

Investor Presentation

May 2019



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Investment Highlights



Company Overview



History

- Consumer finance company founded in 1987
- Focused on consumer installment lending
- IPO: March 2012; NYSE: RM

Who We Are

- 360 branches in 11 states as of March 31, 2019
- Core portfolio of small and large personal loans (“core loans”), and retail loans; \$912 million in total receivables as of March 31, 2019
 - Large loans a key source of growth since early 2015
- Multiple origination channels
 - Branches, direct mail, digital, referrals, and retailers

Growth

- Multi-channel platform to grow core loan portfolio
- Branch footprint more than tripled over past 10 years
- 16 consecutive quarters of double-digit receivable growth
- 11 consecutive quarters of double-digit revenue growth

Deep and Tested Management Experience

Peter Knitzer
President
and CEO

- 30+ years of consumer financial services experience
- Spent 14 years at Citi in various senior roles, including Chairman & CEO of Citibank North America
- Prior to joining Regional, was EVP and Head of Payments at CIBC, and President and Director at E*TRADE Bank

John Schachtel
COO

- 30+ years of consumer financial services experience
- Prior to joining Regional, was Chief Operating Officer at OneMain Financial
- Extensive operations experience at CitiFinancial (now OneMain)

Don Thomas
CFO

- 30+ years of finance and accounting experience, CPA
- Prior to joining Regional, was Chief Financial Officer at TMX Finance
- Also spent 17 years at 7-Eleven, including service as Chief Accounting Officer, Controller, and acting CFO

Dan Taggart
Chief Credit
Risk Officer

- 20+ years of financial services and credit experience
- Prior to joining Regional, was SVP at Wingspan Portfolio Advisors, managing servicing and loss mitigation
- Also spent 11 years at Citi, including service as SVP and Chief Credit Officer at CitiFinancial

Jim Ryan
Chief
Marketing
Officer

- 20+ years of consumer financial services experience
- Prior to joining Regional, was Chief Marketing Officer at OneMain Financial for 10 years
- Also held additional senior positions at CitiFinancial, including SVP of Operations and Vice President of Credit Risk

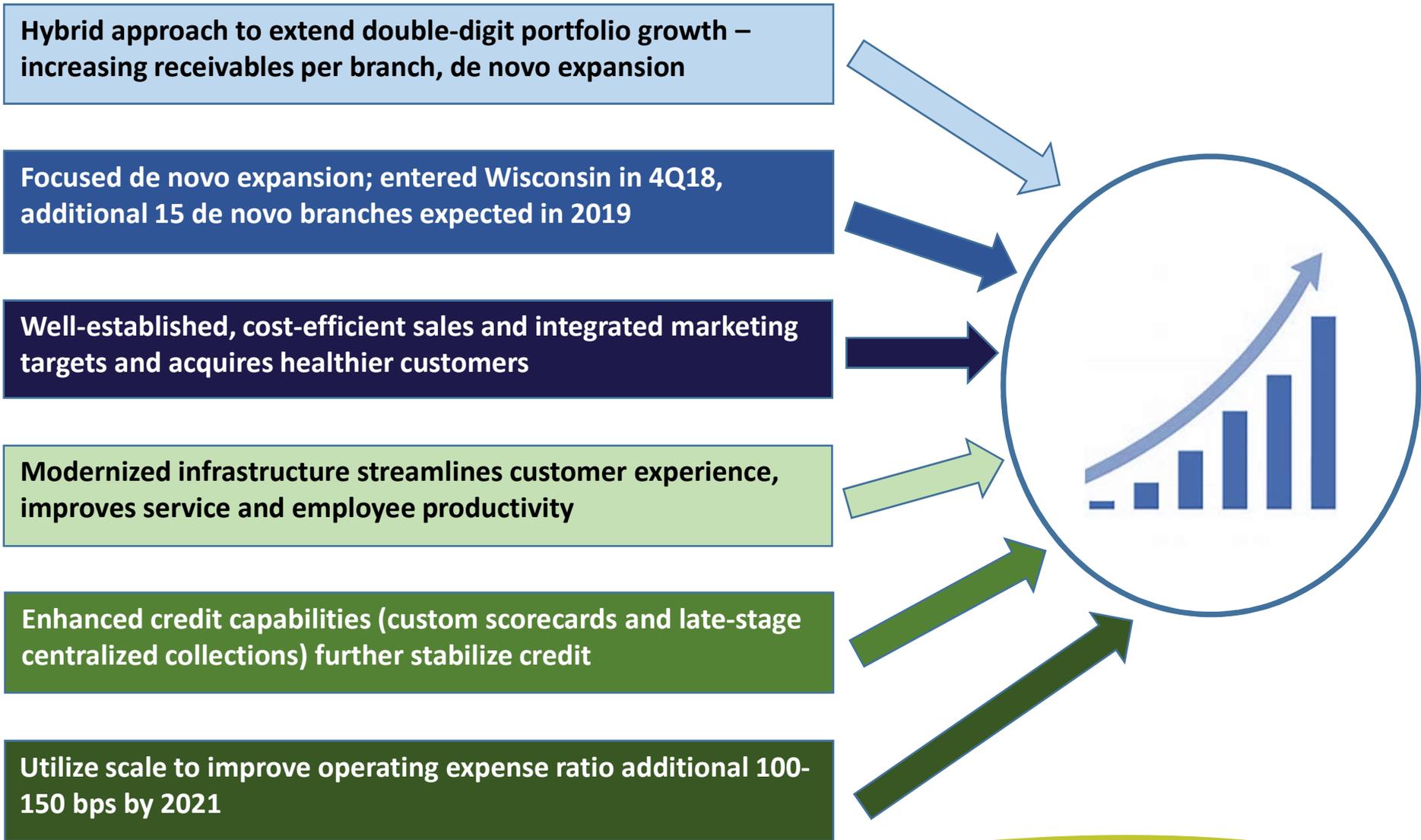
Strong Corporate Governance and Board of Directors



