

Investor Presentation

February 24-25, 2020



World Acceptance
Corporation

Cautionary Note About Forward-Looking Statements

Certain statements in this presentation constitute “forward looking-statements” under the Private Securities Litigation Reform Act of 1995. Statements other than those of historical fact, as well as those identified by the words “anticipate,” “estimate,” “intend,” “plan,” “expect,” “believe,” “may,” “will,” and “should” or any variation of the foregoing and similar expressions are forward-looking statements. Such forward-looking statements are about matters that are inherently subject to risks and uncertainties. Factors that could cause actual results or performance to differ from the expectations expressed or implied in such forward-looking statements include the following: recently enacted, proposed or future legislation and the manner in which it is implemented; the nature and scope of regulatory authority, particularly discretionary authority, that may be exercised by regulators having jurisdiction over the Company’s business or consumer financial transactions generically, including, but not limited to, the Consumer Financial Protection Bureau (the “CFPB”), having jurisdiction over the Company’s business or consumer financial transactions generically; the unpredictable nature of regulatory proceedings and litigation; and any determinations, findings, claims or actions made or taken by the CFPB, other regulators or third parties that assert or establish that the Company’s lending practices or other aspects of its business violate applicable laws or regulations; the impact of changes in accounting rules and regulations, or their interpretation or application, which could materially and adversely affect the Company’s reported financial statements or necessitate material delays or changes in the issuance of the Company’s audited financial statements; the Company’s assessment of its internal control over financial reporting, and the timing and effectiveness of the Company’s efforts to remediate any reported material weakness in its internal control over financial reporting; changes in interest rates; risks related to expansion and foreign operations; risks inherent in making loans, including repayment risks and value of collateral; the timing and amount of revenues that may be recognized by the Company; changes in current revenue and expense trends (including trends affecting delinquencies and charge-offs); and changes in the Company’s markets and general changes in the economy (particularly in the markets served by the Company). These and other factors are discussed in greater detail in Part I, Item 1A, “Risk Factors” in the Company’s most recent annual report on Form 10-K for the fiscal year ended March 31, 2019 filed with the Securities and Exchange Commission (“SEC”) and the Company’s other reports filed with, or furnished to, the SEC from time to time. World Acceptance Corporation does not undertake any obligation to update any forward-looking statements it makes.

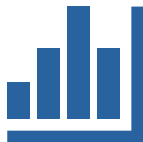
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Company Overview and Key Investment Highlights



Business and Portfolio Overview

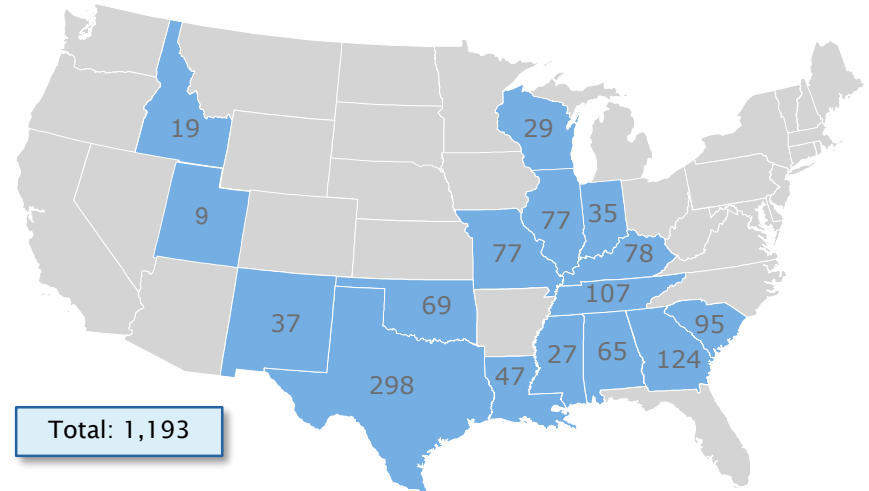


Financial Summary

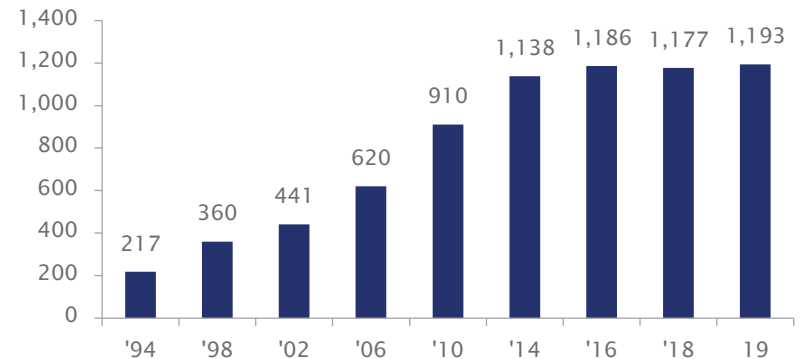
Company Overview and Key Investment Highlights

Overview

- 50+ year old small-loan consumer finance company
 - Provides loans to individuals with limited access to credit
- Well positioned to capitalize on favorable supply/demand imbalance within the non-prime lending space
- Originated over \$27 billion dollars worth of loans since 1994
- Focused on relationship-lending business model
- Current portfolio size ~ \$1 billion in net loans
- Weighted average on net proceeds:
 - APR – 56.8%
 - Term – 16 months
 - Loan amount – \$1,194



