REGIONAL MANAGEMENT

RM LISTED NYSE

Investor Presentation

September 19th, 2024

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

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

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

Strategic Imperatives

Expand margins and maximize cash flows from loan portfolio

- Pricing increases, credit tightening, and improving economic conditions expected to drive higher future revenue yields
- Ability to shift toward higher APR / higher margin business
- Investment in data and analytics and improved credit decisioning will create better net credit loss outcomes

Execute on long-term growth strategies to increase revenues

- Geographic expansion has increased addressable market by 80% since 2020; significant opportunities for growth remain in existing 19 states and from future new state entry
- Digital investments widen the marketing funnel, improve the customer experience, and enhance the omni-channel operating model

Closely manage expenses and drive improved operating efficiency

- Investments in digital initiatives, technology, data and analytics, artificial intelligence, and centralized support create more efficient operations
- Geographic expansion, higher-balance auto-secured lending, and portfolio growth initiatives drive scale

Maintain a strong balance sheet, ample liquidity and borrowing capacity, and consistent capital return

- Diversified sources of funding with staggered revolving maturities support growth and protect against short-term disruptions in credit markets
- 88% of debt is at a fixed-rate, with a weighted-average coupon of 4.2% and a weighted-average revolving duration of 1.2 years (1)
- Consistent capital return to shareholders through quarterly dividend and stock repurchases

Focused on consistent execution of our core business, including:

- Originating high-quality loans within tightened credit box
- Closely managing expenses
- Maintaining a strong balance sheet

Expect to emerge from current economic cycle as a stronger company:

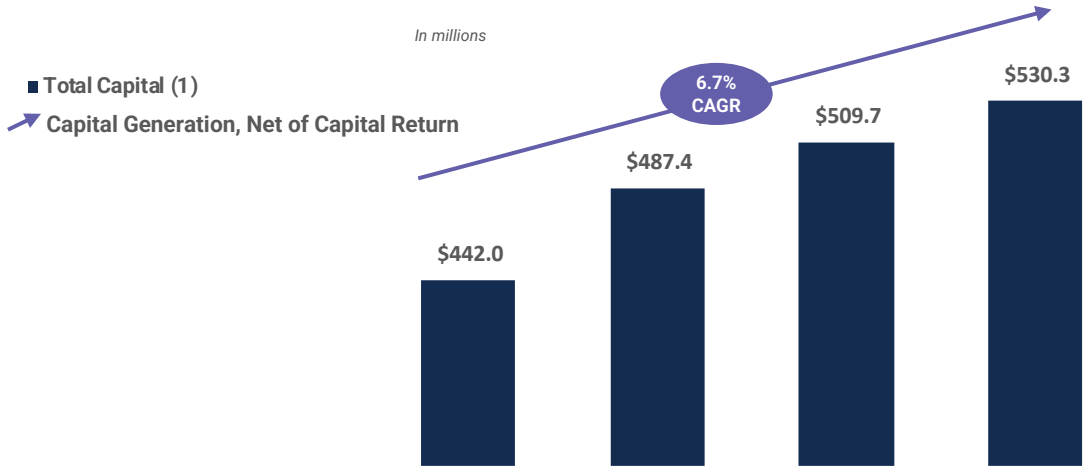
- Larger, higher-quality portfolio
- Improved operating efficiencies
- Well-positioned for future growth and delivery of attractive returns to shareholders

(1) As of 06/30/2024

Excess Capital Consistently Returned to Shareholders

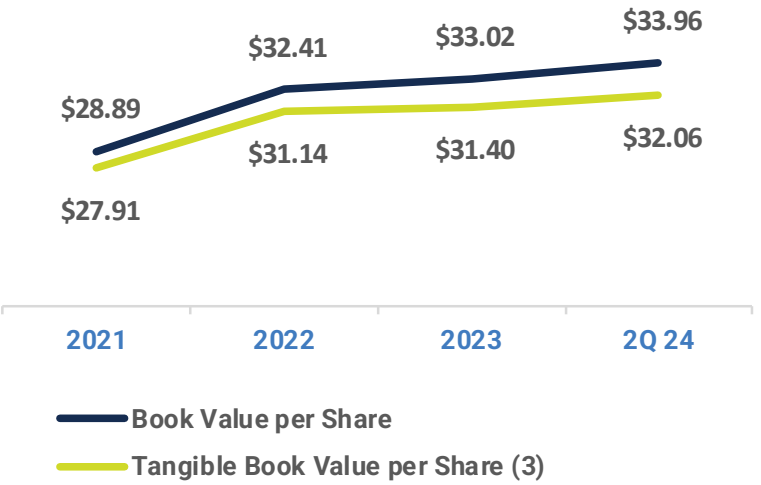
Proven business model capable of generating excess capital to return to shareholders and to reinvest in strategic initiatives that will generate sustainable, long-term profitable growth

Capital Generation, Net of Capital Return



$ in millions	2021	2022	2023	2Q 24	CAGR
Capital Generation:					
Stockholders' Equity	$ 282.7	$ 308.6	$ 322.3	$ 344.9	7.0%
Allowance for Credit Losses	159.3	178.8	187.4	185.4	
Total Capital	$ 442.0	$ 487.4	$ 509.7	$ 530.3	6.7%
B/(W) vs Prior Period	$ 19.9	$ 45.4	$ 22.2	$ 20.6	
Capital Return:					
Cumulative Dividends to Shareholders (2)	$ 9.9	$ 21.7	$ 33.6	$ 39.6	
Cumulative Stock Repurchased (2)	$ 67.4	$ 88.1	$ 88.1	$ 88.1	
Capital and Capital Return (3)	$ 519.4	$ 597.2	$ 631.4	$ 658.0	13.5%

Book Value Per Share



(1) Capital = Stockholders' Equity + Allowance for Credit Losses
(2) Cumulative dividends and common stock repurchases reflect activity after December 31, 2020; excludes dividend and stock repurchases before January 1, 2021
(3) This is a non-GAAP measure. Refer to the Appendix for a discussion of how management utilizes this non-GAAP measure

Investment Highlights



Strong balance sheet supports capital returns



Controlled growth with stable credit using advanced credit tools



Geographic, product, and channel expansion drive growth



Modern infrastructure and digital capabilities



High customer satisfaction and loyalty



Scale, digital capabilities, and lighter footprint will drive operating leverage



Omni-channel growth strategy with abundant market opportunity



Deep management experience through credit cycles

Company Overview

Diversified consumer finance company operating under the name “Regional Finance”