Board of Directors (Non-Employee Directors)



Supporting Growth and Generating Shareholder Value

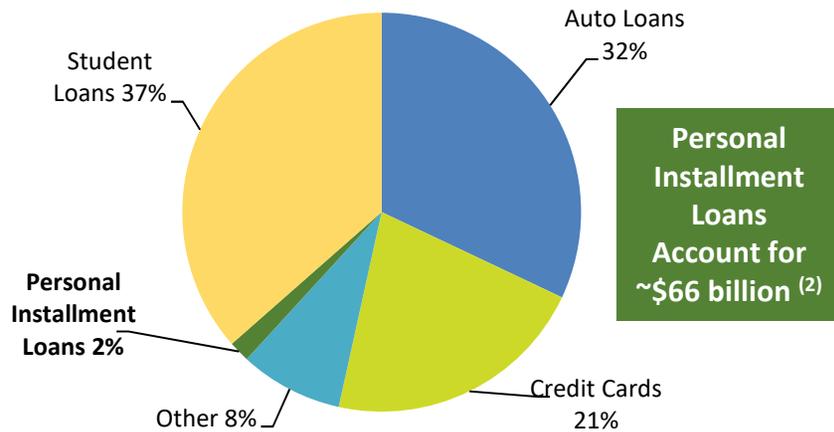


Abundant Market Opportunity to Serve the Underserved

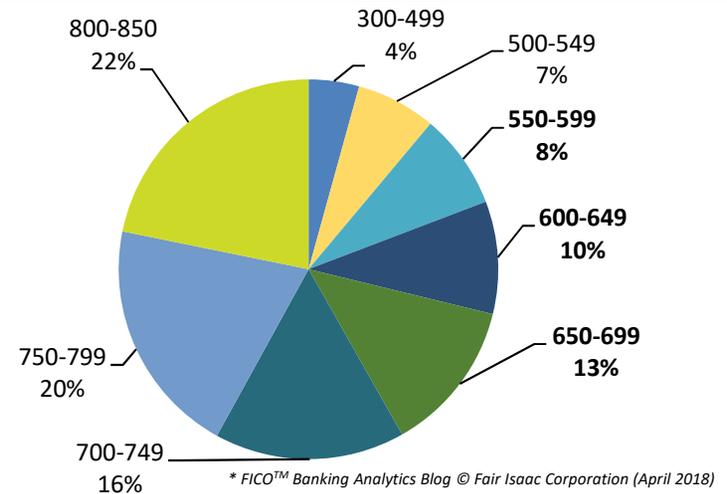


- Approximately **80 million** Americans generally align with Regional’s customer base
- **\$66 billion** market opportunity – RM has 1% market share; significant runway for growth

\$3.9 Trillion Consumer Finance Market ⁽¹⁾



31% of US Population with FICO Between 550 & 700



Competition

- Consolidation in consumer finance industry
- Numerous smaller competitors
- Strong expansion opportunities
- Well-positioned within regulatory landscape

Customers

- Considerable underserved addressable market
- Sustained credit need

Products

- Fit needs of customers
- Easy to understand
- Flexible
- Fully amortizing
- Based on credit underwriting and ability to repay

Delivery

- Centralized operations and relationship-driven model drive better portfolio performance
- Community-based network and expertise hard to replicate
- Testing online capabilities

⁽¹⁾ Sourced from Federal Reserve Bank of New York; 2Q 2018 Quarterly Report on Household Debt and Credit; excludes residential mortgage and home equity revolving credit
⁽²⁾ Equifax US National Consumer Credit Trends Report; June 2018, sourced from August 2018 publication