Branch Count



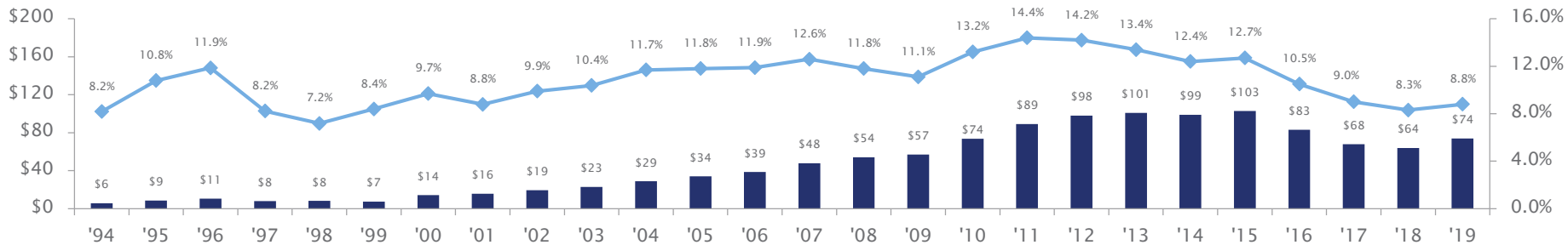
FY2019 Data is through 3/31/2019

Consistent Profitability

Includes operating with strong and stable margins in various economic environments

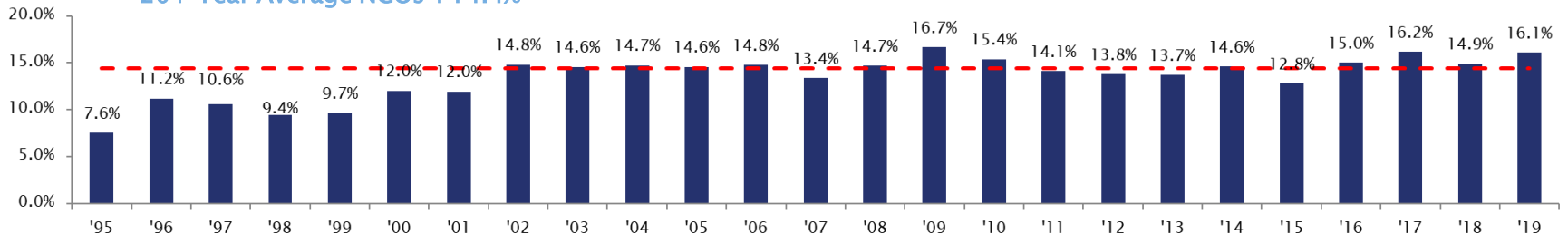
Net Income & Return on Average Assets¹ & ³

(\$ in millions)



Net Charge-Offs

20+ Year Average NCOs²: 14.4%



Note: Fiscal year-end is 3/31.

(1) Return on Average Assets is calculated as net income over the Average Total Assets for the respective period. Average Total Assets are defined as a 5-quarter average, ending at the respective period end

(2) 20+ Year Average represents average from 3/31/2000 to 3/31/2019

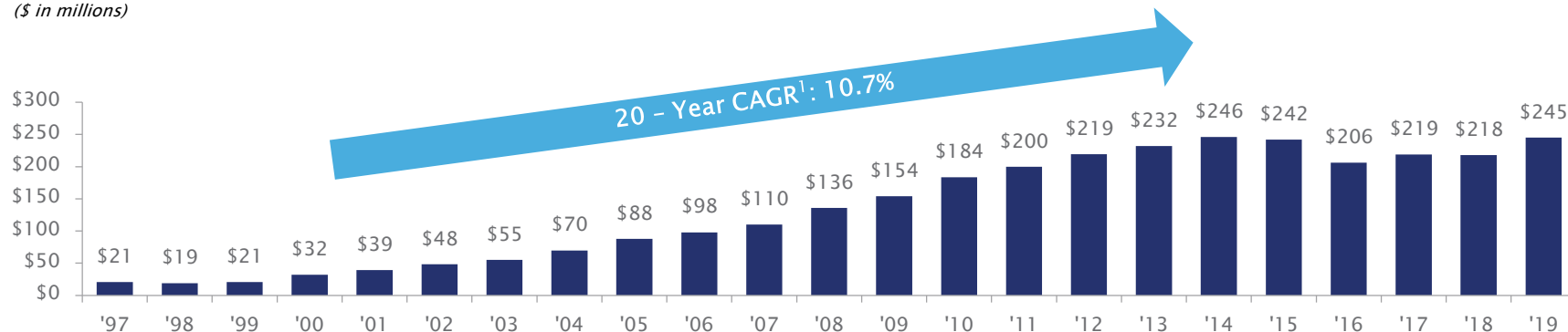
(3) FY2018 adjusted to remove \$15.4 million of tax expense related to the one-time discrete revaluation of the deferred tax asset and the foreign transition tax recorded due to the passage of the Tax Cut and Jobs Act (TCJA)

