(W)
Earned premiums	\$ 14,362	\$ 14,499	\$ (137)	(0.9)%
Claims, reserves, and certain direct expenses	(3,065)	(3,525)	460	13.0%
Insurance income, net	<u>\$ 11,297</u>	<u>\$ 10,974</u>	<u>\$ 323</u>	<u>2.9%</u>

Earned premiums decreased by \$0.1 million, and claims, reserves, and certain direct expenses decreased by \$0.5 million, in each case compared to the prior-year period. The decrease in both insurance premiums and claims, reserves, and direct expenses was primarily due to our strategic shifts in product and geographic mix which resulted in fewer active policies.

Other Income. Other income increased \$0.6 million, or 13.3%, to \$5.1 million during the three months ended March 31, 2025, from \$4.5 million during the prior-year period, primarily due to higher late charges of \$0.4 million associated with portfolio growth and an increase in sales of our club membership products of \$0.3 million.

Provision for Credit Losses. Our provision for credit losses increased \$11.6 million, or 24.9%, to \$58.0 million during the three months ended March 31, 2025, from \$46.4 million during the prior-year period. The increase was due to an increase in net credit losses of \$11.7 million, partially offset by the change in provision expense of \$0.1 million, in each case compared to the prior-year period. The increase in the provision for credit losses is explained in greater detail below.

Allowance for Credit Losses. We evaluate delinquency and losses in each of our loan products in establishing the allowance for credit losses. During the three months ended March 31, 2025 and 2024, the allowance for credit losses included releases of \$0.4 million and \$0.3 million, respectively. The allowance for credit losses as a percentage of net finance receivables decreased to 10.5% as of March 31, 2025, from 10.7% as of March 31, 2024 due to changes in estimated future macroeconomic impacts on credit losses.

Net Credit Losses. Net credit losses increased \$11.7 million, or 25.0%, to \$58.4 million during the three months ended March 31, 2025, from \$46.7 million during the prior-year period. Our net credit losses during the prior-year period were inclusive of an estimated \$12.2 million benefit from accelerated charge-offs in the fourth quarter of 2023 attributable to the fourth quarter 2023

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loan sale. The net credit loss rate was 12.4% during the three months ended March 31, 2025, compared to 10.6% during the prior-year period. Our net credit loss rate during the three months ended March 31, 2025 was inclusive of a 30 basis point increase from our higher margin portfolio, and during the three months ended March 31, 2024 it was inclusive of a 270 basis point decrease related to the fourth quarter 2023 loan sale.

Delinquency Performance. Our delinquency rate remained consistent at 7.1% as of both March 31, 2025, and the prior-year period. Our delinquency rate as of March 31, 2025 included an estimated 10 basis point increase related to hurricane activity in the third quarter of 2024 and an estimated 10 basis point increase from growth in our higher-margin small loan portfolio.

The following tables include delinquency balances by aging category and by product:

<i>Dollars in thousands</i>	Contractual Delinquency by Aging			
	1Q 25		1Q 24	
Current	\$ 1,624,072	85.9%	\$ 1,489,510	85.4%
1 to 29 days past due	132,302	7.0%	130,578	7.5%
Delinquent accounts:				
30 to 59 days	32,790	1.8%	30,020	1.7%
60 to 89 days	28,778	1.5%	25,409	1.5%
90 to 119 days	24,204	1.3%	23,460	1.3%
120 to 149 days	22,866	1.2%	22,163	1.3%
150 to 179 days	25,339	1.3%	23,146	1.3%
Total delinquency	\$ 133,977	7.1%	\$ 124,198	7.1%
Total net finance receivables	\$ 1,890,351	100.0%	\$ 1,744,286	100.0%

<i>Dollars in thousands</i>	Contractual Delinquency by Product			
	1Q 25		1Q 24	
Large loans	\$ 79,401	5.9%	\$ 78,055	6.2%
Small loans	54,444	10.0%	45,804	9.3%
Retail loans	132	18.8%	339	12.1%
Total	\$ 133,977	7.1%	\$ 124,198	7.1%

General and Administrative Expenses. Our general and administrative expenses increased \$5.6 million, or 9.3%, to \$66.0 million during the three months ended March 31, 2025, from \$60.4 million during the prior-year period. The absolute dollar increase in general and administrative expenses is explained in greater detail below.

Personnel. The largest component of general and administrative expenses was personnel expense, which increased \$3.3 million, or 8.8%, to \$41.1 million during the three months ended March 31, 2025, from \$37.8 million during the prior-year period. The increase was driven by an increase in incentive costs of \$1.9 million (\$1.7 million due to a change in expense timing) and increased labor costs of \$1.7 million partially related to opening 17 new branches since the prior-year period. This increase was partially offset by higher capitalized loan origination costs, which reduce personnel expenses, of \$0.6 million.

Occupancy. Occupancy expenses increased \$0.5 million, or 8.3%, to \$6.9 million during the three months ended March 31, 2025, from \$6.4 million during the prior-year period primarily due to increased rent expense of \$0.4 million, inclusive of rent expenses associated with opening 17 new branches since the prior-year period.

Marketing. Marketing expenses increased \$1.1 million, or 25.3%, to \$5.4 million during the three months ended March 31, 2025, from \$4.3 million during the prior-year period due to increased activity in our direct mail campaigns of \$0.6 million to support growth in our legacy markets and \$0.5 million to support our 17 new branches opened since the prior-year period.

Other Expenses. Other expenses increased \$0.7 million, or 5.5%, to \$12.6 million during the three months ended March 31, 2025, from \$11.9 million during the prior-year period. The increase was due to increased collection expenses of \$0.4 million and increased credit bureau fees of \$0.3 million.

Operating Expense Ratio. Our operating expense ratio increased by 0.3% to 14.0% during the three months ended March 31, 2025, from 13.7% during the prior-year period. Our operating expense ratio as of March 31, 2025 included an estimated 40 basis point increase related to a change in the pattern of incentive expense timing.

Interest Expense. Interest expense increased \$2.3 million, or 13.0%, to \$19.8 million during the three months ended March 31, 2025, from \$17.5 million during the prior-year period. The increase was primarily due to an increase in our cost of funds as well as an increase in the average balance of our debt facilities. Our cost of funds increased 0.2% to 4.2% during the three months ended March 31, 2025, from 4.0% during the prior-year period. The average balance of our debt facilities increased to \$1.5 billion during the three months ended March 31, 2025, from \$1.4 billion during the prior-year period.

Income Taxes. Income taxes decreased \$2.6 million, or 54.4%, to \$2.2 million during the three months ended March 31, 2025, from \$4.7 million during the prior-year period. The decrease was primarily due to a \$10.8 million decrease in income before income taxes compared to the prior-year period. Our effective tax rates were 23.5% and 23.7% for the three months ended March 31, 2025 and 2024, respectively.

Liquidity and Capital Resources

Our primary cash needs relate to the funding of our lending activities and, to a lesser extent, expenditures relating to improving our technology infrastructure and expanding and maintaining our branch locations. We have historically financed, and plan to continue to finance, our short-term and long-term operating liquidity and capital needs through a combination of cash flows from operations and borrowings under our debt facilities, including our senior revolving credit facility, revolving warehouse credit facilities, and asset-backed securitization transactions, all of which are described below. We continue to seek ways to diversify our funding sources. As of March 31, 2025, we had a funded debt-to-equity ratio of 4.1 to 1.0 and a stockholders' equity ratio of 18.8%.

Cash and cash equivalents increased to \$4.2 million as of March 31, 2025, from \$4.0 million as of the prior year-end. We had immediate availability to draw down cash from our revolving credit facilities of \$125.2 million and \$132.9 million as of March 31, 2025 and the prior year-end, respectively. Our unused capacity on our revolving credit facilities (subject to the borrowing base) was \$640.7 million and \$466.2 million as of March 31, 2025, and the prior year-end, respectively. Our debt balance was \$1.5 billion for both March 31, 2025 and the prior year-end.

Based upon anticipated cash flows, we believe that cash flows from operations and our various financing alternatives will provide sufficient financing for debt maturities and operations over the next twelve months, as well as into the future.

From time to time, we have extended the maturity date of and increased the borrowing limits under our senior revolving credit facility. While we have successfully obtained such extensions and increases in the past, there can be no assurance that we will be able to do so if and when needed in the future. In addition, as of March 31, 2025 the revolving period maturities of our securitizations and warehouse credit facilities (each as described below within "Financing Arrangements and Restricted Cash Reserve Accounts") ranged from May 2025 to May 2027. As of March 31, 2025, we did not exercise our right to redeem the notes of our RMIT 2021-1 and RMIT 2022-1 securitizations, for which the revolving periods ended in February 2024 and February 2025, respectively. There can be no assurance that we will be able to secure an extension of the warehouse credit facilities or close additional securitization transactions if and when needed in the future.

Dividends and Stock Repurchases.