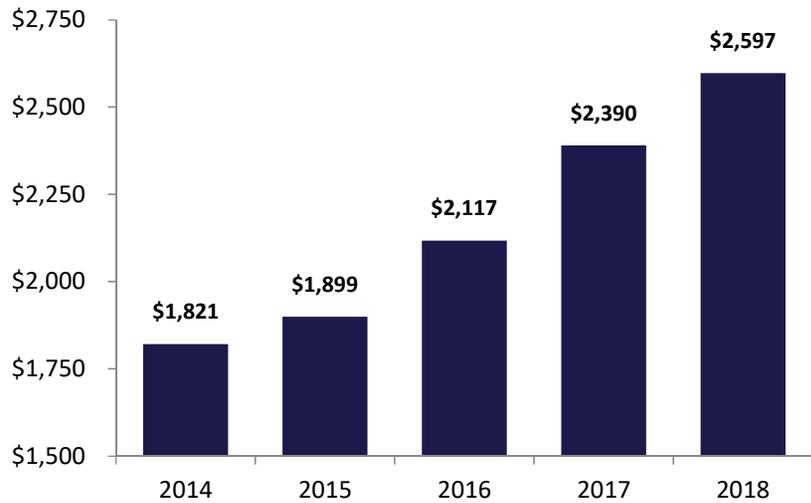
Hybrid Approach to Growth



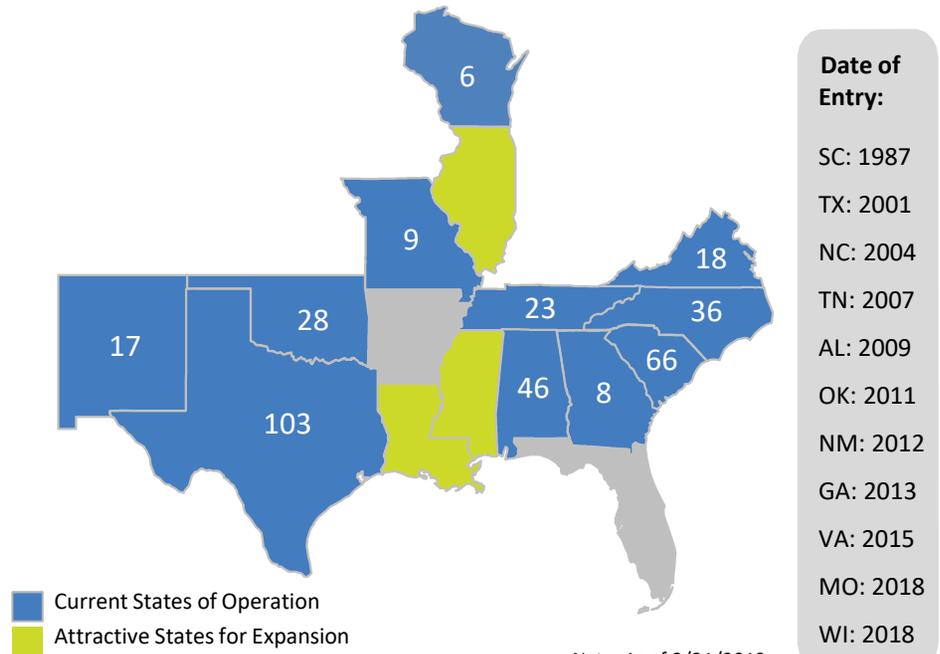
Branch Overview – Hybrid Approach to Growth

- Multiple channels and products provide attractive market opportunities
 - Most loans serviced and collected through branches
 - Late-stage delinquency through centralized collections group
- Most branches with significant capacity to increase size of their portfolios
- Wisconsin expansion in 4Q18; 15 de novo branches expected in 2019

Finance Receivables Per Branch



Geographic Footprint



Multi-Product Offering Fits Customer Needs

- Product suite provides multiple solutions for customers as their credit needs evolve
- Easy-to-understand products based on credit underwriting and ability to repay
- Ability to cost-effectively “graduate” qualified small loan customers to larger loans at reduced rates

	Small	Large	Retail
Customer Need	<ul style="list-style-type: none"> ▪ Short-term cash needs ▪ Bill payment ▪ Back-to-school expenses ▪ Auto repair 	<ul style="list-style-type: none"> ▪ Vacation expenses ▪ Loan consolidation ▪ Medical expenses 	<ul style="list-style-type: none"> ▪ Home furnishings ▪ Appliances ▪ Televisions and electronics
Size ^(a)	Range: \$500 to \$2,500 Average: ~\$1,900	Range: \$2,501 to \$12,000 Average: ~\$5,200	Range: Up to \$7,500 Average: ~\$2,000
Term ^(b)	Up to 48 months	18 to 60 months	6 to 48 months
Security	Non-essential household goods	Title to a vehicle and/or non-essential household goods	Purchased goods (e.g. furniture)
Finance Receivables ^(c)	\$421.7 million	\$440.7 million	\$29.3 million
# of Loans ^(b)	~272,000	~101,000	~21,000
Average APR ^(d)	44.3%	29.9%	22.3%

(a) Represents the average origination loan size (new and renewal) for quarter ended March 31, 2019

(b) Fixed installment loans with equal monthly payments

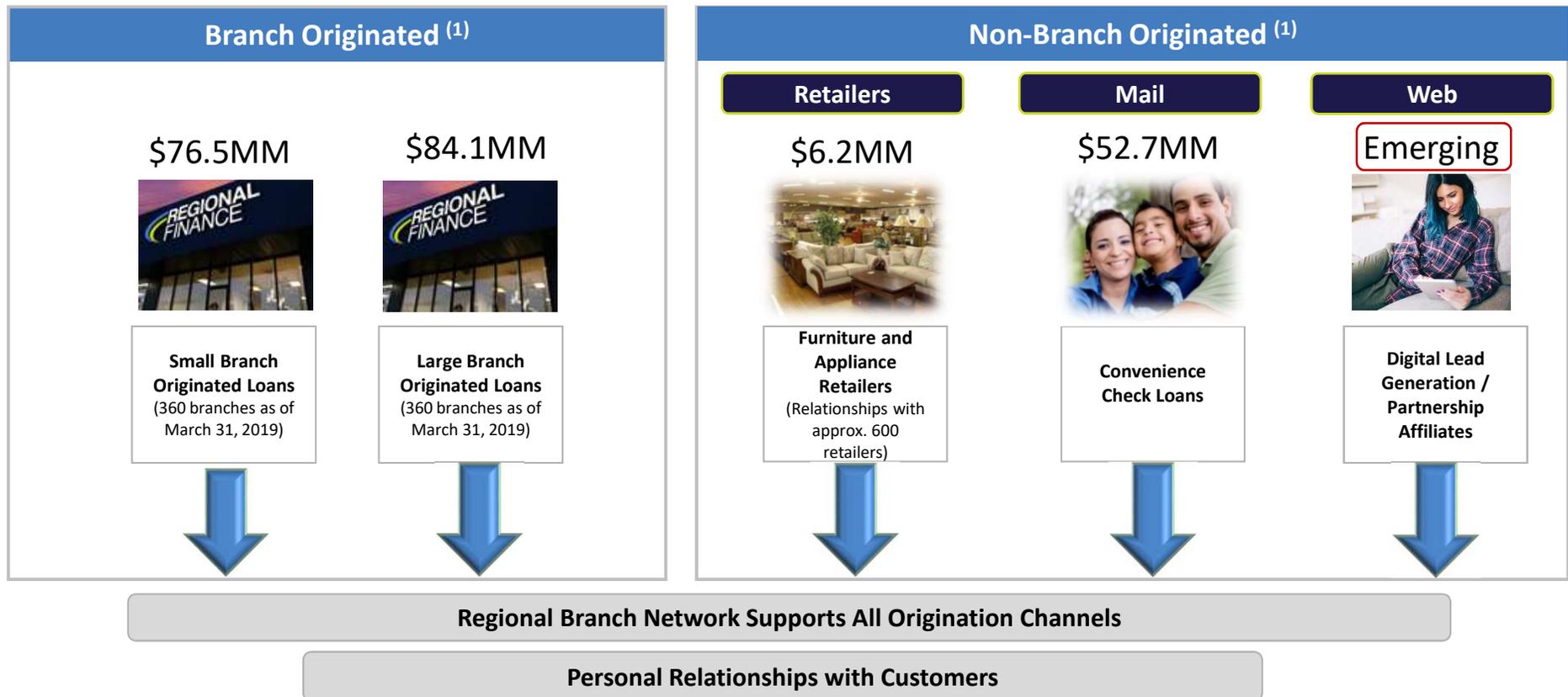
(c) Represents the portfolio balances at March 31, 2019