Strong Balance Sheet and Cash Flow

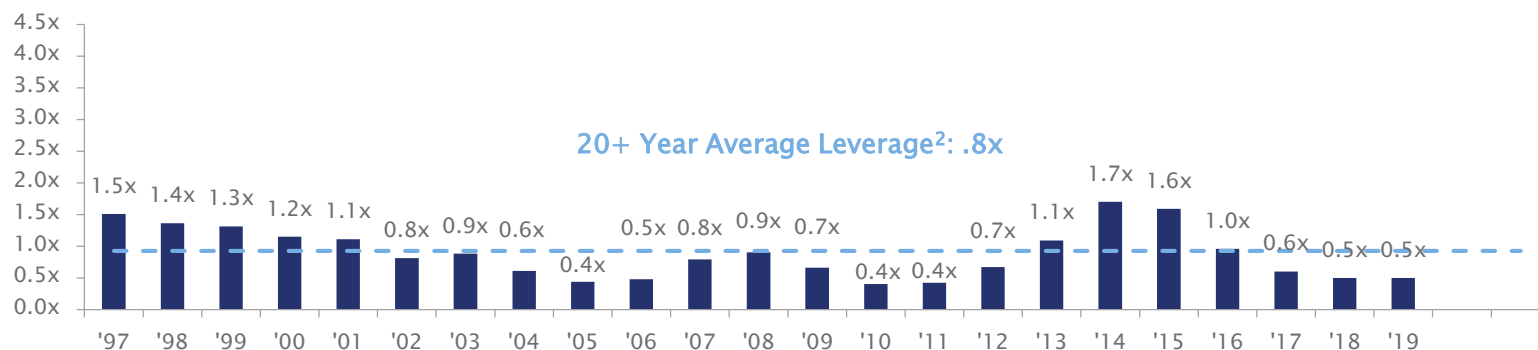
Strong cash flows have allowed operations at low leverage levels

Cash Flows From Operations

(\$ in millions)



Leverage Profile (Debt/Equity)



Note: Fiscal year-end is 3/31

(1) 20 - Year CAGR represents CAGR from 3/31/2000 to 3/31/2019

(2) 20+ Year Average Leverage represents average from 3/31/2000 to 3/31/2019

Traditional Loan Product Provider to Underserved Clients

Simple and attractive product to an underserved customer base, focusing on the customer's stability, ability and willingness to pay

	Credit Card	Traditional Installment	Pawn	Auto Title Loans	Payday
Underwriting Approach	Ability to pay and credit history	Ability to pay	Solely collateral value	Solely collateral value	Bank account and employment
Past Due Resolution	Centralized calling Sale to a 3 rd party	Branch outreach	Sale of loan collateral	Repo automobile	Auto debit bank account
Loan Amortization	Revolving Low minimum payment	Fully amortizing Fixed, equal monthly payments	Balloon	Balloon	Balloon
Renewals	Revolving	Average 0 – 3 renewals/year	Borrower's option	8 renewals/year ¹	9 renewals/year ²
Average Term	Revolving	Large: 3–5 years Small: 12–24 months	2 – 4 months	30 days ¹	2 – 3 weeks ²
Credit Reporting	Report to bureaus	Report to bureaus	No reporting	No reporting	No reporting

Source: Company filings, CFPB, Center for Responsible Lending Report (Feb 2013), Wall Street Research
 (1) Center for Responsible Lending, "The State of Lending in America & its Impact on U.S. Households." Data represents 30-Day Balloon Payment Car-Title Loans
 (2) CFPB, "Payday Loans and Deposit Advance Products"

Business and Portfolio Overview

World Acceptance Branch Overview

Branch Managers have full branch P&L responsibility promoting an ownership attitude

Representative Branch



Characteristics

- 1,500 square feet
- \$1,470 per month lease
- Rural America – typically downtown or small strip center

Typical Branch Portfolio

- \$950,000 gross loans receivables
- 735 accounts
- \$456,000 avg. revenue during fiscal 2019

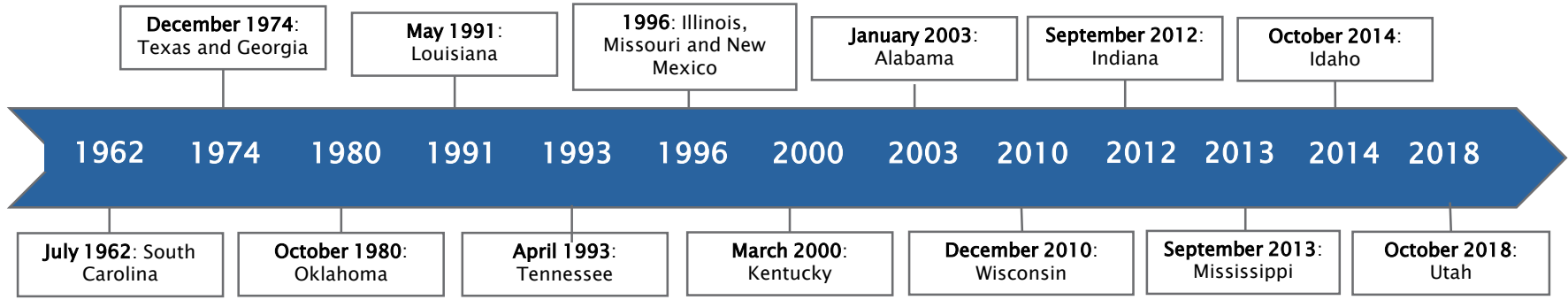
Branch Employees

- 2.8 employees per branch
- Manager, Account Specialists

- Each Branch is operated by a state level company subsidiary.
- Branches and personnel are licensed and insured as required by state law.