The Board may in its discretion declare and pay cash dividends on our common stock. The following table sets forth the dividends declared and paid for the three months ended March 31, 2025:

Period	Declaration Date	Record Date	Payment Date	Dividends Declared Per Common Share	
1Q 25	February 5, 2025	February 20, 2025	March 13, 2025	\$	0.30
Total				\$	0.30

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The Board declared and paid \$3.0 million of cash dividends on our common stock during the three months ended March 31, 2025. See Note 14, “Subsequent Events” of the Notes to Consolidated Financial Statements in Part I, Item 1, “Financial Statements,” for information regarding our cash dividend following the end of the quarter.

While we intend to pay our quarterly dividend for the foreseeable future, all subsequent dividends will be reviewed and declared at the discretion of the Board and will depend on many factors, including our financial condition, earnings, cash flows, capital requirements, level of indebtedness, statutory and contractual restrictions applicable to the payment of dividends, and other considerations that the Board deems relevant. Our dividend payments may change from time to time, and the Board may choose not to continue to declare dividends in the future.

In December 2024, we announced that the Board had authorized a \$30.0 million stock repurchase program. The authorization was effective immediately and extends through December 31, 2026. As of March 31, 2025, we had repurchased 0.3 million shares of common stock at a total cost of \$10.1 million, including commissions and estimated excise taxes.

Cash Flow.

Operating Activities. Net cash provided by operating activities during the three months ended March 31, 2025 was \$63.7 million, compared to \$58.5 million during the prior-year period, a net increase of \$5.2 million. The increase in net cash provided was primarily due to the growth of our loan portfolio.

Investing Activities. Investing activities consist of originations and repayments of finance receivables, purchases of intangible assets, and purchases of property and equipment for new and existing branches. Net cash used in investing activities during the three months ended March 31, 2025 was \$60.3 million, compared to \$20.3 million during the prior-year period, a net increase in cash used of \$39.9 million. The increase in net cash used was primarily driven by increased originations as we grow our loan portfolio, partially offset by increased repayments of finance receivables.

Financing Activities. Financing activities consist of borrowings and payments on our outstanding indebtedness. Net cash used in financing activities during the three months ended March 31, 2025 was \$12.6 million, compared to \$44.4 million during the prior-year period, a decrease in cash used of \$31.8 million. The decrease in cash used was primarily due to an increase in the net advances on debt instruments of \$41.1 million related to increased originations, partially offset by an increase in the repurchases of common stock of \$6.5 million and an increase in payments for debt issuance costs of \$2.4 million.

Financing Arrangements and Restricted Cash Reserve Accounts.

As of March 31, 2025, we had five credit facilities outstanding and, from time to time, engage in the private offering and sale of asset-backed notes. As part of our overall funding strategy, we have transferred certain finance receivables to affiliated VIEs for asset-backed financing transactions. Our debt arrangements described below, other than our senior revolving credit facility, are issued by each of our RMR and RMIT SPEs, which are considered VIEs under GAAP. These debts are supported by the expected cash flows from the underlying collateralized finance receivables. Collections on these finance receivables are remitted to restricted cash collection accounts, which totaled \$107.9 million and \$117.1 million as of March 31, 2025 and December 31, 2024, respectively. Our debt arrangements also contain various debt covenants. We were in compliance with all such debt covenants as of March 31, 2025.

Revolving Credit Facilities. We issued a \$265.0 million securitization (RMIT 2025-1) in March 2025 with an effective interest rate of 5.3%. The proceeds were used to pay down higher-rate revolving credit facilities. The following is a summary of our revolving credit facilities as of March 31, 2025:

<i>Dollars in thousands</i>	Capacity	Debt Balance	Effective Interest Rate	Facility Cash Reserve Requirement	Restricted Cash Collection	Maturity Date
Senior	\$ 355,000	\$ 140,778	7.4%	\$ —	\$ —	Sep 2025
RMR IV warehouse	\$ 125,000	\$ 1	7.2%	\$ 53	\$ 71	May 2026
RMR V warehouse	\$ 100,000	\$ 1	6.7%	\$ 377	\$ 478	Nov 2027
RMR VI warehouse	\$ 75,000	\$ 1	6.4%	\$ 98	\$ 39	Feb 2028
RMR VII warehouse	\$ 125,000	\$ 2	6.7%	\$ 326	\$ 271	Oct 2026

Securitizations. The following is a summary of our securitizations as of March 31, 2025:

<i>Dollars in thousands</i>	Issue Amount	Debt Balance	Effective Interest Rate	Restricted Cash Reserves	Restricted Cash Collection (1)	Revolving Period Maturity	Final Maturity Date
RMIT 2021-1	\$ 248,700	\$ 75,840	3.0%	\$ 2,604	\$ 6,942	Feb 2024	Mar 2031
RMIT 2021-2	\$ 200,000	\$ 200,192	2.3%	\$ 2,083	\$ 15,442	Jul 2026	Aug 2033
RMIT 2021-3	\$ 125,000	\$ 125,202	3.9%	\$ 1,471	\$ 16,110	Sep 2026	Oct 2033
RMIT 2022-1	\$ 250,000	\$ 232,459	3.6%	\$ 2,646	\$ 18,815	Feb 2025	Mar 2032
RMIT 2024-1	\$ 187,305	\$ 187,788	6.2%	\$ 1,078	\$ 12,565	May 2027	July 2036
RMIT 2024-2	\$ 250,000	\$ 250,557	5.3%	\$ 1,418	\$ 15,940	Nov 2026	Dec 2033
RMIT 2025-1	\$ 265,000	\$ 265,039	5.3%	\$ 1,489	\$ 20,992	Mar 2027	Apr 2034

(1) In March 2025, we and RMR III exercised the right to make an optional principal repayment in full of RMIT 2020-1, and in connection with such prepayment, the securitization terminated. The restricted cash collections for RMIT 2020-1 totaled \$273 thousand as of March 31, 2025.

RMC Reinsurance. Our wholly owned subsidiary, RMC Reinsurance, Ltd., is required to maintain reserves against life insurance policies ceded to it, as determined by the ceding company. These reserves are comprised of restricted cash and restricted AFS investments, which totaled \$0.7 million and \$21.7 million, respectively, as of March 31, 2025.

Critical Accounting Policies and Estimates

Management's discussion and analysis of financial condition and results of operations is based upon our consolidated financial statements, which have been prepared in accordance with GAAP and conform to general practices within the consumer finance industry. The preparation of these financial statements requires estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses, and disclosure of contingent assets and liabilities for the periods indicated in the financial statements. Management bases estimates on historical experience and other assumptions it believes to be reasonable under the circumstances and evaluates these estimates on an ongoing basis. Actual results may differ from these estimates under different assumptions or conditions.

Allowance for Credit Losses.

The allowance for credit losses is based on historical credit experience, current conditions, and reasonable and supportable economic forecasts. The historical loss experience is adjusted for quantitative and qualitative factors that are not fully reflected in the historical data. In determining our estimate of expected credit losses, we evaluate information related to credit metrics, changes in our lending strategies and underwriting practices, and the current and forecasted direction of the economic and business environment. These metrics include, but are not limited to, loan portfolio mix and growth, unemployment, credit loss trends, delinquency trends, changes in underwriting, and operational risks.

We selected a PD / LGD model to estimate our base allowance for credit losses, in which the estimated loss is equal to the product of PD and LGD. Historical net finance receivables are tracked over the term of the pools to identify the incidences of loss (PDs) and the average severity of losses (LGDs).

To enhance the precision of the allowance for credit loss estimate, we evaluate our finance receivable portfolio on a pool basis and segment each pool of finance receivables with similar credit risk characteristics. As part of our evaluation, we consider loan portfolio characteristics such as product type, loan size, loan term, internal or external credit scores, delinquency status, geographical location, and vintage. Based on analysis of historical loss experience, we selected the following segmentation: product type, FICO score, and delinquency status.

As finance receivables are originated, provisions for credit losses are recorded in amounts sufficient to maintain an allowance for credit losses at an adequate level to provide for estimated losses over the contractual life of the finance receivables (considering the effect of prepayments). Subsequent changes to the contractual terms that are a result of re-underwriting are not included in the finance receivable's contractual life (considering the effect of prepayments). We use our segmentation loss experience to forecast expected credit losses. Historical information about losses generally provides a basis for the estimate of expected credit losses. We also consider the need to adjust historical information to reflect the extent to which current conditions differ from the conditions that existed for the period over which historical information was evaluated. These adjustments to historical loss information may be qualitative or quantitative in nature.

Macroeconomic forecasts are required for our allowance for credit loss model and require significant judgment and estimation uncertainty. We consider key economic factors, most notably unemployment rates, to incorporate into our estimate of the

allowance for credit losses. We engaged a major rating service provider to assist with compiling a reasonable and supportable forecast which we use to support the adjustments of our historical loss experience.