(d) Fixed interest rates; represents average portfolio APR for the quarter ended March 31, 2019

Note: Product offering table excludes \$20.5 million auto portfolio, as the Company is no longer originating auto loans.

Transitioning to Omni-Channel Originations

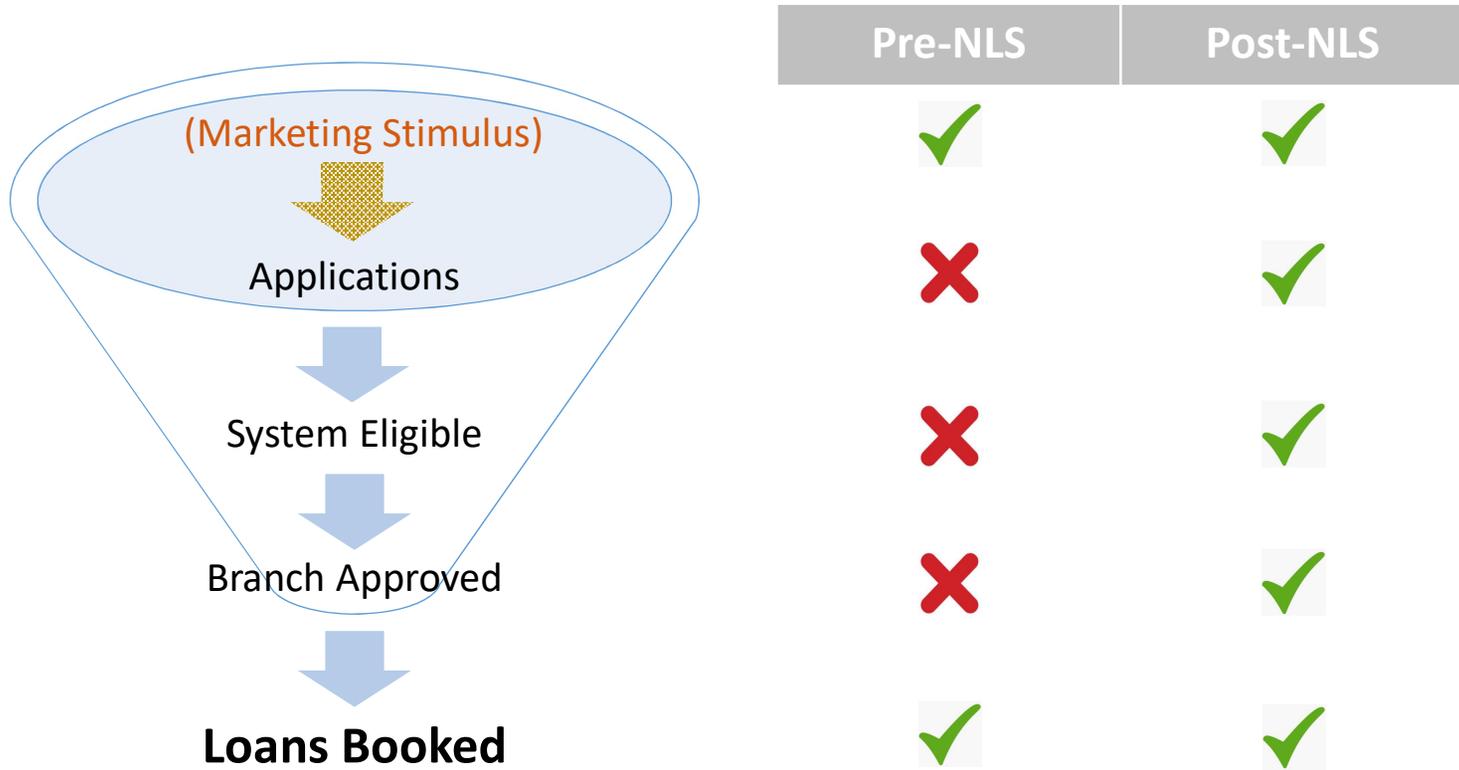
- Branches are the foundation of Regional’s multi-channel strategy
- Mail campaigns attract ~100,000 new customers per year to Regional
- Continued expansion of digital channel / online lending capabilities to acquire customers



(1) YTD Origination Volume as of March 31, 2019

NLS Supports Enhanced Analytics

NLS provides visibility to the “application funnel” that was previously invisible.