Historical Branch Growth

Conservative and disciplined manner of entering states and opening branches



Branch Count Over Time

State	Date of Entry	1995	2000	2005	2010	2015	2018	2019
South Carolina	July '62	59	63	65	95	99	97	95
Georgia	December '74	38	48	76	101	113	123	124
Texas	December '74	93	135	164	229	300	291	298
Oklahoma	October '80	33	43	51	82	83	71	69
Louisiana	May '91	15	21	20	38	49	47	47
Tennessee	April '93	6	35	55	95	107	105	107
			30					
Illinois	September '96			33	64	82	82	77
Missouri	August '96		18	36	62	78	76	77
New Mexico	December '96		13	20	39	44	38	37
Kentucky	March '00		4	36	61	79	78	78
Alabama	January '03			21	44	68	65	65
Wisconsin	December '10					28	27	29
Indiana	September '12					22	32	35
Mississippi	September '13					12	25	27
Idaho	October '14					8	20	19
Utah	October '18							9
Total		244	410	577	910	1,172	1,177	1,193

Note: Total branch count over time is as of 3/31/2019

Loan Characteristics

World Acceptance operates predominately in the small-loan installment space

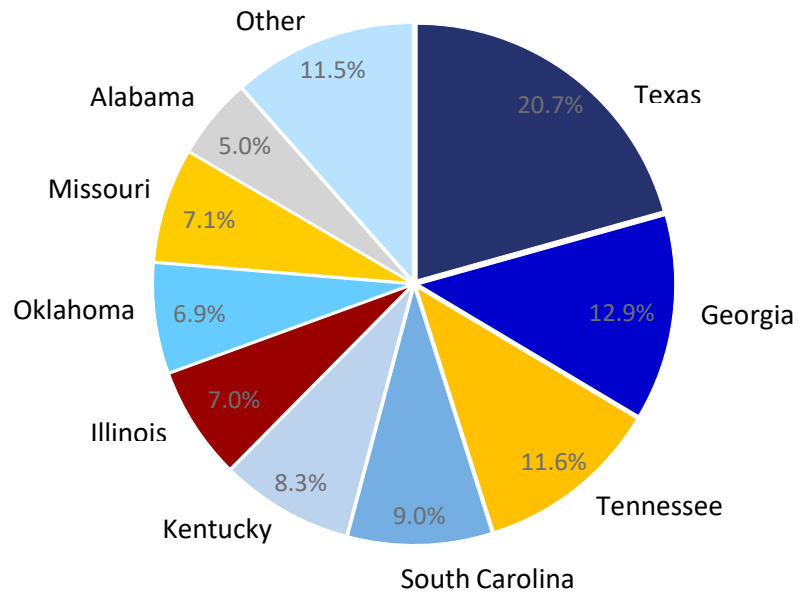
	Size	Average Term ⁽¹⁾	Average APR ⁽¹⁾
Small Installment - 66%	<ul style="list-style-type: none">Average: \$900Range: \$200 to \$2,499	<ul style="list-style-type: none">12 months	<ul style="list-style-type: none">68.6%
Large Installment - 34%	<ul style="list-style-type: none">Average: \$3,645Range: \$2,500 to \$20,000	<ul style="list-style-type: none">23 months	<ul style="list-style-type: none">33.9%

Portfolio Overview

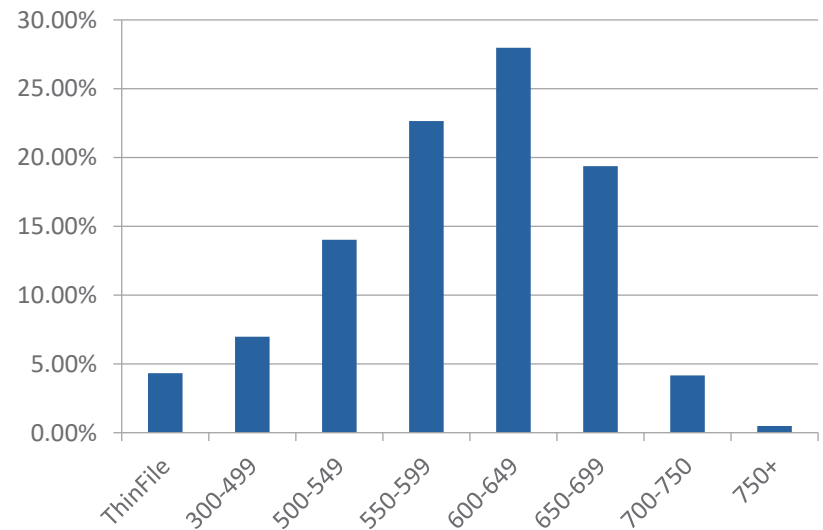
Diversified Portfolio by Geography and Beacon Score

- No state has greater than a 21% loan concentration
- Larger loans (> \$2,500) have been growing as a percentage of the portfolio
 - Currently comprise approximately one-third of World Acceptance's loan portfolio