Due to the judgment and uncertainty in estimating the expected credit losses, we may experience changes to the macroeconomic assumptions within our forecast, as well as changes to our credit loss performance outlook, both of which could lead to further changes in our allowance for credit losses, allowance as a percentage of net finance receivables, and provision for credit losses. Potential macroeconomic changes have created conditions that increase the level of uncertainty associated with our estimate of the amount and timing of future credit losses from our loan portfolio.

Macroeconomic Sensitivity. To demonstrate the sensitivity of forecasting macroeconomic conditions, we stressed our macroeconomic model with 10% increased weighting towards slower near-term growth that would have increased our reserves as of March 31, 2025 by \$1.8 million.

The macroeconomic scenarios are highly influenced by timing, severity, and duration of changes in the underlying economic factors. This makes it difficult to estimate how potential changes in economic factors affect the estimated credit losses. Therefore, this hypothetical analysis is not intended to represent our expectation of changes in our estimate of expected credit losses due to a change in the macroeconomic environment, nor does it consider management's judgment of other quantitative and qualitative information which could increase or decrease the estimate.

Regulatory Developments.

On March 7, 2023, the CFPB provided us with Notice seeking to establish supervisory authority over us pursuant to section 1024(a)(1)(C) of the Consumer Financial Protection Act of 2010. Under that provision, the CFPB may establish supervisory authority over any non-bank covered person that it has reasonable cause to determine is engaging, or has engaged, in conduct that poses risks to consumers with regard to the offering or provision of consumer financial products or services. We responded to the Notice by voluntarily consenting to the CFPB's supervisory authority and entering into the Consent Agreement. Pursuant to the Consent Agreement and related CFPB order, the CFPB will have supervisory authority over us for a period of two years ending January 8, 2026. The Consent Agreement does not constitute an admission by us that we are a nonbank covered person who is engaging, or has engaged, in conduct that poses risks to consumers with regard to the offering or provision of consumer financial products or services. While the CFPB's supervisory authority over us extends through January 8, 2026, in April 2025, the CFPB closed its examination of us without any adverse finding. See "Government Regulation" in Part I, Item 1 "Business" and "Risks Related to Regulation and Legal Proceedings" in Part I, Item 1A "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024, as updated by Part II, Item 1A "Risk Factors" of this Quarterly Report on Form 10-Q, for a further discussion of the regulation and regulatory risks to which we are subject.

On March 6, 2024, the SEC adopted a final rule to require registrants to disclose certain climate-related information in their registration statements and annual reports. On April 4, 2024, the SEC issued an order staying the effectiveness of the final rule pending completion of the judicial review of consolidated challenges to the rule by the U.S. Court of Appeals for the Eighth Circuit. On February 11, 2025, the Acting Chairman of the SEC directed the SEC staff to notify the U.S. Court of Appeals for the Eighth Circuit of the change in the composition of the SEC and other changed circumstances and request that the court not schedule the case for oral argument to provide time for the SEC to deliberate and determine the appropriate next steps. On March 27, 2025, the SEC informed the U.S. Court of Appeals for the Eighth Circuit that it was withdrawing its defense of the matter and stated that SEC counsel are no longer authorized to advance arguments in the brief that the SEC had filed.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.
Interest Rate Risk

Interest rate risk arises from the possibility that changes in interest rates will affect our results of operations and financial condition. We originate finance receivables either at prevailing market rates or at statutory limits. Our finance receivables are structured on a fixed-rate, fixed-term basis. Accordingly, subject to statutory limits, our ability to react to changes in prevailing market rates is dependent upon the speed at which our customers pay off or renew loans in our existing loan portfolio, which allows us to originate new loans at prevailing market rates. Because our large loans have longer maturities than our small loans and typically renew at a slower rate than our small loans, our reaction time to changes may be affected as our large loans change as a percentage of our portfolio.

We also are exposed to changes in interest rates as a result of certain borrowing activities. As of March 31, 2025, the interest rates on 90% of our debt (the securitizations) were fixed. We maintain liquidity and fund our business operations in part through variable-rate borrowings under a senior revolving credit facility and multiple revolving warehouse credit facilities. As of March 31, 2025, the balances and key terms of the credit facilities' interest rate risk were as follows:

Revolving Credit Facility	Debt Balance (in thousands)	Interest Payment Frequency	Floor	Margin	Rate Type	Effective Interest Rate
Senior	\$ 140,778	Monthly	0.5%	3.0%	1-month SOFR	7.4%
RMR IV warehouse	1	Monthly	—	2.8%	1-month SOFR	7.2%
RMR V warehouse	1	Monthly	—	2.1%	Conduit	6.7%
RMR VI warehouse	1	Monthly	—	2.1%	1-month SOFR	6.4%
RMR VII warehouse	2	Monthly	—	2.4%	1-month SOFR	6.7%
Total	<u>\$ 140,783</u>					

Based on the underlying rates and the outstanding balances as of March 31, 2025, an increase of 100 basis points in the rates of our revolving credit facilities would result in approximately \$1.4 million of increased interest expense on an annual basis, in the aggregate, under these borrowings.

The nature and amount of our debt may vary as a result of future business requirements, market conditions, and other factors.

ITEM 4. CONTROLS AND PROCEDURES.

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our chief executive officer and chief financial officer, evaluated the effectiveness of our disclosure controls and procedures as of March 31, 2025. The term “disclosure controls and procedures,” as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the company’s management, including its principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

Based on the evaluation of our disclosure controls and procedures as of March 31, 2025, our chief executive officer and chief financial officer concluded that, as of such date, our disclosure controls and procedures were effective. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives, and management necessarily applies its judgment in evaluating the cost–benefit relationship of possible controls and procedures.

Changes in Internal Control

There were no changes in our internal control over financial reporting identified in management’s evaluation pursuant to Rules 13a-15(d) or 15d-15(d) of the Exchange Act during the period covered by this Quarterly Report on Form 10-Q that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS.

The Company is involved in various legal proceedings and related actions that have arisen in the ordinary course of its business that have not been fully adjudicated. The Company's management does not believe that these matters, when ultimately concluded and determined, will have a material adverse effect on its financial condition, liquidity, or results of operations.

ITEM 1A. RISK FACTORS.

Other than the risk factor set forth below, there have been no material changes to our risk factors from those included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024. In addition to the risk factor below and the other information set forth in this report and in our other reports and statements that we file with the SEC, you should carefully consider the factors discussed in Part I, Item 1A. "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024 (which was filed with the SEC on February 21, 2025), which could materially affect our business, financial condition, and/or future operating results. The risks described in our Annual Report on Form 10-K are not the only risks facing our company. Additional risks and uncertainties not currently known to the Company or that the Company currently deems to be immaterial also may materially and adversely affect the Company's business, financial condition, and/or operating results.

Financial regulatory reform has created uncertainty and could negatively impact our business, financial condition, and results of operations.

In response to the financial crisis in 2008, the Dodd-Frank Act was signed into law on July 21, 2010. The Dodd-Frank Act requires the creation of new federal regulatory agencies and grants additional authorities and responsibilities to existing regulatory agencies to identify and address emerging systemic risks posed by the activities of financial services firms. The Dodd-Frank Act also provides for enhanced regulation of derivatives and mortgage-backed securities offerings, restrictions on executive compensation, and enhanced oversight of credit rating agencies. The Dodd-Frank Act also limits the ability of federal laws to preempt state and local consumer laws.

Additionally, the Dodd-Frank Act established the CFPB, as a consumer protection regulator tasked with regulating consumer financial services and products. Since its creation, the CFPB has been the subject of lawsuits challenging its authority. However, in May 2024, in the case of *Community Financial Services Association of America, Limited v. Consumer Financial Protection Bureau*, the U.S. Supreme Court confirmed that the statute providing funding to the CFPB does not violate the appropriations clause of the Constitution. This decision marks an end to the last pending wholesale challenge to the CFPB's constitutionality. However, there have also been legislative proposals in Congress from time to time seeking to significantly reform the CFPB's structure, authority, funding, and/or mandate. The current administration has also indicated its desire to make potentially significant changes to the regulatory enforcement and supervisory agenda of the CFPB. As a result, there is, and will continue to be, uncertainty regarding the future of the CFPB and the impact on the lending markets.

The Dodd-Frank Act impacts the offering, marketing and regulation of consumer financial products and services offered by financial institutions. The CFPB has supervision, examination, and enforcement authority over the consumer financial products and services offered by certain non-depository institutions and large insured depository institutions. For example, the CFPB may establish supervisory authority over a nonbank covered entity that it has reasonable cause to determine is engaging, or has engaged, in conduct that poses risks to consumers. The CFPB also has broad rulemaking and enforcement authority over providers of credit, savings, and payment services and products and authority to prevent "unfair, deceptive or abusive" practices. The CFPB has the authority to write regulations under federal consumer financial protection laws, and to enforce those laws against and examine large financial institutions for compliance.