Provide installment loan products primarily to customers with limited access to consumer credit from banks, thrifts, credit card companies, and other lenders

Goal to consistently grow finance receivables and soundly manage portfolio risk, while providing customers with attractive, safe, easy-to-understand loan products serving their varied financial needs

Founded 1987

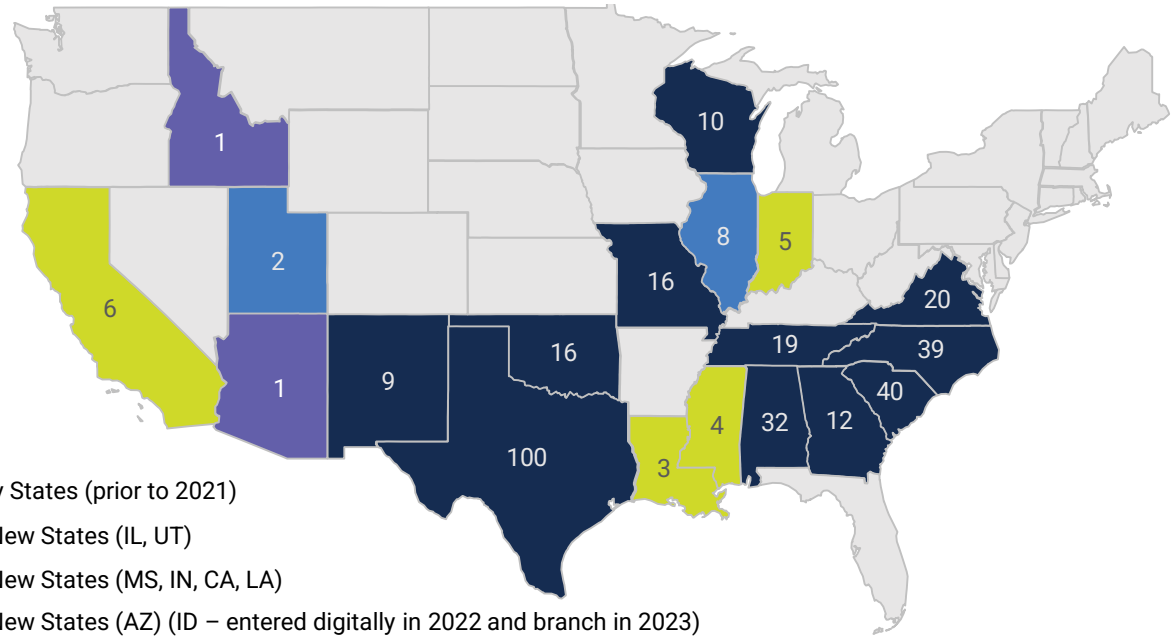
NYSE Listed: RM

343 branches

19 states

Total receivables of $1.8 billion

Multi-channel marketing: branches, digital, and direct mail



- Legacy States (prior to 2021)
- 2021 New States (IL, UT)
- 2022 New States (MS, IN, CA, LA)
- 2023 New States (AZ) (ID – entered digitally in 2022 and branch in 2023)
- Potential Future State Expansion

Geographic footprint and net finance receivables as of 6/30/2024



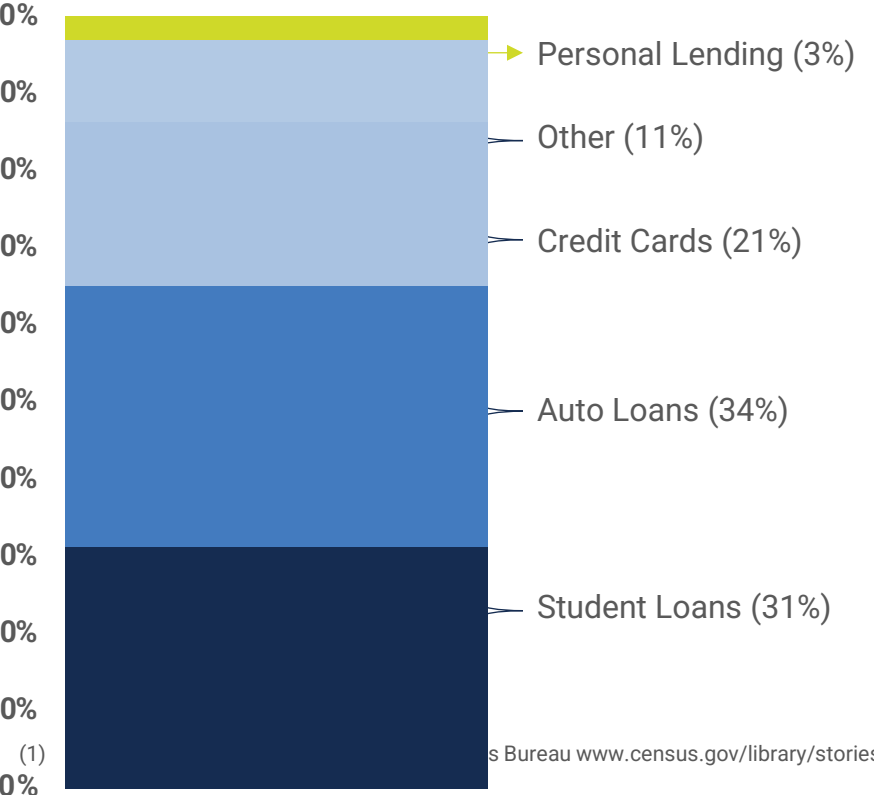
Abundant Total Addressable Market

Approximately **72 million** Americans generally align with Regional's customer base [1][3]