Portfolio By Geography¹



Portfolio By Beacon Score²



(1) Based on gross loans receivable as of 3/31/2019

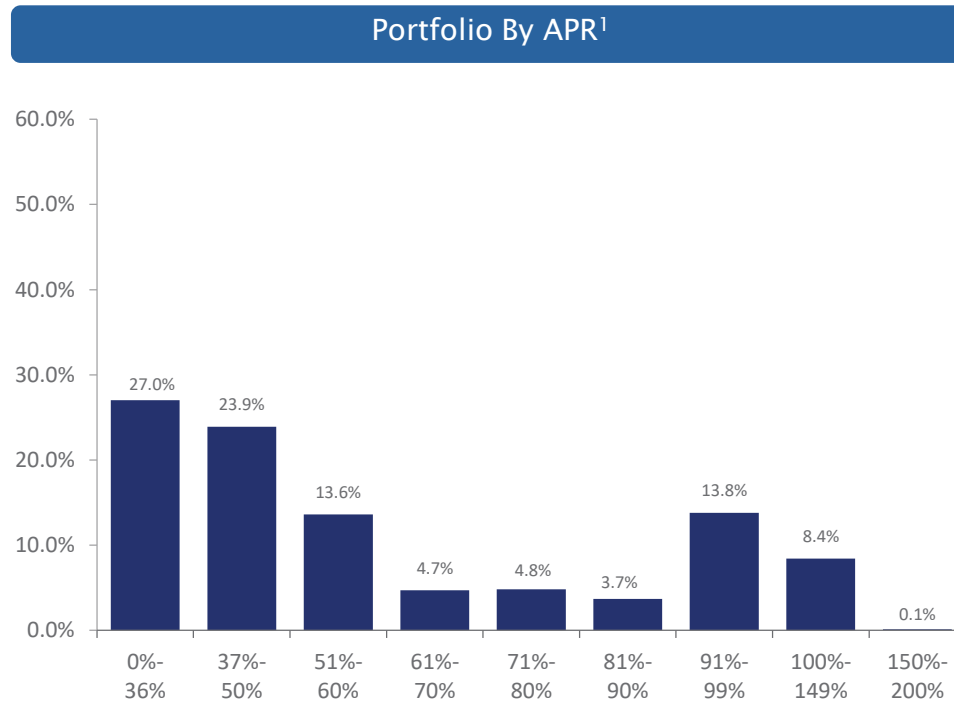
(2) Represents U.S. portfolio, data as of 3/31/2019

(3) Other states include Louisiana, New Mexico, Wisconsin, Indiana, Mississippi, Idaho and Utah

Portfolio Overview Continued

Deep knowledge of its borrower base has enabled World Acceptance to lend effectively across the non-prime segment

- Approximately 27% of the loans in the U.S. portfolio have APRs of 36% or less
- Approximately 92% of U.S. loans have an APR of less than 100%
- Portfolio spreads across a broad spectrum of borrowers



(1) Data as of 3/31/2019

Rigorous Loan Underwriting Process

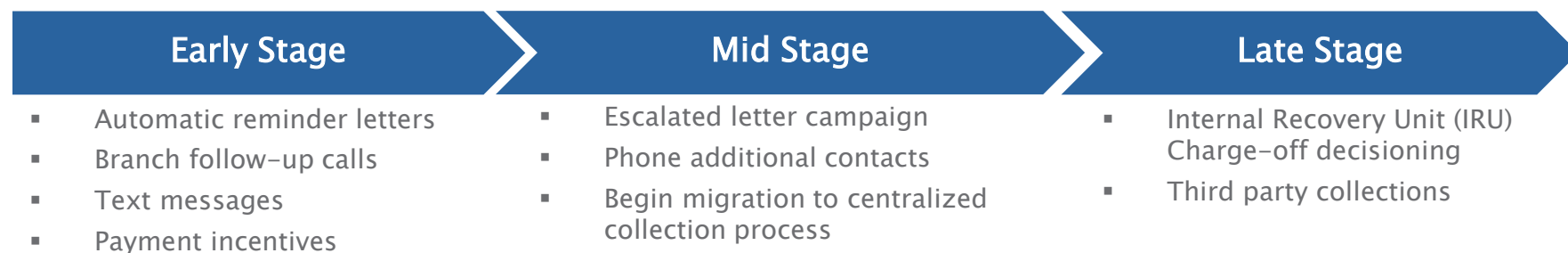
Detailed underwriting coupled with analytics and an understanding of the local demographic profile has yielded strong performance

- Time-tested underwriting principles produce consistently strong performance
- Mitigate net charge-off volatility through various economic cycles
- Stability, ability and willingness to pay
- Underwriting policies with objective credit evaluation criteria, including a custom in-house credit grade calculated for each new borrower
- Relationship-based branch lending enhances servicing effectiveness
- Establishes initial contact with the borrower, building an ongoing customer relationship
- Individual loan approval authority based on experience and position
- Generally decentralized loan approval and collections
- Comprehensive analytical and management oversight



Robust Collections Process

World Acceptance follows a robust collection process making numerous attempts to work with the customer prior to charging-off a loan



Collection Process

- Internal data system generates customizable notices on delinquent accounts
- Friendly text message payment reminders sent once per week to every opt-in customer with payment due the following week
- Accounts 30+ days past due considered an advanced collection situation
- Accounts charged off after 180 days
- Extensions allowed in special situations
- All charge-offs reviewed and approved by district managers

Branch Incentive Program

- Branch managers earn up to 10% of Monthly Rating Sheet Profit if certain delinquency, profitability and growth goals are met
- Other branch staff also earn a percentage of Monthly Rating Sheet Profit based on the performance of the branch

Portfolio Composition and Credit Performance

Rapid portfolio growth in recent years has shifted the weighting of less tenured customers

Gross Loan Balance by Customer Tenure at Origination			
Period Ended	Less than 2 Years	More Than 2 years	Total
12/31/15	\$331,976,598	\$792,223,760	\$1,124,200,358
12/31/16	\$303,303,989	\$761,820,791	\$1,065,124,780
12/31/17	\$337,780,636	\$789,638,745	\$1,127,419,381
12/31/18	\$428,032,549	\$830,875,356	\$1,258,907,905
12/31/19	\$487,842,960	\$884,925,620	\$1,372,768,580