On March 7, 2023, the CFPB provided the Company with Notice that it sought to establish supervisory authority over the Company pursuant to section 1024(a)(1)(C) of the Consumer Financial Protection Act of 2010. Under that provision, the CFPB may establish supervisory authority over any non-bank covered person that it has reasonable cause to determine is engaging, or has engaged, in conduct that poses risks to consumers with regard to the offering or provision of consumer financial products or services. The Company responded to the Notice by voluntarily consenting to the CFPB's supervisory authority and entering into a Consent Agreement dated January 4, 2024. Pursuant to the Consent Agreement and related CFPB order, the CFPB has supervisory authority over the Company for a period of two years ending January 8, 2026. In April 2025, the CFPB closed its examination of us without any adverse finding.

The CFPB is also authorized to pursue administrative proceedings or litigation for violations of federal consumer financial laws. In these proceedings, the CFPB can obtain cease and desist orders (which can include orders for restitution or rescission of

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contracts, as well as other kinds of affirmative relief) and monetary penalties ranging from \$7,217 per day for minor violations of federal consumer financial laws (including the CFPB’s own rules) to \$36,083 per day for reckless violations and \$1,443,275 per day for knowing violations. Also, where a company has violated Title X of the Dodd-Frank Act or CFPB regulations under Title X, the Dodd-Frank Act empowers state attorneys general and state regulators to bring civil actions for the kind of cease and desist orders available to the CFPB (but not for civil penalties). If the CFPB or one or more state officials find that we have violated the foregoing laws, they could exercise their enforcement powers in ways that would have a material adverse effect on Regional.

In addition to pre-existing enforcement rights for state attorneys general, the Dodd-Frank Act gives attorneys general authority to enforce the Dodd-Frank Act and regulations promulgated under the Dodd-Frank Act’s authority. In conducting an investigation, the CFPB or state attorneys general may issue a civil investigative demand requiring a target company to prepare and submit, among other items, documents, written reports, answers to interrogatories, and deposition testimony. If we become subject to investigation, the required response could result in substantial costs and a diversion of management’s attention and resources. In addition, the market price of our common stock could decline as a result of the initiation of a CFPB investigation of our company or even the perception that such an investigation could occur, even in the absence of any finding by the CFPB that we have violated any state or federal law.

Although many of the regulations implementing portions of the Dodd-Frank Act have been promulgated, we are still unable to predict how this significant legislation may be interpreted and enforced or the full extent to which implementing regulations and supervisory policies may affect it. The President and current Congress may impact the extent to which new or revised legislation or regulations are adopted, and whether provisions of the Dodd-Frank Act and rules promulgated thereunder, including those provisions establishing the CFPB and the rules and regulations proposed and enacted by the CFPB, may be revised, repealed, or amended. There can be no assurance that future reforms will not significantly and adversely impact our business, financial condition, and results of operations.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

The following table provides information regarding our share repurchase transactions (excluding both commissions and estimated excise taxes) during the three months ended March 31, 2025:

Period	Issuer Purchases of Equity Securities			
	Total Number of Shares Purchased	Weighted-Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Program	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Program (1)
January 1, 2025 — January 31, 2025	134,607	\$ 34.07	134,607	\$ 21,877,480
February 1, 2025 — February 28, 2025	52,383	35.84	52,383	\$ 20,000,025
March 1, 2025 — March 31, 2025	—	—	—	\$ 20,000,025
Total	186,990	\$ 34.56	186,990	

(1) On December 2, 2024, we announced that our Board had authorized the repurchase of up to \$30.0 million of our outstanding shares of common stock. The authorization was effective immediately and extends through December 31, 2026.

ITEM 5. OTHER INFORMATION.

During the three months ended March 31, 2025, none of the Company’s officers or directors adopted or terminated a “Rule 10b5-1 trading arrangement” or a “non-Rule 10b5-1 trading arrangement,” as such terms are defined in Item 408(a) of Regulation S-K.

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ITEM 6. EXHIBITS.

Exhibit Number	Exhibit Description	Filed Herewith	Incorporated by Reference			
			Form	File Number	Exhibit	Filing Date
3.2	Second Amended and Restated Bylaws of Regional Management Corp. (corrected version of previously filed exhibit)	X				
4.1	Indenture, dated March 31, 2025, by and among Regional Management Issuance Trust 2025-1, as issuer, Regional Management Corp., as servicer, and Computershare Trust Company, N.A., as indenture trustee.		8-K	001-35477	4.1	04/02/2025
10.1	Second Amendment to Credit Agreement and Consent dated as of January 31, 2025, by and among Regional Management Corp., as servicer, Regional Management Receivables VI, LLC, as borrower, the lenders parties thereto, and Regions Bank, as administrative agent.		8-K	001-35477	10.1	02/05/2025
10.2	Sale and Servicing Agreement, dated March 31, 2025, by and among Regional Management Receivables III, LLC, as depositor, Regional Management Corp., as servicer, the subservicers party thereto, Regional Management Issuance Trust 2025-1, as issuer, and Regional Management North Carolina Receivables Trust, acting thereunder solely with respect to the 2025-1A SUBI.		8-K	001-35477	10.1	04/02/2025
31.1	Rule 13a-14(a) / 15(d)-14(a) Certification of Principal Executive Officer	X				
31.2	Rule 13a-14(a) / 15(d)-14(a) Certification of Principal Financial Officer	X				
32.1	Section 1350 Certifications	X				
101.INS	XBRL Instance Document—the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document					
101.SCH	Inline XBRL Taxonomy Extension Schema With Embedded Linkbase Documents					
104	Cover Page Interactive Data File—the cover page XBRL tags are embedded within the Inline XBRL document contained in Exhibit 101					

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

REGIONAL MANAGEMENT CORP.

Date: May 2, 2025

By: /s/ Harpreet Rana

Harpreet Rana, Executive Vice President and

Chief Financial and Administrative Officer

(Principal Financial Officer and Duly Authorized Officer)

Dated February 19, 2025

SECOND AMENDED AND RESTATED

BY-LAWS

OF

REGIONAL MANAGEMENT CORP.

ARTICLE I.

STOCKHOLDERS

Section 1. The annual meeting of the stockholders of Regional Management Corp. (the “Corporation”) for the purpose of electing directors and for the transaction of such other business as may properly be brought before the meeting shall be held on such date, and at such time and place, if any, within or without the State of Delaware as may be designated from time to time by the Board of Directors of the Corporation (the “Board”).

Section 2. Subject to the rights of the holders of any class or series of preferred stock of the Corporation, special meetings of the stockholders of the Corporation may be called only by or at the direction of the Board, the Chairman of the Board, the Chief Executive Officer of the Corporation or, for so long as the Shareholders (as such term is defined in the certificate of incorporation of the Corporation), collectively, continue to beneficially own at least 40% of the total voting power of all the then outstanding shares of stock of the Corporation entitled to vote generally in the election of directors, the Sponsor Panel (as such term is defined in the certificate of incorporation of the Corporation).

Section 3. Except as otherwise provided by law, the certificate of incorporation of the Corporation or these By-Laws, notice of the date, time, place (if any), the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such meeting, the record date for determining the stockholders entitled to vote at the meeting (if such date is different from the record date for stockholders entitled to notice of the meeting) and, in the case of a special meeting, the purpose or purposes of the meeting of stockholders shall be given not more than sixty (60), nor less than ten (10), days previous thereto, to each stockholder entitled to vote at the meeting as of the record date for determining stockholders entitled to notice of the meeting at such address as appears on the records of the Corporation.

Section 4. The holders of a majority in voting power of the stock issued and outstanding and entitled to vote thereat, present in person or represented by proxy, shall constitute a quorum at all meetings of the stockholders for the transaction of business, except as otherwise provided herein, by statute or by the certificate of incorporation of the Corporation. If (a) at any meeting of stockholders there shall be less than a quorum present or (b) there is a technical failure to convene or continue a meeting using remote communication, the chairman of the meeting or, by a majority in voting power thereof, the stockholders present may, to the extent permitted by law, adjourn the meeting from time to time until quorum shall be present or represented, without further notice other than announcement at the meeting of (a) the date, time and place, if any, of the adjourned meeting, and (b) the means of remote communication, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such adjourned meeting, are (i) announced at the meeting at which the adjournment is taken, (ii) displayed, during the time scheduled for the meeting, on the same electronic network used to enable stockholders and proxy holders to participate in the meeting by means of remote communication or (iii) set forth in the notice of meeting given in accordance with Article I, Section 3 of these By-Laws. At such adjourned meeting at which a quorum shall be present or represented any business may be transacted which might have been transacted at the original meeting. If the adjournment is for more than thirty (30) days, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting. If after the adjournment a new record date for stockholders entitled to vote is fixed for the adjourned meeting, the Board shall fix a new record date for notice of such adjourned meeting, and shall give notice of the adjourned meeting to each stockholder of record entitled to vote at such adjourned meeting as of the record date for notice of such adjourned meeting. Notwithstanding the foregoing, where a separate vote by a class or series or classes or series is required, a majority in voting power of the outstanding shares of such class or series or classes or series, present in person or represented by proxy, shall constitute a quorum entitled to take action with respect to that vote on that matter.