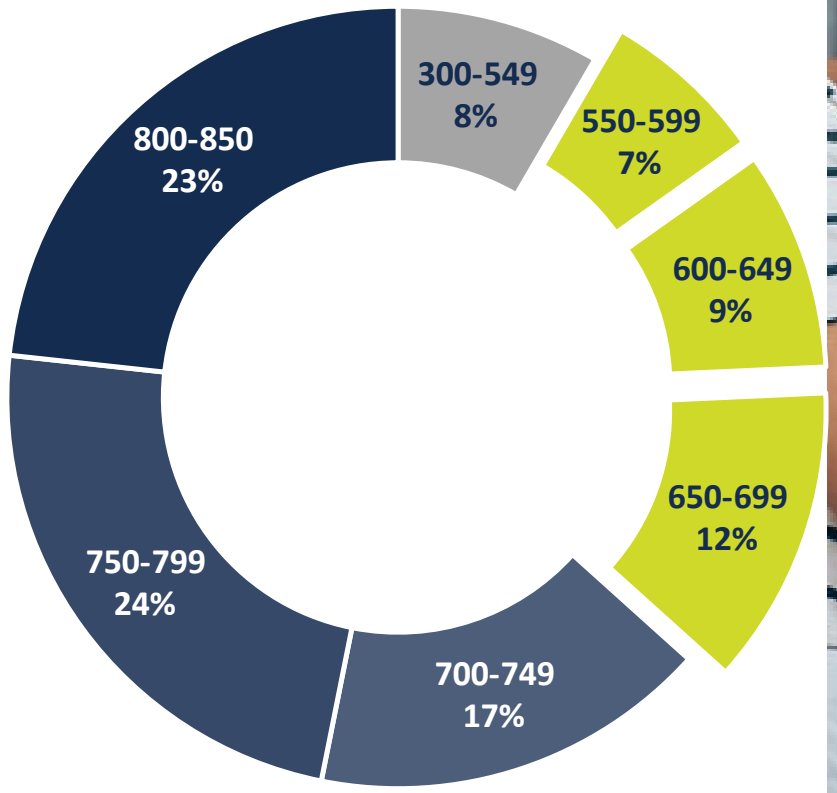
$91 billion market opportunity – RM has less than 2% market share and increased its addressable market by over 80% since 2020; still significant runway for growth

$4.7 Trillion Consumer Finance Market [2]

Personal Installment Loans Account for ~$91 billion [1]



28% of US Population with FICO Between 550 & 700 [3]





(1) s Bureau www.census.gov/library/stories/2021/08/united-states-adult-population-grew-faster-than-nations-total-population-from-

(2) Sourced from Equifax US National Consumer Credit Trends Report; June 2023, sourced from June 2023 publication

(3) Sourced from Arkali, Can. "Average U.S. FICO® Score Stays Steady at 716" *FICO.com*, 30 Aug. 2022, www.fico.com/blogs/average-us-fico-score-stays-steady-716-missed-payments-and-consumer-debt-rises

Serving Our Customers Best

Top-Notch Customer Service

90+% favorable ratings for key attributes [1]:

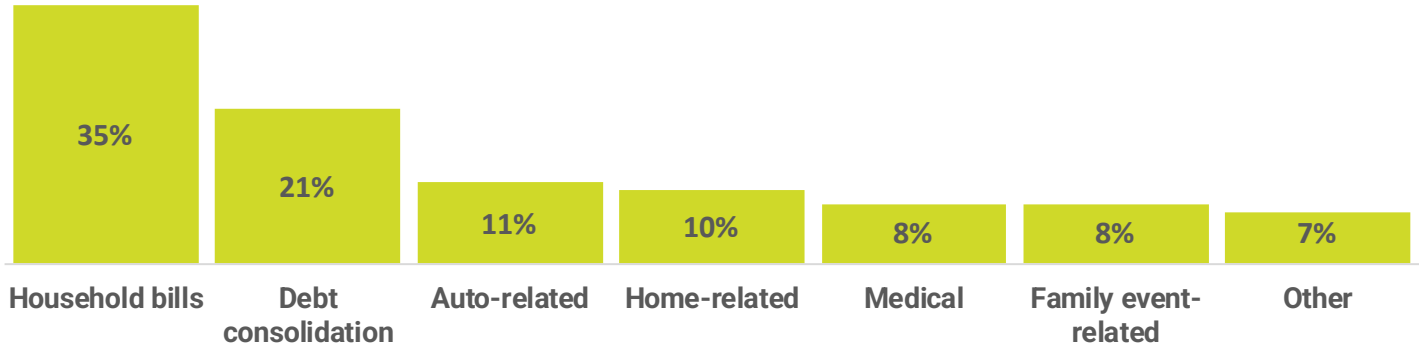
- Loan process was quick, easy, and understandable
- People are professional, responsive, respectful, knowledgeable, helpful, and friendly

Continued investment in digital channels, remote servicing options, and focused on delivering positive customer experience has allowed us to maintain strong metrics

Excellent net promoter score of 64 [1]

92% of customers would apply to Regional Finance first the next time they need a loan