YOY Change in Gross Loan Balance by Customer Tenure at Origination (\$'s)			
Period Ended	Less than 2 Years	More Than 2 years	Total
12/31/15	(\$27,383,334)	(\$11,650,372)	(\$39,033,706)
12/31/16	(\$28,672,609)	(\$30,402,969)	(\$59,075,578)
12/31/17	\$34,476,647	\$27,817,954	\$62,294,601
12/31/18	\$90,251,913	\$41,236,611	\$131,488,524
12/31/19	\$59,810,411	\$54,050,264	\$113,860,675

YOY Change in Gross Loan Balance by Customer Tenure at Origination (%'s)			
Period Ended	Less than 2 Years	More Than 2 years	Total
12/31/15	(7.6%)	(1.5%)	(3.4%)
12/31/16	(8.6%)	(3.8%)	(5.3%)
12/31/17	11.4%	3.7%	5.8%
12/31/18	26.7%	5.2%	11.7%
12/31/19	14.0%	6.5%	9.0%

Portfolio Composition and Credit Performance (*contd.*)

Effects of portfolio growth and customer tenure continue to impact overall charge-off rates

Portfolio Mix by Customer Tenure at Origination

Period Ended	Less Than 2 Years	More Than 2 Years
12/31/15	29.5%	70.5%
12/31/16	28.5%	71.5%
12/31/17	30.0%	70.0%
12/31/18	34.0%	66.0%
12/31/19	35.5%	64.5%

Indexed 3rd Quarter Charge-off Rates by Tenure Since Fiscal 2016

3 Months Ended	Less Than 2 Years	More Than 2 Years	Total
12/31/15	1.47	0.61	0.86
12/31/16	1.69	0.74	1.00
12/31/17	1.54	0.65	0.91
12/31/18	1.65	0.68	0.99
12/31/19	1.70	0.64	1.02

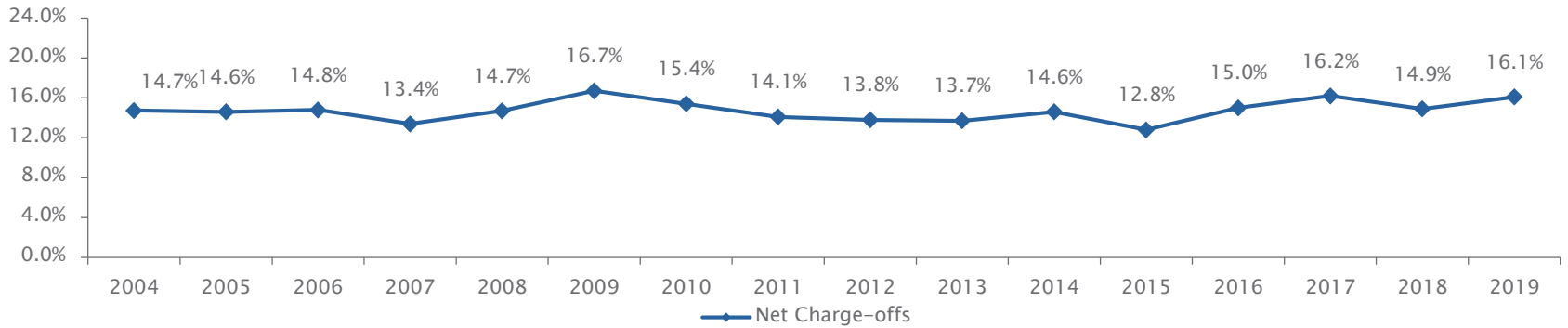
Key Notes

- When comparing the 3rd quarters of FY '17 and '20, the charge-off rate of the lower-tenure population increased by 0.7% while the higher-tenure population's rate decreased 12.5%.
- Even with essentially the same charge-off rate in the lower-tenure population and reduction in the higher-tenure population, the increase in portfolio weight of the lower-tenure group has led to an overall increase in the charge-off rate of 2.2% over this period.
- The Company continues to expect the return on these pools of customers to exceed its cost of capital and be in line with long-term performance expectations.

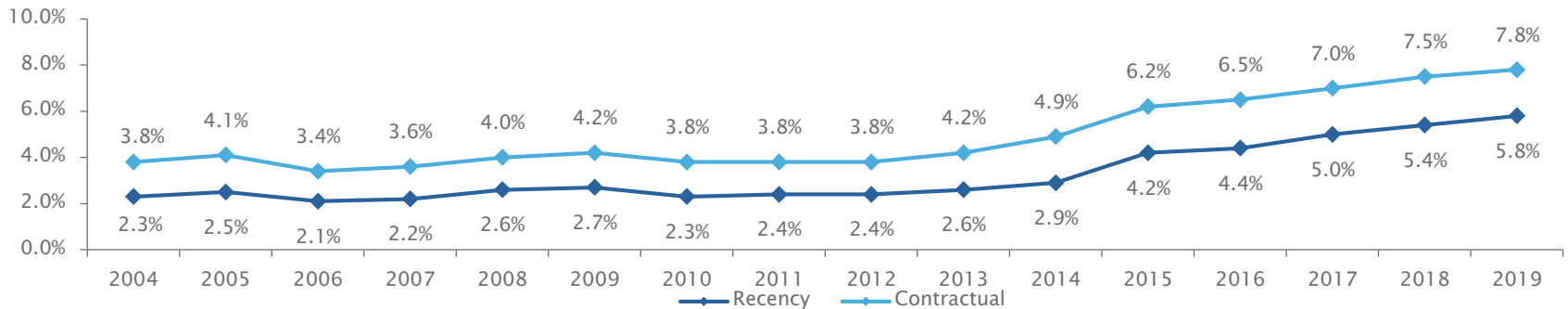
Credit Performance

Rigorous underwriting standards have led to stable performance across economic cycles