- Understanding funnel dynamics provides significant benefit to Marketing, Risk, and Operations

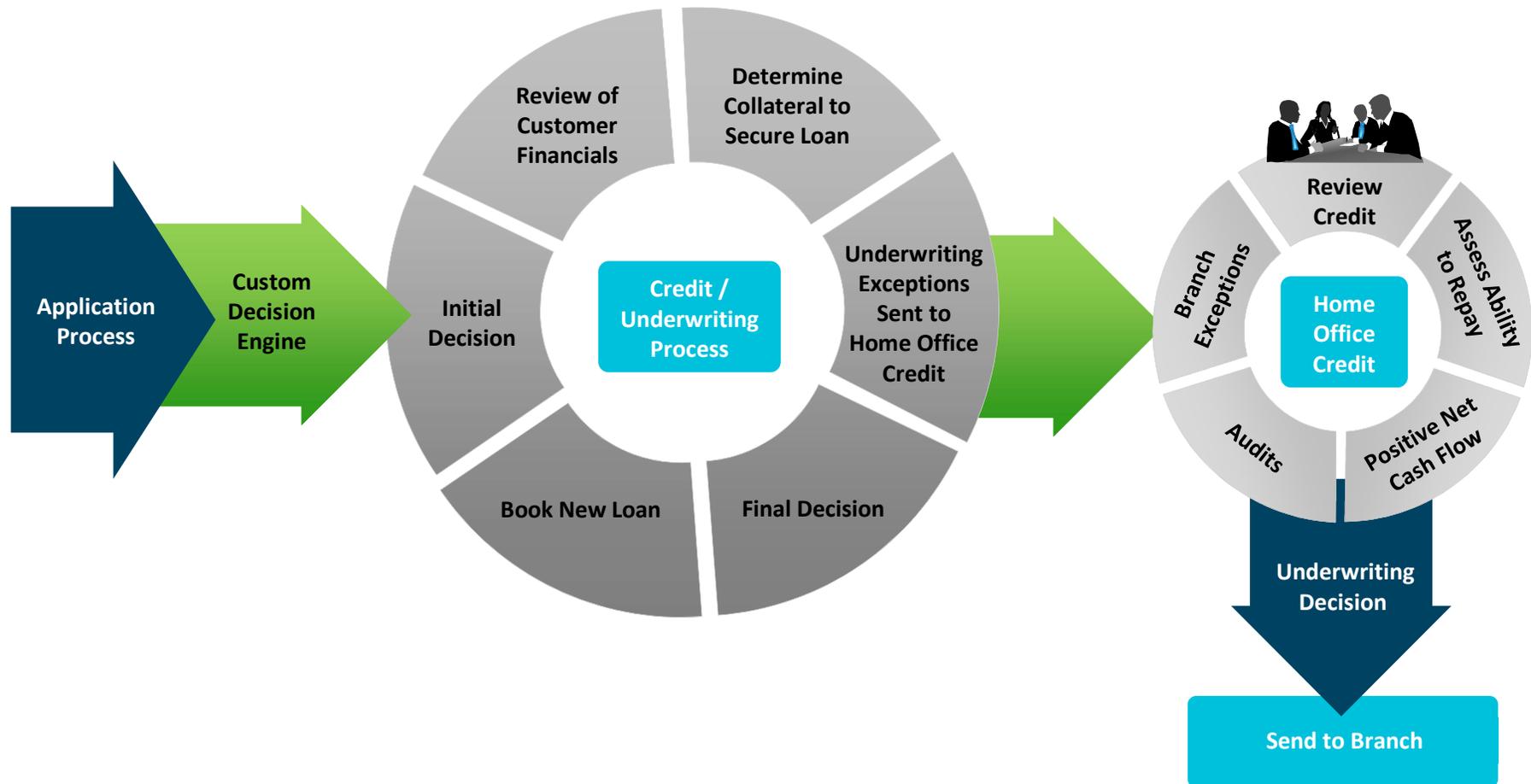
A Snapshot of Regional's Digital Journey – 2016 to 2019



#	Function	2016	2019
1	Loan Origination Process	<ul style="list-style-type: none"> Paper-Based Process 	<ul style="list-style-type: none"> Implemented in NLS as streamlined workflow from application to booking Debt Consolidation Sales Tools in NLS
2	Loan Underwriting Process	<ul style="list-style-type: none"> Manual and Paper-Based Process 	<ul style="list-style-type: none"> Automated in NLS and implemented logistic regression Custom Scorecards
3	Loan Booking Process	<ul style="list-style-type: none"> Manual Data Entry 	<ul style="list-style-type: none"> Implemented in NLS as streamlined workflow from application to booking
4	Loan Servicing	<ul style="list-style-type: none"> Legacy End-of-Life System 	<ul style="list-style-type: none"> Implemented in NLS and includes electronic payments
5	Compliance Controls in Branch Operations	<ul style="list-style-type: none"> Manual origination controls Poor servicing controls in legacy system 	<ul style="list-style-type: none"> Numerous automated controls implemented in NLS
6	Branch and RMC Central Workflow	<ul style="list-style-type: none"> Primarily paper and fax workflow 	<ul style="list-style-type: none"> Automated workflow and decisioning implemented in NLS
7	Digital Documents in Branches	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> Scanning and upload capabilities into NLS
8	Digital Self-Servicing	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> Customer Portal implemented and includes electronic payments
9	In-Branch Recurring Payments	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> Branches can set up recurring payments for customers
10	Digital Affiliate Lead Generation	<ul style="list-style-type: none"> Rudimentary processes and no prequalification criteria 	<ul style="list-style-type: none"> Improved prequalification criteria Acquired more affiliate partners and have grown this channel 5x
11	Digital Customer Interaction	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> Mobile texting implemented for payment and late fee notifications Emails to prospects being tested