Origination Needs

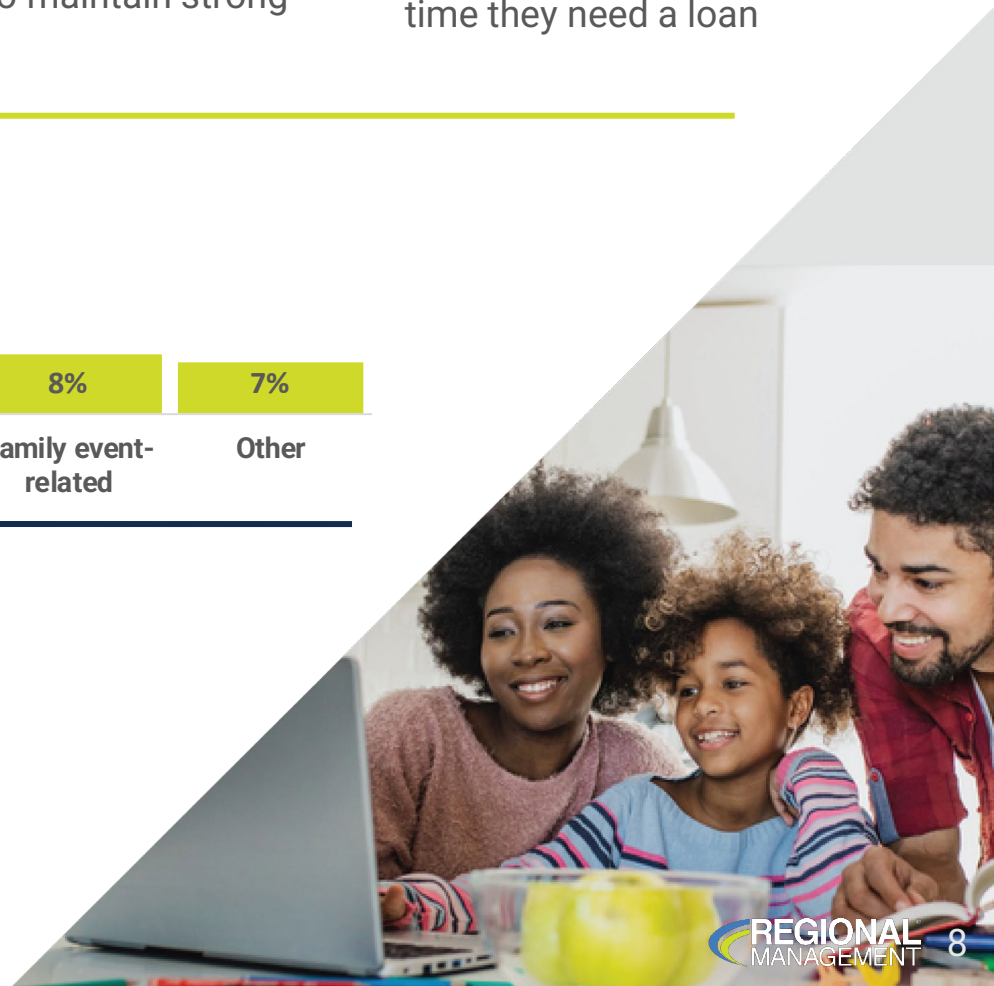


Demographics

Average Age [2]
55 Years

Annual Income [2]
$53,000

Some College or Advanced Degree [1]
54%



(1) Fall 2023 Customer Satisfaction Survey (performed by third-party and commissioned by RM)
(2) Based on 2Q 2024 origination volume

Product Offerings

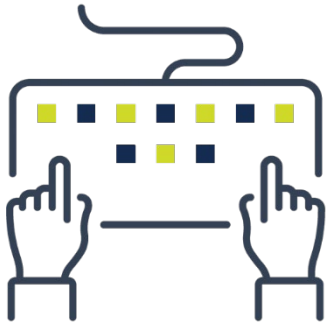
Multi-Channel Acquisition

In Branch
$467.1MM Originated
69% Large/31% Small

Direct Mail
$203.5MM Originated
Convenience Check Loans

Digital
$81.8MM Originated
Digital Lead Generation
Partnership Affiliates





Small Loans

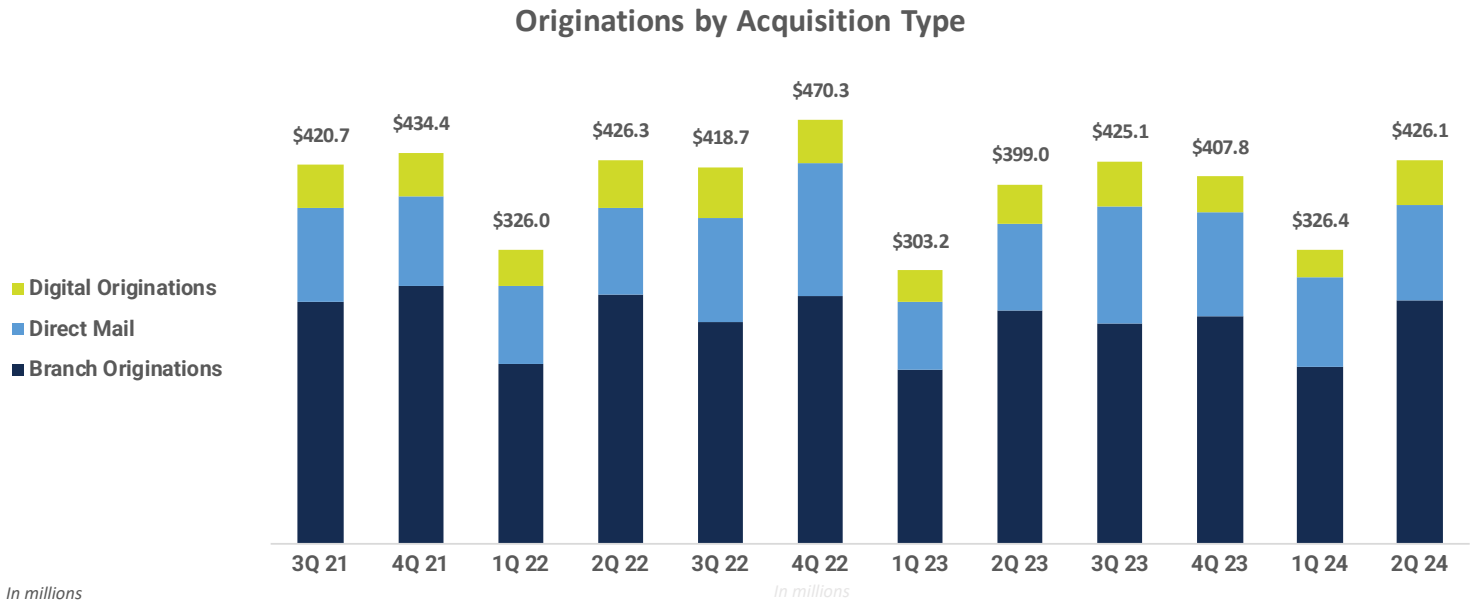
Customer Need	Characteristics	Portfolio
Short-term cash needs	Size: $500 to $2,500	Outstanding Balance: $505.6MM
Bill payment	Average Origination: ~$2,100	# of Loans: 296,900
Back-to-school expenses	Average Origination APR: 45.4%	
Auto repair		