Net Charge-Offs



Loan Delinquency - 61 + Days



Risk Management

High Levels of Management Involvement

- Regulatory matters
- Setting policy and procedures
- Risk oversight and management
- Information technology
- Annual risk and fraud assessments
- Addressing state audit reports

Culture of Compliance

3 Lines of Defense Model

Management Controls

- Quarterly supervision of each branch
- Compliance monitoring
- Surprise cash counts
- Data Analytics
- Monthly underwriting and loan documentation reviews
- Detailed operational performance monitoring

Information System Controls and Security Infrastructure

- Unified loan management platform provides strong IT control structure
- Proprietary platform fully customizable
- Detailed branch statistics and monitoring

Internal Audit Department

- 12 full-time auditors
- 9-18 month frequencies
- Loan documentation audits
- Detailed risk and fraud assessment process
- Risk-based audit approach focused on high-risk areas and fraud prevention and detection

Risk Management

World Acceptance has built a culture of compliance that anticipates and adapts to a constantly changing regulatory environment

Identify

- Maintain a compliance program to identify deficiencies within our business processes
- Perform compliance and fair lending risk assessments
- Review all regulatory environment changes and translating those to changes in policies and procedures

Control

- Implement controls to address weaknesses noted during risk assessments, branch audits, external compliance audits, state regulatory audits and customer complaints
- Aligning the compliance program with changing business and regulatory conditions

Monitor

- Continuously monitor trends in branch audits, state regulatory audits and customer complaints for quick identification of systemic issues
- Participate and consult on key business initiatives

Report

- Monthly detailed reporting throughout the business
- Quarterly reporting to the Board, Board Committees and senior management
- Escalation of high-risk systemic issues

Train

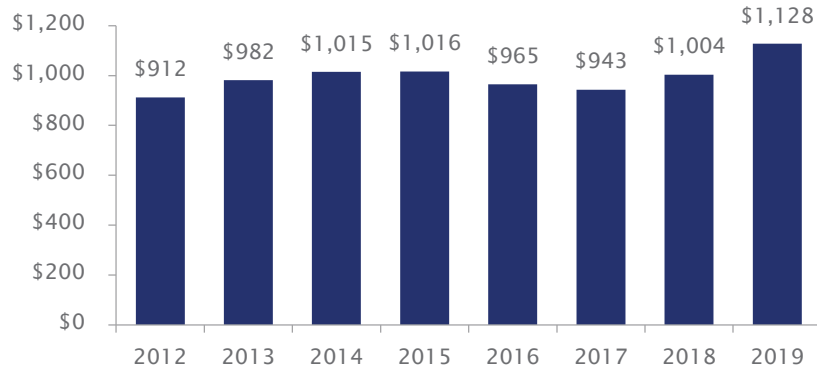
- Develop branch-level compliance training for key risk areas and systemic issues
- Ensure all employees and directors receive annual compliance training

Financial Summary

Historical Financial Performance

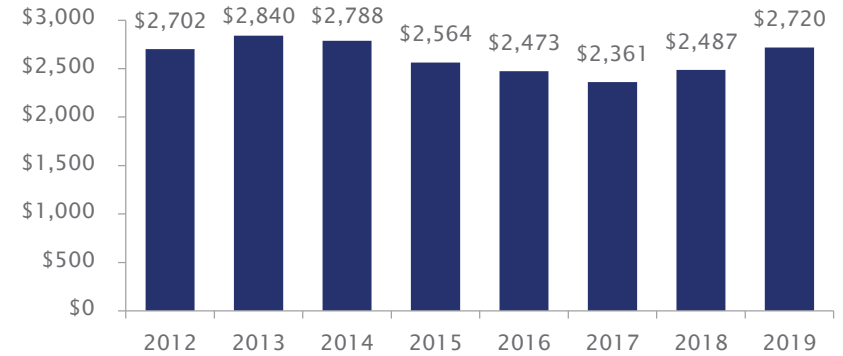
Gross Loans Receivables

(\$ in millions)



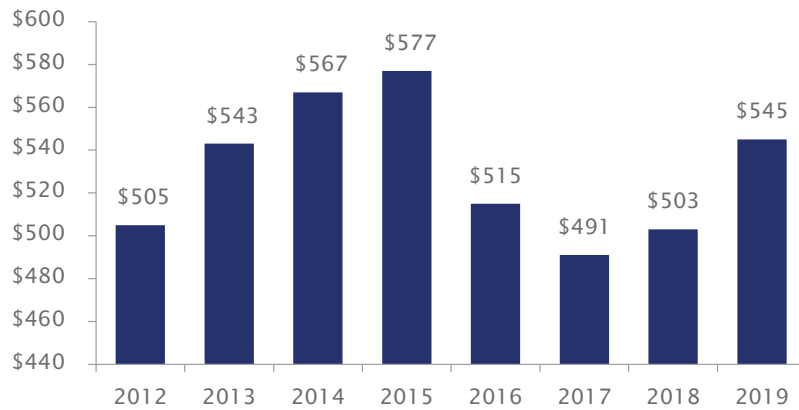
Loan Origination Volume

(\$ in millions)