Robust Loan Approval Process

- Custom automated decision engine used to determine if customer qualifies for product offerings
- Product offering is based on risk profile of customer and their ability to repay
- Credit exceptions are administered by central underwriting team



Top-Shelf Customer Satisfaction



Top-three box (8, 9, or 10 out of 10) customer satisfaction of 88%



75%+ customers would apply to Regional Finance first the next time they need a loan



~90% favorable ratings for key attributes:

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

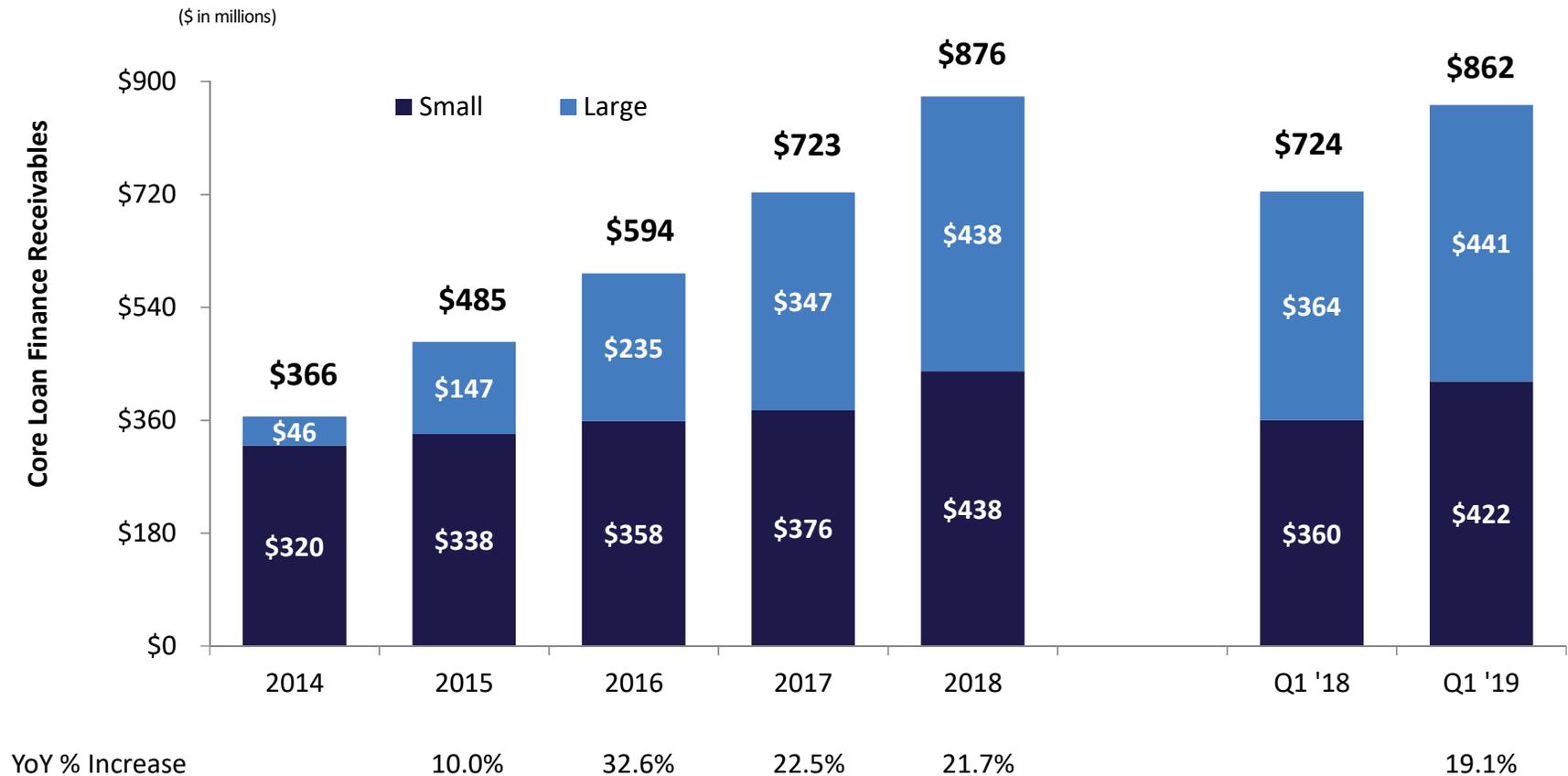


Texting, online account self-service, electronic payments, and digital lending should increase customer satisfaction

Core Loan Portfolio Growth Driven by Large Loan Receivables



Since adding large loans as a core product in 2015, large loan receivables have grown approximately 860%, from \$46 million to \$441 million