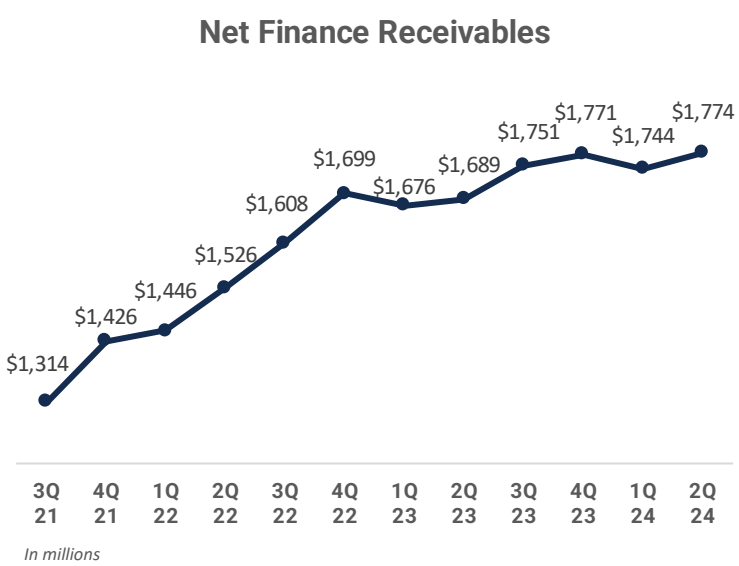
Large Loans

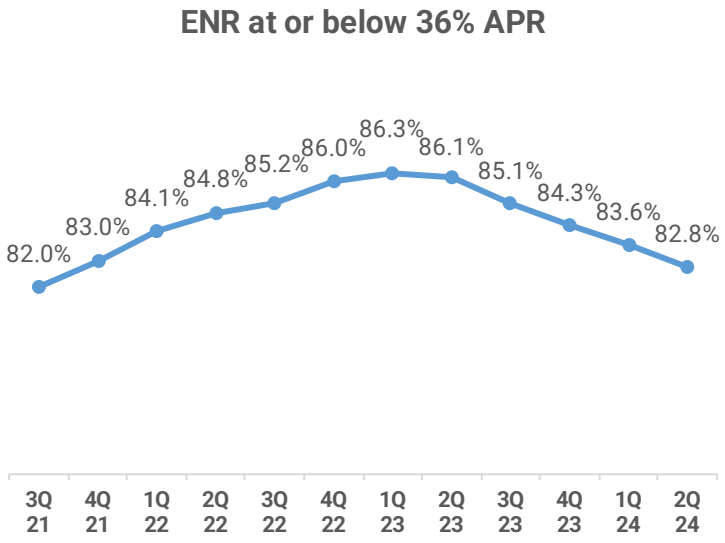
Customer Need	Characteristics	Portfolio
Debt consolidation	Size: $2,501 to $25,000	Outstanding Balance: $1.3B
Medical expenses	Average Origination: ~$6,000	# of Loans: 247,400
Home repairs	Average Origination APR: 30.8%	

Originations and portfolio metrics are YTD and as of 6/30/2024, respectively.

Financial Overview: Originations







Record direct mail originations for a second quarter of $104.7 million, up from $97.4 million in 2Q 23

Originations were concentrated on programs to present and former borrowers, who perform better than new borrowers

2Q 24 digital, direct mail, and branch originations were up year-over-year by 16.7%, 7.4%, and 4.9%, respectively

Generated sequential portfolio growth of $29 million, or 1.7%, in 2Q 24

Achieved year-over-year portfolio growth of $85 million, or 5.0%, in 2Q 24, down from 10.7% in 2Q 23 due to credit tightening for disciplined growth

Produced solid year-over-year small loan portfolio growth of $61 million, or 13.7%, in 2Q 24

As of June 30, 2024, 83% of our portfolio carried an APR at or below 36%, down from 86% as of the prior-year period due to product mix shift to higher-rate small loan business

2Q 24 Highlights

545,900
Customer Accounts
Up 7.4% YoY

$1.77 billion
Net Finance Receivables
Up 5.0% YoY

$426 million
Origination Volume
Up 6.8% YoY

13.8%
Operating Expense Ratio*
Continued expense management

32.7%
Total Revenue Yield*
Up 80 basis points YoY

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

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

1.9%
Return on Assets*
Up 50 basis points YoY

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

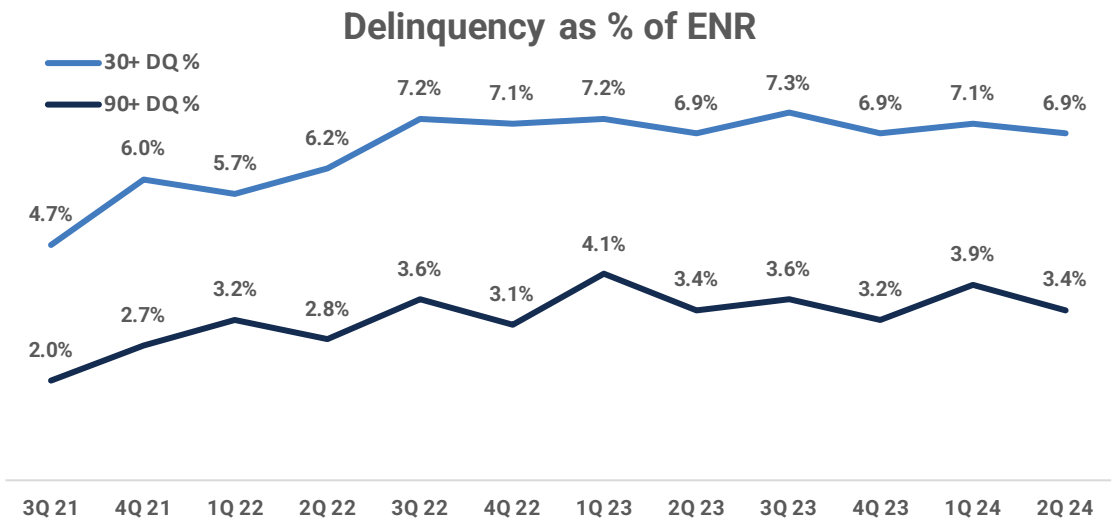
4.2%
Dividend Yield*
2Q 24 $0.30 dividend per share

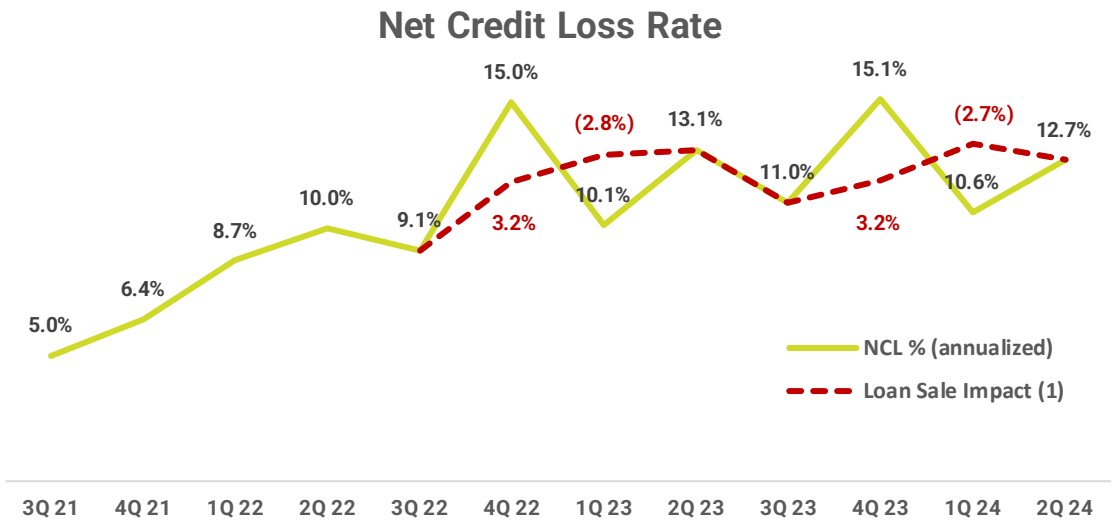
$564 million
Unused Capacity
Substantial bandwidth to fund growth