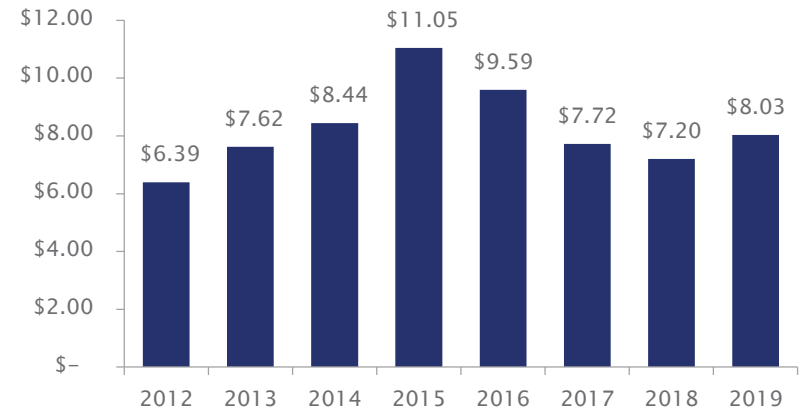


Revenue

(\$ in millions)



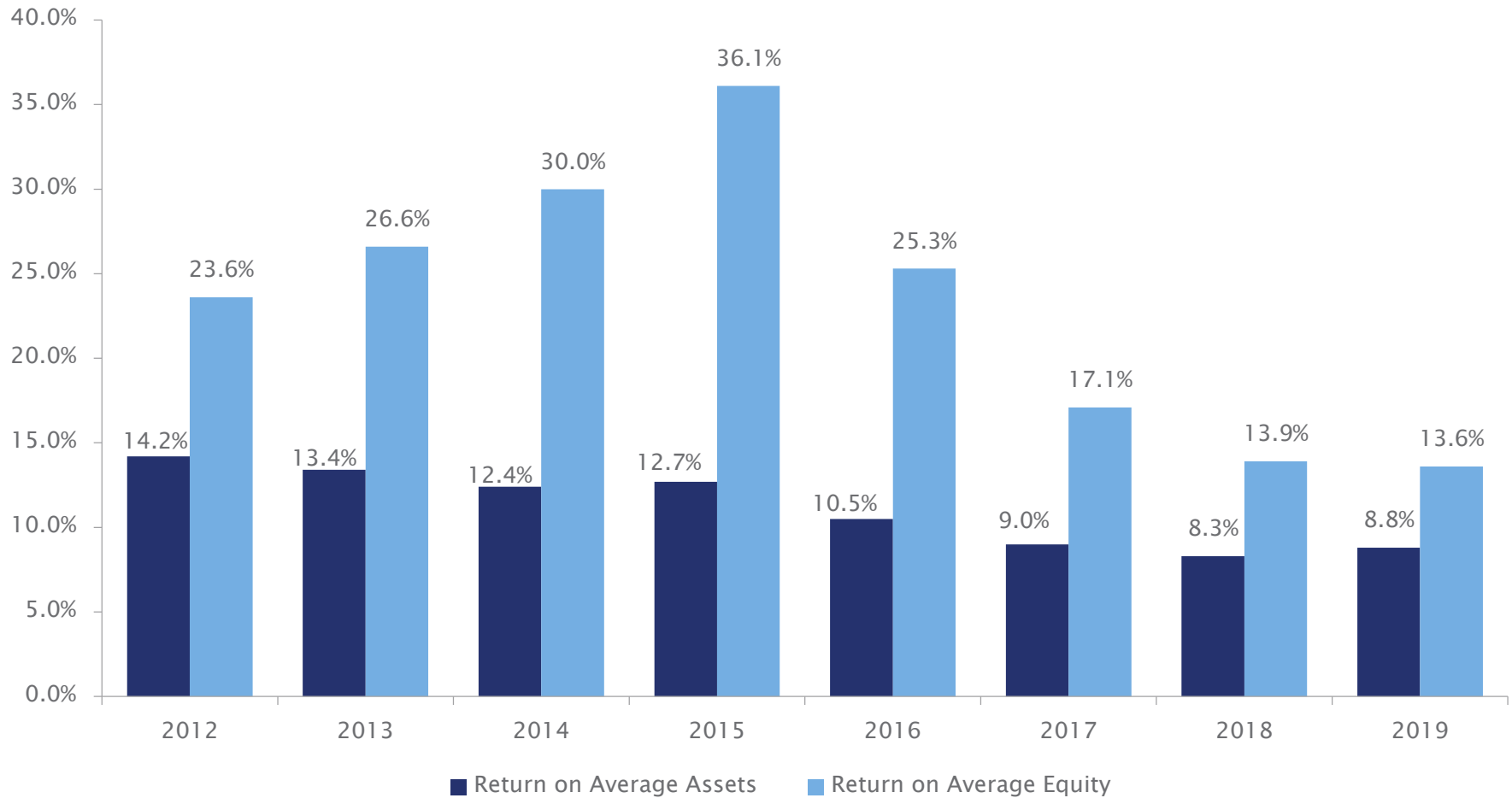
Earnings Per Share (1)



Note: Fiscal year-end is 3/31. Data is through 3/31/2019.

(1) FY2018 adjusted to remove \$15.4 million of tax expense related to the one-time discrete revaluation of the deferred tax asset and the foreign transition tax recorded due to the passage of the Tax Cut and Jobs Act (TCJA)

Return on assets and equity





Thank You,