Section 5. The Chairman of the Board, or in the Chairman's absence or at the Chairman's direction, the Chief Executive Officer, or in the Chief Executive Officer's absence or at the Chief Executive Officer's direction, any officer of the Corporation shall call all meetings of the stockholders to order and shall act as chairman of any such meetings. The Secretary of the Corporation or, in such officer's absence, an Assistant Secretary shall act as secretary of the meeting. If neither the Secretary nor an Assistant Secretary is present, the chairman of the meeting shall appoint a secretary of the meeting. The Board may adopt such rules and regulations for the conduct of the meeting of stockholders as it shall deem appropriate. Unless otherwise determined by the Board prior to the meeting, the chairman of the meeting shall determine the order of business and shall have the authority in his or her discretion to regulate the conduct of any such meeting, including, without limitation, convening the meeting and adjourning the meeting (whether or not a quorum is present), announcing the date and time of the opening and the closing of the polls for each matter upon which the stockholders will vote, imposing restrictions on the persons (other than stockholders of record of the Corporation or their duly appointed proxies) who may attend any such meeting, establishing procedures for the dismissal of business not properly presented, maintaining order at the meeting and safety of those present, restricting entry to the meeting after the time fixed for commencement thereof and limiting the circumstances in which any person may make a statement or ask questions at any meeting of stockholders.

Section 6. At all meetings of stockholders, any stockholder entitled to vote thereat shall be entitled to vote in person or by proxy, but no proxy shall be voted after three years from its date, unless such proxy provides for a longer period. Without limiting the manner in which a stockholder may authorize another person or persons to act for the stockholder as proxy pursuant to the General Corporation Law of the State of Delaware (the "DGCL"), the following shall constitute a valid means by which a stockholder may grant such authority: (1) a stockholder may execute a writing authorizing another person or persons to act for the stockholder as proxy, and execution of the writing may be accomplished by the stockholder or the stockholder's authorized officer, director, employee or agent signing such writing or causing his or her signature to be affixed to such writing by any reasonable means including, but not limited to, by facsimile signature; or (2) a stockholder may authorize another person or persons to act for the stockholder as proxy by transmitting or authorizing the transmission of an electronic transmission to the person who will be the holder of the proxy or to a proxy solicitation firm, proxy support service organization or like agent duly authorized by the person who will be the holder of the proxy to receive such transmission, provided that any such transmission must either set forth or be submitted with information from which it can be determined that the transmission was authorized by the stockholder. If it is determined that such transmissions are valid, the inspector or inspectors of stockholder votes or, if there are no such inspectors, such other persons making that determination shall specify the information upon which they relied.

A proxy shall be irrevocable if it states that it is irrevocable and if, and only as long as, it is coupled with an interest sufficient in law to support an irrevocable power. A stockholder may revoke any proxy which is not irrevocable by attending the meeting and voting in person or by delivering to the Secretary of the Corporation a revocation of the proxy or a new proxy bearing a later date.

Any copy, facsimile telecommunication or other reliable reproduction of the writing or transmission created pursuant to the preceding paragraph of this Section 6 may be substituted or used in lieu of the original writing or transmission for any and all purposes for which the original writing or transmission could be used, provided that such copy, facsimile telecommunication or other reproduction shall be a complete reproduction of the entire original writing or transmission.

Proxies shall be filed with the secretary of the meeting prior to or at the commencement of the meeting to which they relate.

Section 7. When a quorum is present at any meeting, the vote of the holders of a majority of the votes cast shall decide any question brought before such meeting, unless the question is one upon which by express provision of the certificate of incorporation of the Corporation, these By-Laws or the DGCL a different vote is required, in which case such express provision shall govern and control the decision of such question. Notwithstanding the foregoing, where a separate vote by a class or series or classes or series is required and a quorum is present, the affirmative vote of a majority of the votes cast by shares of such class or series or classes or series shall be the act of such class or series or classes or series, unless the question is one upon which by express provision of the certificate of incorporation of the Corporation, these By-Laws or the DGCL a different vote is required, in which case such express provision shall govern and control the decision of such question.

Section 8. (A) In order that the Corporation may determine the stockholders entitled to notice of any meeting of stockholders or any adjournment thereof, the Board may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board, and which record date shall, unless otherwise required by law, not be more than sixty nor less than ten days before the date of such meeting. If the Board so fixes a date, such date shall also be the record date for determining the stockholders entitled to vote at such meeting unless the Board determines, at the time it fixes such record date, that a later date on or before the date of the meeting shall be the date for making such determination. If no record date is fixed by the Board, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; *provided, however*, that the Board may fix a new record date for determination of stockholders entitled to vote at the adjourned meeting, and in such case shall also fix as the record date for stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote in accordance herewith at the adjourned meeting.

(B) In order that the Corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board may fix a record date, which shall not be more than sixty (60) days prior to such other action. If no such record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board adopts the resolution relating thereto.

Section 9. At any time when the certificate of incorporation of the Corporation permits action by one or more classes of stockholders of the Corporation to be taken by written consent, the provisions of this section shall apply. All consents properly delivered in accordance with the certificate of incorporation of the Corporation, this section and the DGCL shall be deemed to be recorded when so delivered. No written consent shall be effective to take the corporate action referred to therein unless, within sixty (60) days of the earliest dated consent delivered to the Corporation as required by this section, written consents signed by the holders of a sufficient number of shares to take such corporate action are so recorded. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing and who, if the action had been taken at a meeting, would have been entitled to notice of the meeting if the record date for notice of such meeting had been the date that written consents signed by a sufficient number of holders to take the action were delivered to the Corporation. Any action taken pursuant to such written consent or consents of the stockholders shall have the same force and effect as if taken by the stockholders at a meeting thereof. In order that the Corporation may determine the stockholders entitled to consent to corporate action in writing without a meeting, the Board may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board, and which date shall not be more than ten (10) days after the date upon which the resolution fixing the record date is adopted by the Board. If no record date has been fixed by the Board, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting, when no prior action by the Board is required by statute, shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the Corporation by delivery to its registered office in the State of Delaware, its principal place of business, or an officer or agent of the Corporation having custody of the book in which proceedings of meetings of stockholders are recorded. If no record date has been fixed by the Board and prior action by the Board is required by statute, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting shall be at the close of business on the day on which the Board adopts the resolution taking such prior action.

Section 10. The officer who has charge of the stock ledger of the Corporation shall prepare no later than the tenth (10) day before each meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting (*provided, however*, if the record date for determining the stockholders entitled to vote is less than ten days before the date of the meeting, the list shall reflect the stockholders entitled to vote as of the tenth day before the meeting date), arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder for any purpose germane to the meeting for a period of at ten (10) days ending on the day before the meeting date: (i) on a reasonably accessible electronic network, provided that the information required to gain access to such list is

provided with the notice of the meeting, or (ii) during ordinary business hours, at the principal place of business of the Corporation. In the event that the Corporation determines to make the list available on an electronic network, the Corporation may take reasonable steps to ensure that such information is available only to stockholders of the Corporation.

Section 11. The Board, in advance of all meetings of the stockholders, may appoint one or more inspectors of stockholder votes, who may be employees or agents of the Corporation or stockholders or their proxies, but not directors of the Corporation or candidates for election as directors. In the event that the Board fails to so appoint one or more inspectors of stockholder votes or, in the event that one or more inspectors of stockholder votes previously designated by the Board fails to appear or act at the meeting of stockholders, the chairman of the meeting may appoint one or more inspectors of stockholder votes to fill such vacancy or vacancies. Inspectors of stockholder votes appointed to act at any meeting of the stockholders, before entering upon the discharge of their duties, shall take and sign an oath to faithfully execute the duties of inspector of stockholder votes with strict impartiality and according to the best of their ability and the oath so taken shall be subscribed by them. Inspectors of stockholder votes shall, subject to the power of the chairman of the meeting to open and close the polls, take charge of the polls, and, after the voting, shall make a certificate of the result of the vote taken.

Section 12. (A) Annual Meetings of Stockholders. (1) Nominations of persons for election to the Board and the proposal of other business to be considered by the stockholders may be made at an annual meeting of stockholders only (a) pursuant to the Corporation's notice of meeting (or any supplement thereto) delivered pursuant to Article I, Section 3 of these By-Laws, (b) by or at the direction of the Board or any committee thereof or (c) by any stockholder of the Corporation who is entitled to vote on such election or such other business at the meeting, who complied with the notice procedures set forth in subparagraphs (2) and (3) of this paragraph (A) of this By-Law and who was a stockholder of record at the time such notice is delivered to the Secretary of the Corporation.