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

*See appendix for glossary

Financial Overview: Credit





2Q 24 delinquency of 6.9% improved 20 basis points sequentially

2Q 24 30+ delinquency is inclusive of a 10 basis point impact from growing higher-rate small loan business since 2Q 23

30+ days past due of $122.7 million compares favorably to loan loss reserves of $185.4 million as of 2Q 24

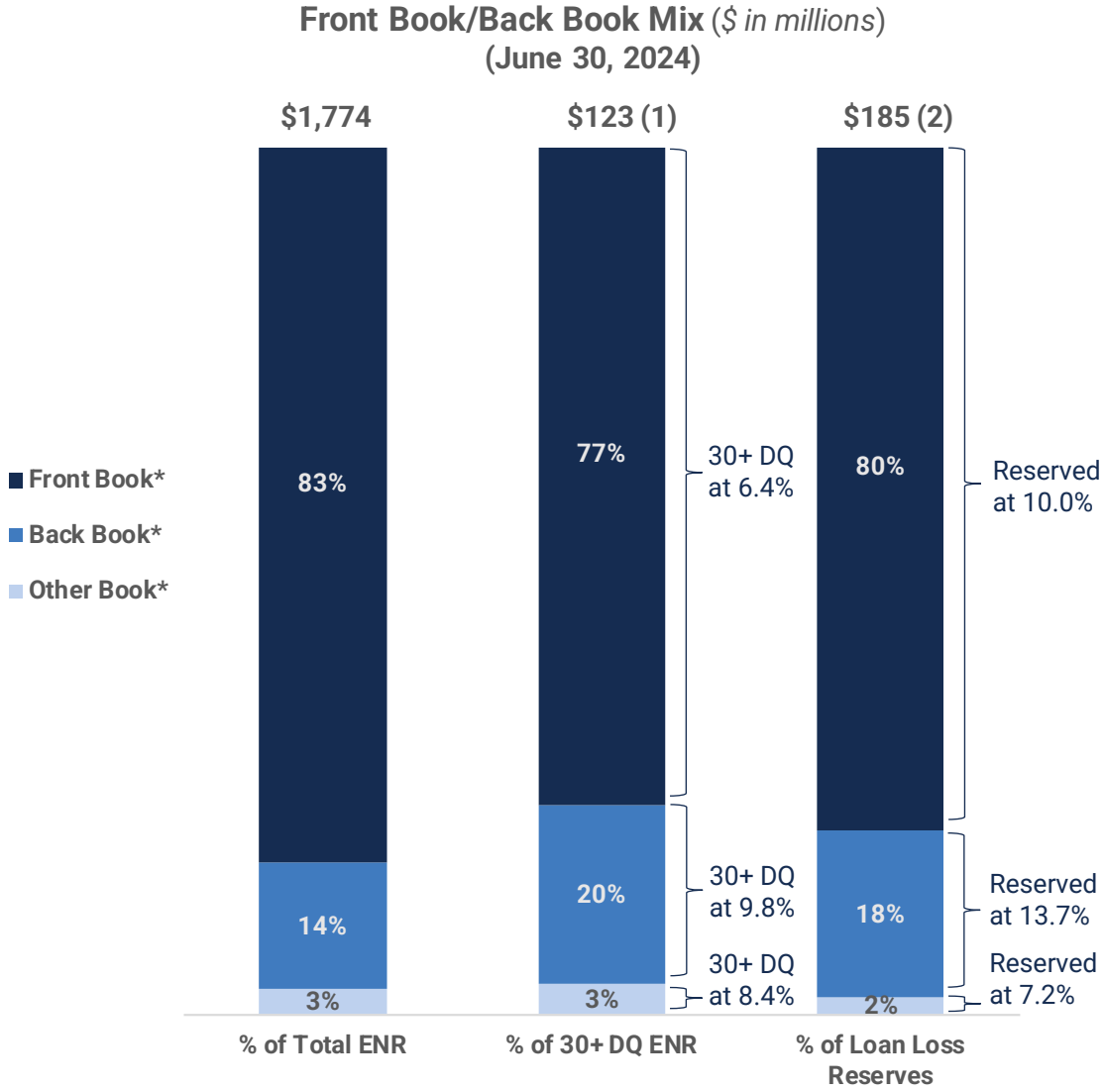
2Q 24 net credit loss rate of 12.7%, down 40 basis points from 2Q 23, inclusive of a 20 basis point impact from higher-rate small loan business

1Q 24 net credit loss rate of 10.6% included an estimated benefit of 270 basis points related to the 4Q 23 loan sale; 4Q 23 net credit loss rate of 15.1% included 320 basis points related to accelerated charge-offs from the loan sale

1Q 23 net credit loss rate of 10.1% included an estimated benefit of 280 basis points related to the 4Q 22 loan sale; 4Q 22 net credit loss rate of 15.0% included 320 basis points related to accelerated charge-offs from the loan sale

(1) Loan sale impacts – increase/(decrease) represents the unfavorable impact on the net credit loss rate in 4Q 22 and 4Q 23, and the estimated favorable impact on 1Q 23 and 1Q 24

Financial Overview: Credit (Front Book 83% of Total Portfolio)