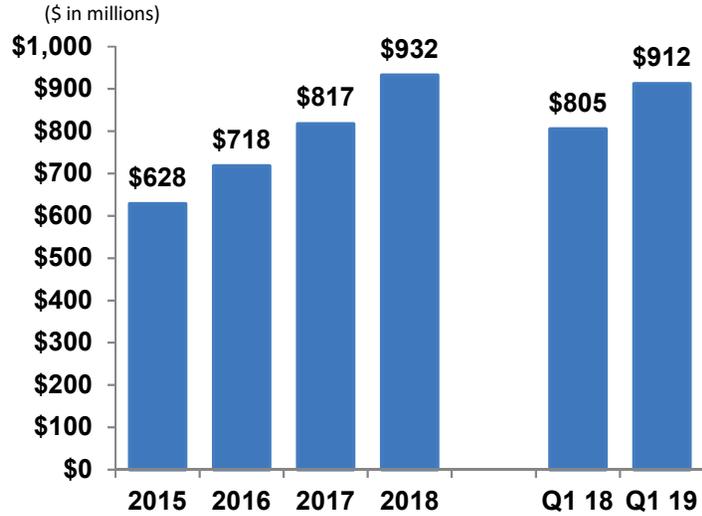
Receivables Growth Leads to Bottom-Line Expansion



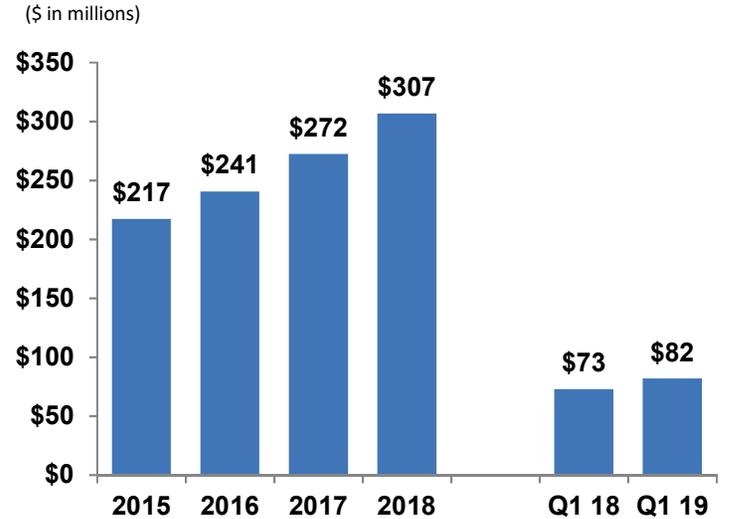
(1) Recent earnings growth driven by combination of volume-related revenue growth and more normalized credit losses

(2) Q1 19 net income was down slightly year-over-year while implementing custom credit scorecards, but we expect a double-digit increase in net income in 2H 19

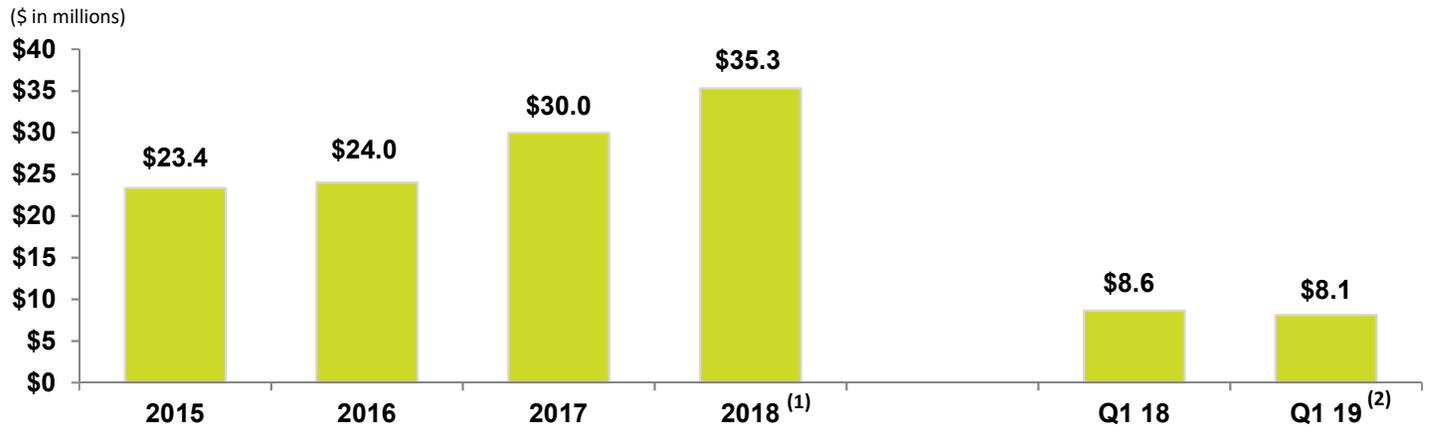
Finance Receivables



Total Revenue



Net Income



Diversified Liquidity Profile



- Long history of liquidity support from a strong group of banking partners
- Diversified funding platform with an ABL, warehouse facility, amortizing loan facility, and securitization

Senior Revolver (ABL)

- **Size:** \$638 Million
- **Interest Type:** Floating
- **Maturity:** June 2020
- **Lenders:** Bank of America, Wells Fargo Bank, BMO Harris, First Tennessee, Texas Capital, Capital Bank, Synovus, Bank United
- **Collateral:** Allows for the funding of Small, Large, Retail, and Auto Loans
- Facility has been upsized and renewed multiple times over the last 30 years

Warehouse Facility

- **Size:** Up to \$150 Million
- **Interest Type:** Floating
- **Maturity:** February 2021
- **Administrative Agent:** Wells Fargo Bank
- **Structuring Agent:** Credit Suisse
- **Collateral:** Allows for the funding of Large Loans

Amortizing Loan

- **Original Size:** \$76 Million
- **Interest Type:** Fixed
- **Maturity:** December 2024
- **Administrative Agent:** Wells Fargo Securities
- **Collateral:** Allowed for the funding of Auto Loans
- Upsized the transaction by \$38 Million in November 2017