(2) For nominations or other business to be properly brought before an annual meeting by a stockholder, the stockholder must have given timely notice thereof in writing to the Secretary of the Corporation, and, in the case of business other than nominations of persons for election to the Board, such other business must be a proper matter for stockholder action. To be timely, a stockholder's notice shall be delivered to the Secretary at the principal executive offices of the Corporation not less than ninety (90) days nor more than one hundred twenty (120) days prior to the first anniversary of the preceding year's annual meeting; provided, however, that in the event that the date of the annual meeting is advanced by more than twenty (20) days, or delayed by more than seventy (70) days, from such anniversary date, notice by the stockholder to be timely must be so delivered not earlier than the 120th day prior to such annual meeting and not later than the close of business on the later of the 90th day prior to such annual meeting or the tenth day following the day on which public announcement of the date of such meeting is first made. For purposes of the application of Rule 14a-4(c) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") (or any successor provision), the date for notice specified in this paragraph (A)(2) shall be the earlier of the date calculated as hereinbefore provided or the date specified in paragraph (c)(1) of Rule 14a-4.

Such stockholder's notice shall set forth (a) as to each person whom the stockholder proposes to nominate for election or re-election as a director all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors, or is otherwise required, in each case pursuant to Section 14(a) of the Exchange Act and the rules and regulations promulgated thereunder, including such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected; (b) as to any other business that the stockholder proposes to bring before the meeting, a brief description of the business desired to be brought before the meeting, the text of the proposal or business (including the text of any resolutions proposed for consideration and, in the event that such business includes a proposal to amend these By-Laws, the language of the proposed amendment), the reasons for conducting such business at the meeting and any material interest in such business of such stockholder and the beneficial owner, if any, on whose behalf the proposal is made; (c) as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the nomination or proposal is made (i) the name and address of such stockholder, as they appear on the Corporation's books, and of such beneficial owner, (ii) the class or series and number of shares of the Corporation which are owned beneficially and of record by such stockholder and such beneficial owner, (iii) a representation that the stockholder intends to appear in person or by proxy at the meeting to propose such business or nomination, (iv) a representation whether the stockholder or the beneficial owner, if any, or any of their respective affiliates or associates and/or any others acting in concert with any of the foregoing (collectively, "proponent persons") intends or is part of a group which intends (A) to deliver a proxy statement and/or form of proxy to holders of at least the percentage of the Corporation's outstanding capital

stock required to approve or adopt the proposal or elect the nominee and/or (B) otherwise to solicit proxies from stockholders in support of such proposal or nomination, (v) if such stockholder or any other proponent person intends to engage in a solicitation with respect to a nomination pursuant to this Section 12, (A) a statement disclosing the name of each participant in such solicitation (as defined in Item 4 of Schedule 14A under the Exchange Act) and (B) a representation that such stockholder or other proponent person, if any, intends to deliver a proxy statement and form of proxy to holders of at least the percentage of the Corporation's outstanding capital stock required under Rule 14a-19 under the Exchange Act ("Rule 14a-19"); and (vi) any other information relating to such stockholder and beneficial owner, if any, required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for, as applicable, the proposal and/or for the election of directors in an election contest pursuant to and in accordance with Section 14(a) of the Exchange Act and the rules and regulations promulgated thereunder; (d) a description of any agreement, arrangement or understanding with respect to the nomination or proposal and/or the voting of shares of any class or series of stock of the Corporation between or among the stockholder giving the notice, the beneficial owner, if any, on whose behalf the nomination or proposal is made and any other proponent person; and (e) a description of any agreement, arrangement or understanding (including without limitation any contract to purchase or sell, acquisition or grant of any option, right or warrant to purchase or sell, swap or other instrument) the intent or effect of which may be (i) to transfer to or from any proponent person, in whole or in part, any of the economic consequences of ownership of any security of the Corporation, (ii) to increase or decrease the voting power of any proponent person with respect to shares of any class or series of stock of the Corporation and/or (iii) to provide any proponent person, directly or indirectly, with the opportunity to profit or share in any profit derived from, or to otherwise benefit economically from, any increase or decrease in the value of any security of the Corporation. A stockholder providing notice of a proposed nomination for election to the Board or other business proposed to be brought before a meeting (whether given pursuant to this paragraph (A)(2) or paragraph (B) of this By-Law) shall update and supplement such notice from time to time to the extent necessary so that the information provided or required to be provided in such notice shall be true and correct as of the record date for the meeting and as of the date that is fifteen (15) days prior to the meeting or any adjournment or postponement thereof; such update and supplement shall be delivered in writing to the Secretary at the principal executive offices of the Corporation not later than five (5) days after the record date for the meeting (in the case of any update and supplement required to be made as of the record date), and not later than ten (10) days prior to the date for the meeting or any adjournment or postponement thereof (in the case of any update and supplement required to be made as of fifteen (15) days prior to the meeting or any adjournment or postponement thereof). The Corporation may require any proposed nominee to furnish such other information as it may reasonably require to determine the eligibility of such proposed nominee to serve as a director of the Corporation. In addition, if any stockholder provides notice pursuant to Rule 14a-19, such stockholder shall deliver to the Secretary of the Corporation, no later than five (5) business days prior to the applicable meeting, reasonable evidence that it has met the requirements of Rule 14a-19. In addition to the other requirements of this Section 12, each person whom a stockholder proposes to nominate for election to the Board must deliver in writing (in accordance with the time periods prescribed for delivery of notice under Section 2) to the Secretary of the Corporation at the principal executive offices of the Corporation a completed written questionnaire with respect to the background, qualifications, stock ownership and independence of such proposed nominee (which questionnaire shall be provided by the Secretary of the Corporation upon written request of any stockholder of record identified by name within five (5) business days of such written request).

(3) Notwithstanding anything in the second sentence of paragraph (A)(2) of this By-Law to the contrary, in the event that the number of directors to be elected to the Board is increased, effective after the time period for which nominations would otherwise be due under paragraph (A)(2) of this By-Law, and there is no public announcement naming all of the nominees for director or specifying the size of the increased Board made by the Corporation at least eighty (80) days prior to the first anniversary of the preceding year's annual meeting, a stockholder's notice required by this By-Law shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it shall be delivered to the Secretary at the principal executive offices of the Corporation not later than the close of business on the tenth day following the day on which a public announcement of such increase is first made by the Corporation; provided that, if no such announcement is made at least ten (10) days before the meeting, then no such notice shall be required.

(B) Special Meetings of Stockholders. Only such business shall be conducted at a special meeting of stockholders as shall have been brought before the meeting pursuant to the Corporation's notice of meeting pursuant to Article I, Section 3 of these By-Laws. Nominations of persons for election to the Board may be made at a special meeting of

stockholders at which directors are to be elected pursuant to the Corporation's notice of meeting (a) by or at the direction of the Board or a committee thereof (or stockholders pursuant to Article I, Section 2 of these By-Laws and Article VII of the certificate of incorporation of the Corporation) or (b) provided that the Board (or stockholders pursuant to Article I, Section 2 of these By-Laws and Article VII of the certificate of incorporation of the Corporation) has determined that directors shall be elected at such meeting, by any stockholder of the Corporation who is entitled to vote on such election at the meeting, who complies with the notice procedures set forth in this By-Law and who is a stockholder of record at the time such notice is delivered to the Secretary of the Corporation. The proposals by stockholders of other business to be conducted at a special meeting of stockholders may be made only in accordance with Article I, Section 2 of these By-Laws and Article VII of the certificate of incorporation of the Corporation. In the event the Corporation calls a special meeting of stockholders for the purpose of electing one or more directors to the Board, any such stockholder entitled to vote in such election of directors may nominate a person or persons (as the case may be) for election to such position(s) as specified in the Corporation's notice of meeting if the stockholder's notice as required by paragraph (A)(2) of this By-Law shall be delivered to the Secretary at the principal executive offices of the Corporation not earlier than the 120th day prior to such special meeting and not later than the close of business on the later of the 90th day prior to such special meeting or the tenth day following the day on which public announcement is first made of the date of the special meeting and of the nominees proposed by the Board to be elected at such meeting.

(C) General. (1) Notwithstanding the foregoing provisions of this Section 12, unless otherwise required by law, if any stockholder (i) provides notice pursuant to Rule 14a-19 and (ii) subsequently fails to comply with any requirements of Rule 14a-19 or any other rules or regulations thereunder, as determined by the chairman of the meeting, then the Corporation shall disregard any proxies or votes solicited for such nominees. In addition, any stockholder that provides notice pursuant to Rule 14a-19 shall notify the Secretary of the Corporation within two (2) business days of any change in such stockholder's intent to deliver a proxy statement and form of proxy to the amount of holders of shares of the Corporation's outstanding capital stock required under Rule 14a-19.