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

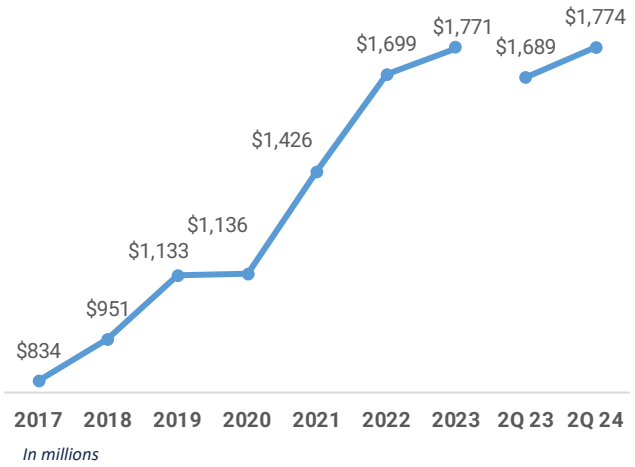
(1) Total delinquency over 30 days is 6.9%
(2) Total portfolio loan loss reserve rate is 10.5%

*See appendix for glossary

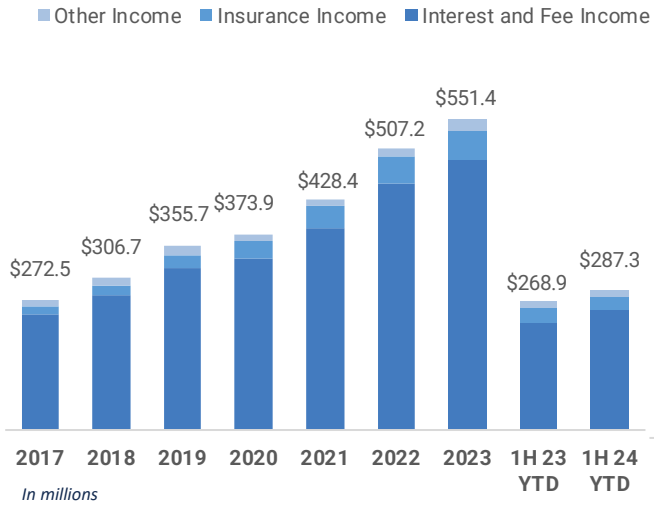
Financial Overview: Key Financial Results

Challenging macroeconomic conditions have impacted recent returns and profitability levels

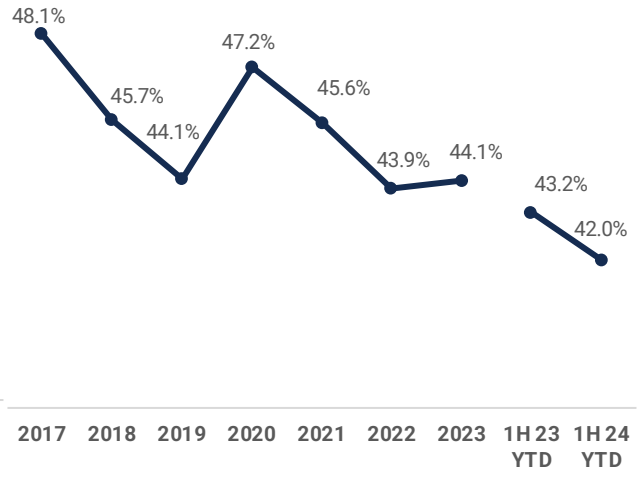
Net Finance Receivables



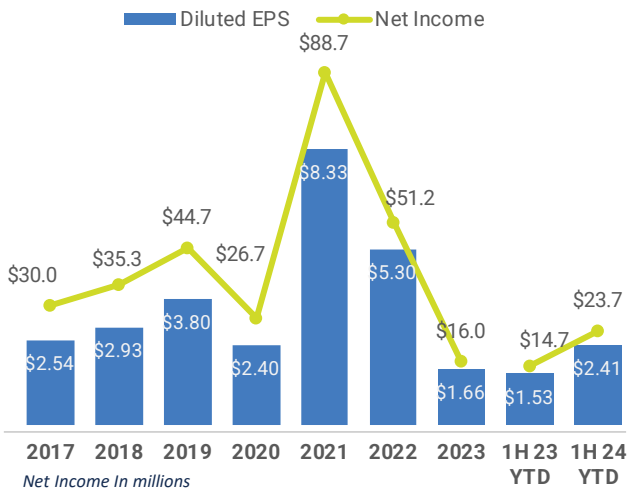
Revenue



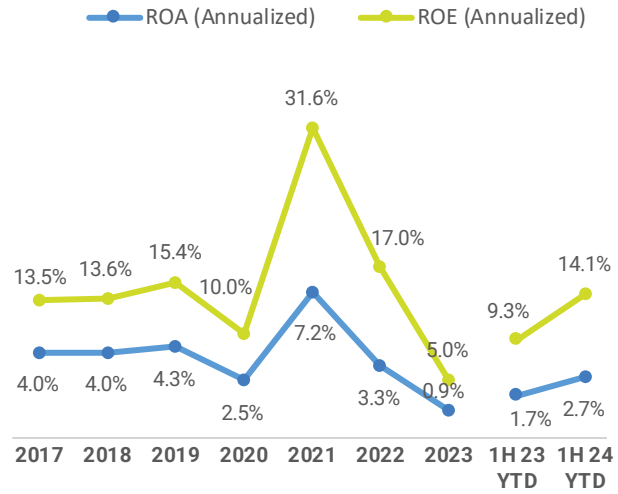
Efficiency Ratio



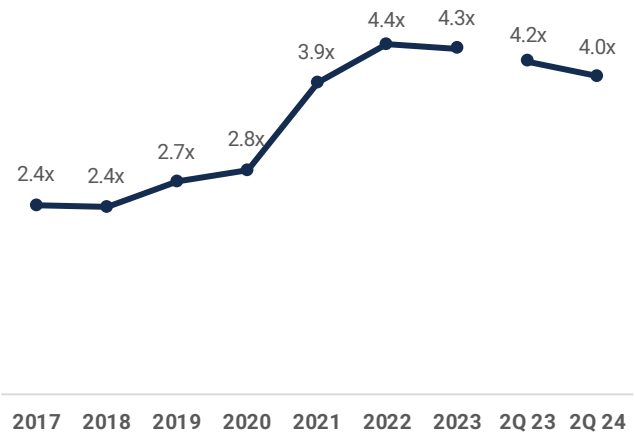
Net Income and Diluted EPS



ROA and ROE



Funded Debt-to-Equity



Continued growth in account base and portfolio in controlled and profitable manner

2Q 2024 revenue growth outpaced G&A expense growth by 2.9x from the prior-year period