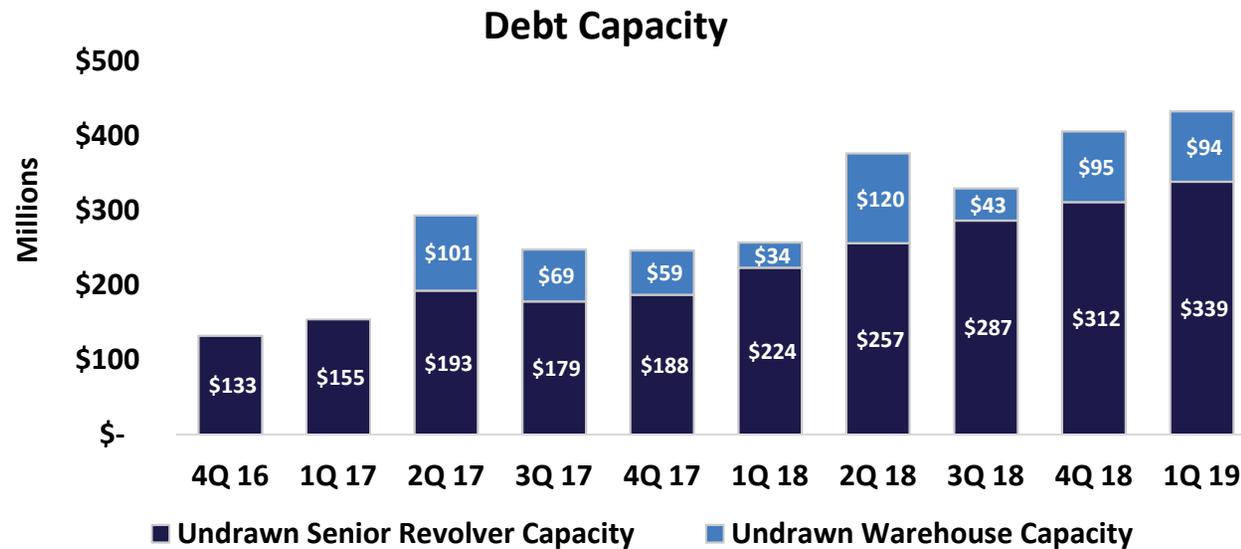
RMIT 2018-1 Securitization

- **Size:** \$150 Million
- **Interest Type:** Fixed
- **Maturity:** July 2027
- **Lenders:** Qualified institutional investors
- **Collateral:** Allows for the funding of Large Loans

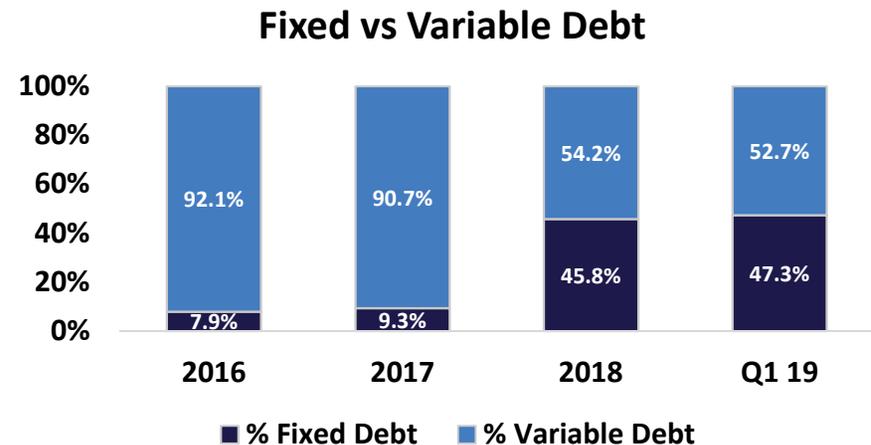
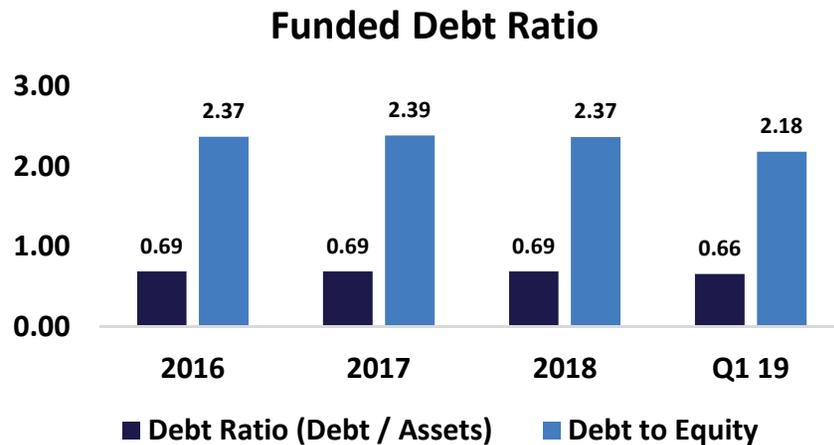
RMIT 2018-2 Securitization

- **Size:** \$130 Million
- **Interest Type:** Fixed
- **Maturity:** January 2028
- **Lenders:** Qualified institutional investors
- **Collateral:** Allows for the funding of Large Loans

Strong Funding Profile



- As of March 31, 2019, total undrawn capacity was \$433M (subject to borrowing base)
- Increased fixed rate debt from 9% to 46% in less than twelve months



Interest Expense % ⁽¹⁾	2016	2017	2018	Q1 19
	3.1%	3.2%	3.9%	4.3%

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

Investment Highlights