(2) Only persons who are nominated in accordance with the procedures set forth in this By-Law shall be eligible to serve as directors and only such business shall be conducted at a meeting of stockholders as shall have been brought before the meeting in accordance with the procedures set forth in this By-Law. Except as otherwise provided by law, the certificate of incorporation of the Corporation or these By-Laws, the chairman of the meeting shall have the power and duty to determine whether a nomination or any business proposed to be brought before the meeting was made in accordance with the procedures set forth in this By-Law and, if any proposed nomination or business is not in compliance with this By-Law, to declare that such defective nomination shall be disregarded or that such proposed business shall not be transacted.

Notwithstanding the foregoing provisions of this Section 12, if the stockholder (or a qualified representative of the stockholder) does not appear at the annual or special meeting of stockholders of the Corporation to present a nomination or business, such nomination shall be disregarded and such proposed business shall not be transacted, notwithstanding that proxies in respect of such vote may have been received by the Corporation. For purposes of this Section 12, to be considered a qualified representative of the stockholder, a person must be a duly authorized officer, manager or partner of such stockholder or must be authorized by a writing executed by such stockholder or an electronic transmission delivered by such stockholder to act for such stockholder as proxy at the meeting of stockholders and such person must produce such writing or electronic transmission, or a reliable reproduction of the writing or electronic transmission, at the meeting of stockholders.

(3) For purposes of this By-Law, "public announcement" shall mean disclosure in a press release reported by the Dow Jones News Service, Associated Press or comparable national news service or in a document publicly filed or furnished by the Corporation with the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the Exchange Act.

(4) For purposes of this By-Law, no adjournment or postponement or notice of adjournment or postponement of any meeting shall be deemed to constitute a new notice of such meeting for purposes of this Section 12, and in order for any notification required to be delivered by a stockholder pursuant to this Section 12 to be timely, such notification must be delivered within the periods set forth above with respect to the originally scheduled meeting.

(5) Notwithstanding the foregoing provisions of this By-Law, a stockholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to the matters set forth in

this By-Law; provided however, that any references in these By-Laws to the Exchange Act or the rules and regulations promulgated thereunder are not intended to and shall not limit any requirements applicable to nominations or proposals as to any other business to be considered pursuant to this By-Law (including paragraphs (A)(1)(c) and (B) hereof), and compliance with paragraphs (A)(1)(c) and (B) of this By-Law shall be the exclusive means for a stockholder to make nominations or submit other business. Nothing in this By-Law shall apply to the right, if any, of the holders of any series of Preferred Stock (as defined in the certificate of incorporation of the Corporation) to elect directors pursuant to any applicable provisions of the certificate of incorporation of the Corporation.

(6) Any stockholder directly or indirectly soliciting proxies from other stockholders must use a proxy card color other than white, which shall be reserved for the exclusive use by the Board.

ARTICLE II.

BOARD OF DIRECTORS

Section 1. The Board shall consist, subject to the certificate of incorporation of the Corporation, of such number of directors as shall from time to time be fixed exclusively by resolution adopted by the Board. Directors shall (except as hereinafter provided for the filling of vacancies and newly created directorships) be elected by the holders of a plurality of the votes cast by the holders of shares present in person or represented by proxy at the meeting and entitled to vote on the election of such directors. A majority of the total number of directors then in office (but not less than one-third of the number of directors constituting the entire Board) shall constitute a quorum for the transaction of business. Except as otherwise provided by law, these By-Laws or by the certificate of incorporation of the Corporation, the act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board. Directors need not be stockholders.

Section 2. Subject to the certificate of incorporation of the Corporation, unless otherwise required by the DGCL or Article II, Section 4 of these By-Laws, any newly created directorship on the Board that results from an increase in the number of directors and any vacancy occurring in the Board shall be filled only by a majority of the directors then in office, although less than a quorum, or by a sole remaining director.

Section 3. Meetings of the Board shall be held at such place, if any, within or without the State of Delaware as may from time to time be fixed by resolution of the Board or as may be specified in the notice of any meeting. Regular meetings of the Board shall be held at such times as may from time to time be fixed by resolution of the Board and special meetings may be held at any time upon the call of the Chairman of the Board or the Chief Executive Officer, by oral or written notice, including e-mail or other means of electronic transmission, duly served on or sent and delivered to each director to such director's address, e-mail address or telephone or telecopy number as shown on the books of the Corporation not less than twenty-four (24) hours before the meeting. The notice of any meeting need not specify the purposes thereof. A meeting of the Board may be held without notice immediately after the annual meeting of stockholders at the same place, if any, at which such meeting is held. Notice need not be given of regular meetings of the Board held at times fixed by resolution of the Board. Notice of any meeting need not be given to any director who shall attend such meeting (except when the director attends a meeting for the express purpose of objecting at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened), or who shall waive notice thereof, before or after such meeting, in writing (including by electronic transmission).

Section 4. Notwithstanding the foregoing, whenever the holders of any one or more series of Preferred Stock issued by the Corporation shall have the right, voting separately as a series or separately as a class with one or more such other series, to elect directors at an annual or special meeting of stockholders, the election, term of office, removal, and other features of such directorships shall be governed by the terms of the certificate of incorporation of the Corporation (including any certificate of designation relating to any series of Preferred Stock) applicable thereto. The number of directors that may be elected by the holders of any such series of Preferred Stock shall be in addition to the number fixed pursuant to the certificate of incorporation of the Corporation and these By-Laws. Except as otherwise expressly provided in the terms of such series, the number of directors that may be so elected by the holders of any such series of stock shall be elected for terms expiring at the next annual meeting of stockholders, and vacancies among directors so elected by the separate vote of the holders of any such series of Preferred Stock shall be filled by the affirmative vote of a majority of the remaining directors elected by such series, or, if there are no

such remaining directors, by the holders of such series in the same manner in which such series initially elected a director.

Section 5. If at any meeting for the election of directors, the Corporation has outstanding more than one class of stock, and one or more such classes or series thereof are entitled to vote separately as a class to elect directors, and there shall be a quorum of only one such class or series of stock, that class or series of stock shall be entitled to elect its quota of directors notwithstanding absence of a quorum of the other class or series of stock.

Section 6. The Board may from time to time establish one or more committees of the Board to serve at the pleasure of the Board, which shall be comprised of such members of the Board and have such duties as the Board shall from time to time determine. Any director may belong to any number of committees of the Board. The Board may also establish such other non-Board committees with such members (whether or not directors) and with such duties as the Board may from time to time determine. The Board may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member or members present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the Board to act at the meeting in the place of any such absent or disqualified member. Unless otherwise provided in the certificate of incorporation of the Corporation, these By-Laws or the resolution of the Board designating the committee, a committee may create one or more subcommittees, each subcommittee to consist of one or more members of the committee, and delegate to a subcommittee any or all of the powers and authority of the committee.

Section 7. Unless otherwise restricted by the certificate of incorporation of the Corporation or these By-Laws, any action required or permitted to be taken at any meeting of the Board or of any committee thereof may be taken without a meeting if all members of the Board or committee, as the case may be, consent thereto in writing (including by electronic transmission), and the writing or writings (including any electronic transmissions) are filed with the minutes of proceedings of the Board.

Section 8. The members of the Board or any committee thereof may participate in a meeting of such Board or committee, as the case may be, by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this subsection shall constitute presence in person at such a meeting.

Section 9. The Board may establish policies for the compensation of directors and for the reimbursement of the expenses of directors, in each case, in connection with services provided by directors to the Corporation.

ARTICLE III.

OFFICERS

Section 1. The Board, at its next meeting following each annual meeting of the stockholders, shall elect officers of the Corporation, including a Chief Executive Officer and a Secretary. The Board may also from time to time elect such other officers (including, without limitation, a Chief Financial Officer, a Chief Operating Officer, a General Counsel, one or more Vice Presidents, a Treasurer, one or more Assistant Vice Presidents, one or more Assistant Secretaries and one or more Assistant Treasurers) as it may deem proper or may delegate to any elected officer of the Corporation the power to appoint and remove any such other officers and to prescribe their respective terms of office, authorities and duties. Any Vice President may be designated Executive, Senior or Corporate, or may be given such other designation or combination of designations as the Board or the Chief Executive Officer may determine. Any two or more offices may be held by the same person. The Board may also elect or appoint a Chairman of the Board, who may or may not also be an officer of the Corporation. The Board may elect or appoint co-Chairmen of the Board, co-Presidents or co-Chief Executive Officers and, in such case, references in these By-Laws to the Chairman of the Board, the President or the Chief Executive Officer shall refer to either such co-Chairman of the Board, co-President or co-Chief Executive Officer, as the case may be.

Section 2. All officers of the Corporation elected by the Board shall hold office for such terms as may be determined by the Board or, except with respect to his or her own office, the Chief Executive Officer, or until their respective successors are chosen and qualified or until his or her earlier resignation or removal. Any officer may be removed

from office at any time either with or without cause by affirmative vote of a majority of the members of the Board then in office, or, in the case of appointed officers, by any elected officer upon whom such power of removal shall have been conferred by the Board.