Enhanced prequalification capabilities and tighter integration with digital affiliate partners drive better digital leads

Digital initiatives, new state expansion, and new product development have driven strong growth

Strong Funding Profile

As of June 30, 2024, total unused capacity was $564 million (subject to borrowing base)

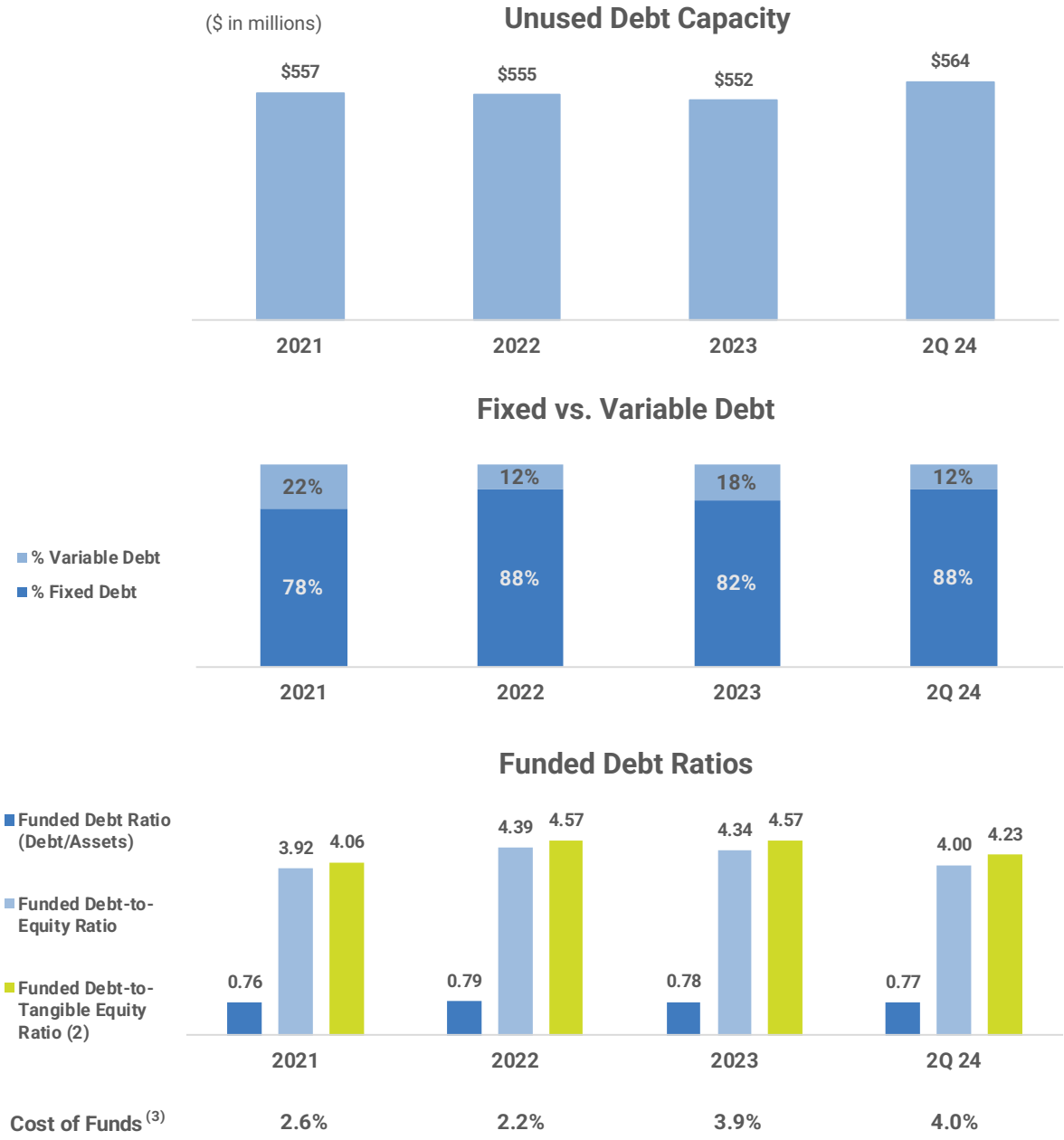
Available liquidity of $149 million as of June 30, 2024

Fixed-rate debt represented 88% of total debt as of June 30, 2024, and had a weighted-average revolving duration of 1.2 years

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

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

(1) Weighted-average coupon
(2) This is a non-GAAP measure. Refer to the Appendix for a reconciliation to the most comparable GAAP measure
(3) Annualized interest expense as a percentage of average net finance receivables



Long-Term, Sustainable, and Profitable Growth



Geographic Expansion

Identified states with favorable economics for expansion

Continue to identify opportunities to optimize branch network within existing footprint

Continue to drive scale using centralized originations and servicing



Accelerated Innovation

Deploy new technology to further omni-channel experience

Leverage data and analytics to improve credit underwriting, customer acquisition and retention, and back-office capabilities



Product and Channel Expansion

Execute on distribution of larger auto-secured loans and end-to-end originations

Assess new product offerings in the marketplace

National scale should enable additional strategic partnerships

Appendix

2Q 24 Results and Outlook

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

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

Non-GAAP Financial Measures

In addition to financial measures presented in accordance with generally accepted accounting principles ("GAAP"), this presentation contains certain non-GAAP financial measures. The company's management utilizes non-GAAP measures as additional metrics to aid in, and enhance, its understanding of the company's financial results. Capital generation, including capital return, is a non-GAAP measure that adjusts GAAP measures to add back dividends and stock repurchases to equity. Management uses this capital measure to evaluate capital generation and return of capital to shareholders. Tangible equity and funded debt-to-tangible equity ratio are non-GAAP measures that adjust GAAP measures to exclude intangible assets. Management uses these equity measures to evaluate and manage the company's capital and leverage position. The company also believes that these equity measures are commonly used in the financial services industry and provide useful information to users of the company's financial statements in the evaluation of its capital and leverage position. As a result, the company believes that the non-GAAP measures that it has presented will allow for a better evaluation of the operating performance of the business. This non-GAAP financial information should be considered in addition to, not as a substitute for or superior to, measures of financial performance prepared in accordance with GAAP. In addition, the company's non-GAAP measures may not be comparable to similarly titled non-GAAP measures of other companies. The following tables provide a reconciliation of GAAP measures to non-GAAP measures.

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

Glossary

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