Section 3. Each of the officers of the Corporation elected by the Board or appointed by an officer in accordance with these By-Laws shall have the powers and duties prescribed by law, by these By-Laws or by the Board and, in the case of appointed officers, the powers and duties prescribed by the appointing officer, and, unless otherwise prescribed by these By-Laws or by the Board or such appointing officer, shall have such further powers and duties as ordinarily pertain to that office.

Section 4. Unless otherwise provided in these By-Laws, in the absence or disability of any officer of the Corporation, the Board or the Chief Executive Officer may, during such period, delegate such officer's powers and duties to any other officer or to any director and the person to whom such powers and duties are delegated shall, for the time being, hold such office.

ARTICLE IV.

INDEMNIFICATION AND ADVANCEMENT OF EXPENSES

Section 1. To the fullest extent permitted by the DGCL as it presently exists or may hereafter be amended, the Corporation shall indemnify any person (and such person's heirs, executors or administrators) who was or is made or is threatened to be made a party to or is otherwise involved in any threatened, pending or completed action, suit or proceeding (brought in the right of the Corporation or otherwise), whether civil, criminal, administrative or investigative, and whether formal or informal, including any appeals therefrom, by reason of the fact that such person, or a person for whom such person was the legal representative, is or was a director or officer of the Corporation or, while a director or officer of the Corporation, is or was serving at the request of the Corporation as a director, officer, partner, trustee, employee or agent of another corporation, partnership, joint venture, trust, limited liability company, nonprofit entity or other enterprise, for and against all loss and liability suffered and expenses (including attorneys' fees), judgments, fines and amounts paid in settlement reasonably incurred by such person or such heirs, executors or administrators in connection with such action, suit or proceeding, including appeals. Notwithstanding the preceding sentence, except as otherwise provided in Article IV, Section 3 of these By-Laws, the Corporation shall be required to indemnify a person described in such sentence in connection with any action, suit or proceeding (or part thereof) commenced by such person only if the commencement of such action, suit or proceeding (or part thereof) by such person was authorized by the Board.

Section 2. To the fullest extent permitted by the DGCL, the Corporation shall promptly pay expenses (including attorneys' fees) incurred by any person described in Article IV, Section 1 of these By-Laws in appearing at, participating in or defending any action, suit or proceeding in advance of the final disposition of such action, suit or proceeding, including appeals, upon presentation of an undertaking on behalf of such person to repay such amount if it shall ultimately be determined that such person is not entitled to be indemnified under this Article IV or otherwise. Such undertaking shall be accepted without reference to the financial ability of the indemnitee to make repayment. Notwithstanding the preceding sentence, except as otherwise provided in Article IV, Section 3 of these By-Laws, the Corporation shall be required to pay expenses of a person described in such sentence in connection with any action, suit or proceeding (or part thereof) commenced by such person only if the commencement of such action, suit or proceeding (or part thereof) by such person was authorized by the Board.

Section 3. If a claim for indemnification (following the final disposition of such action, suit or proceeding) or advancement of expenses under this Article IV is not paid in full within thirty (30) days after a written claim therefor by any person described in Article IV, Section 1 of these By-Laws has been received by the Corporation, such person may file suit to recover the unpaid amount of such claim and, if successful in whole or in part, shall be entitled to be paid the expense of prosecuting such claim. In any such action the Corporation shall have the burden of proving that such person is not entitled to the requested indemnification or advancement of expenses under applicable law.

Section 4. To the fullest extent permitted by the DGCL, the Corporation may purchase and maintain insurance on behalf of any person described in Article IV, Section 1 of these By-Laws against any liability asserted against such

person, whether or not the Corporation would have the power to indemnify such person against such liability under the provisions of this Article IV or otherwise.

Section 5. The rights of indemnification provided in this Article IV shall neither be exclusive of, nor be deemed in limitation of, any rights to which any person may otherwise be or become entitled or permitted by contract, the certificate of incorporation of the Corporation, these By-Laws, vote of stockholders or directors or otherwise, or as a matter of law, both as to actions in such person's official capacity and actions in any other capacity. This Article IV shall not limit the right of the Corporation, to the extent and in the manner permitted by law, to indemnify and to advance expenses to, and purchase and maintain insurance on behalf of, persons other than persons described in Article IV, Section 1 of these By-Laws.

Section 6. The provisions of this Article IV shall be applicable to all actions, claims, suits or proceedings made or commenced after the adoption hereof, whether arising from acts or omissions to act occurring before or after its adoption. The provisions of this Article IV shall be deemed to be a contract between the Corporation and each director or officer (or legal representative thereof) who serves in such capacity at any time while this Article IV and the relevant provisions of the DGCL and other applicable law, if any, are in effect, and any alteration, amendment or repeal of this Article IV shall not affect any rights or obligations then existing with respect to any state of facts or any action, suit or proceeding then or theretofore existing, or any action, suit or proceeding thereafter brought or threatened based in whole or in part on any such state of facts.

Section 7. If any provision of this Article IV shall be found to be invalid or limited in application by reason of any law or regulation, it shall not affect the validity of the remaining provisions hereof, and this Article IV shall be construed as if such invalid or unenforceable provisions had been omitted therefrom.

Section 8. For purposes of this Article IV, references to "other enterprises" shall include employee benefit plans; references to "fines" shall include any excise taxes assessed on a person with respect to an employee benefit plan; references to "serving at the request of the Corporation" shall include any service as a director, officer, employee or agent of the Corporation which imposes duties on, or involves services by, such director, officer, employee, or agent with respect to an employee benefit plan, its participants, or beneficiaries.

ARTICLE V.

CORPORATE BOOKS

The books of the Corporation may be kept inside or outside of the State of Delaware at such place or places as the Board may from time to time determine.

ARTICLE VI.

CHECKS, NOTES, PROXIES, ETC.

All checks and drafts on the Corporation's bank accounts and all bills of exchange and promissory notes, and all acceptances, obligations and other instruments for the payment of money, shall be signed by such officer or officers or agent or agents as shall be authorized from time to time by the Board or such officer or officers who may be delegated such authority. Proxies to vote and consents with respect to securities of other corporations owned by or standing in the name of the Corporation may be executed and delivered from time to time on behalf of the Corporation by the Chairman of the Board, the Chief Executive Officer, or by such officers as the Chairman of the Board, the Chief Executive Officer or the Board may from time to time determine.

ARTICLE VII.

FISCAL YEAR

The fiscal year of the Corporation shall be, unless otherwise determined by resolution of the Board, the calendar year ending on December 31.

ARTICLE VIII.

CORPORATE SEAL

The corporate seal shall have inscribed thereon the name of the Corporation. In lieu of the corporate seal, when so authorized by the Board or a duly empowered committee thereof, a facsimile thereof may be impressed or affixed or reproduced.

ARTICLE IX.

GENERAL PROVISIONS

Section 1. Whenever notice is required to be given by law or under any provision of the certificate of incorporation of the Corporation or these By-Laws, notice of any meeting need not be given to any person who shall attend such meeting (except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened), or who shall waive notice thereof, before or after such meeting, in writing (including by electronic transmission).

Section 2. Section headings in these By-Laws are for convenience of reference only and shall not be given any substantive effect in limiting or otherwise construing any provision herein.

Section 3. In the event that any provision of these By-Laws is or becomes inconsistent with any provision of the certificate of incorporation of the Corporation or the DGCL, the provision of these By-laws shall not be given any effect to the extent of such inconsistency but shall otherwise be given full force and effect.

ARTICLE X.

AMENDMENTS

These By-Laws may be made, amended, altered, changed, added to or repealed as set forth in the certificate of incorporation of the Corporation.

CERTIFICATION

I, Robert W. Beck, certify that:

- (1) I have reviewed this Quarterly Report on Form 10-Q of Regional Management Corp.;
- (2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- (3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- (4) The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- (5) The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 2, 2025

/s/ Robert W. Beck

Robert W. Beck

President and Chief Executive Officer

CERTIFICATION

I, Harpreet Rana, certify that:

- (1) I have reviewed this Quarterly Report on Form 10-Q of Regional Management Corp.;
- (2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- (3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- (4) The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- (5) The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 2, 2025

/s/ Harpreet Rana

Harpreet Rana

Executive Vice President and Chief Financial and
Administrative Officer

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, each of the undersigned hereby certifies that to his or her knowledge: (i) the Quarterly Report on Form 10-Q of Regional Management Corp. (the "Company") for the quarter ended March 31, 2025 (the "Report"), as filed with the Securities and Exchange Commission, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and (ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company on the dates and for the periods presented therein.

Date: May 2, 2025

/s/ Robert W. Beck

Robert W. Beck

President and Chief Executive Officer

Date: May 2, 2025

/s/ Harpreet Rana

Harpreet Rana

Executive Vice President and Chief Financial and Administrative
Officer
