



**Evolve**  
Capital Partners

## Elevate Credit

April 2017

**Summary of Initial Public Offering**

**Elevate**

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**SPECIALIZED INVESTMENT BANKERS AT  
THE INTERSECTION OF FINANCE & TECHNOLOGY**

# Executive Summary

## Initial Public Offering Overview

### KEY IPO STATISTICS

<b><u>Description:</u></b>	Elevate Credit, Inc. designs and provides online credit solutions to non-prime consumers in the United States and the United Kingdom. The company offers unsecured online installment loans and lines of credit. Its products include Rise and Sunny installment loan products and Elastic, an open-end line of credit.
<b><u>Use of Proceeds:</u></b>	The company intends to use proceeds of approximately \$50 million to pay down ELCS Sub-debt Term Note, the 4th Tranche Term Note and the UK Term Note outstanding under the Victory Park Capital Facility.
<b><u>Headquarters:</u></b>	Fort Worth, Texas
<b><u>Founded:</u></b>	2014, spun off from Think Finance
<b><u>Employees:</u></b>	540
<b><u>Initial Filing Date:</u></b>	10/09/2015
<b><u>Trading Date:</u></b>	04/06/2017
<b><u>Ticker:</u></b>	NYSE:ELVT
<b><u>Offer Price:</u></b>	\$6.50
<b><u>Shares Offered:</u></b>	7.7 million
<b><u>Proceeds:</u></b>	\$50 million

Source(s): Company website, SEC filings, CapIQ

UNITED STATES  
SECURITIES AND EXCHANGE  
COMMISSION  
Form S-1

Elevate Credit

**E/evate**

NYSE: ELVT

4150 International Plaza Suite 300  
Forth Worth, TX, 76109

 **UBS**  **STIFEL**  **Jefferies**

*William Blair*  **CREDIT SUISSE**

# Executive Summary

## Key Metrics – IPO

**\$226 million**

Market Value <sup>(1)</sup>

**\$666 million**

Enterprise Value <sup>(2)</sup>

**35 million**

Shares Outstanding

**\$6.50**

Share Price

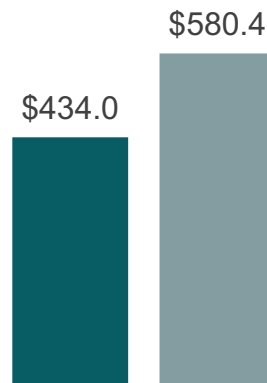
**1.15x**

EV / 2016 Revenue

**11.0x**

EV / 2016 EBITDA

### Revenue (\$mm)



Growth of  
33.7%

### Adjusted EBITDA (\$mm)



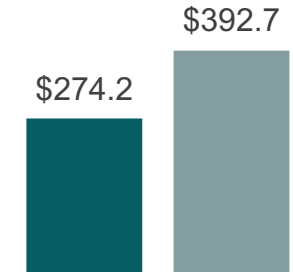
Growth of  
223.0%

### Free Cash Flow (\$mm)



Growth  
rate NMF

### Loan Receivables (\$mm)



Growth of  
43.2%

Revenue

Adjusted EBITDA

Free Cash Flow

Loan Receivables, net

■ 2015 ■ 2016

Source(s): Company website, SEC filings

(1) Market Value based on shares outstanding and share price of \$6.50, 34.8 million common shares will be outstanding after the offering

(2) Enterprise Value based on market value, and total debt and cash in SEC filings

# Executive Summary

## Company Overview

### OVERVIEW

- Elevate Credit provides online credit solutions to consumers in the US and the UK who are not well-served by traditional bank products and who are looking for better options than payday loans, title loans, pawn and storefront installment loans
- Non-prime consumers – approximately 170 million people in the US and UK, defined as those with credit scores of less than 700 – now represent a larger market than prime consumers
- Elevate has the best-in-class advanced technology and proprietary risk analytics honed by serving more than 1.6 million customers with \$4.0 billion in loan originations
- Key Offerings:
  - **RISE** An installment loan product available in 15 states in the US
  - **Elastic** A line of credit product originated by a third-party bank and offered in 40 states in the US
  - **sunny** An installment loan product available in the UK

### KEY STATISTICS



*Combined loan receivables of \$481.2 million, provided approximately \$2.5 billion in credit and served over 785,000 customers in 2016*



*Revenue for the year ending December 31, 2016 grew 34% to \$580.4 million from \$434 million in 2015. Effective APR was 146%, a drop from 251% in 2013*



*Tens of thousands of customers have seen their credit scores improve appreciably due to Elevate's reporting of successful payment history to a major credit bureau*



*Industry-leading technology and proprietary risk analytics that are optimized for the non-prime credit market, supported by over 25 data scientists to enhance underwriting accuracy*



*Integrated multi-channel marketing strategy that includes coordinated direct mail programs, TV campaigns, search engine marketing, digital campaigns, as well as strategic partnerships*

Source(s): Company website, SEC filings



# Executive Summary

## Financing History



Date	Series/Type	Amount (mm)	Investors	Transaction Notes
07/26/2016	Revolving Credit Line	\$545	VICTORY PARK CAPITAL	Funding used to support growth of credit products
05/01/2014	Early Stage VC	Undisclosed	SEQUOIA STARTUP CAPITAL VENTURES TCV TECHNOLOGY CROSSOVER VENTURES	Not available

Source(s): Pitchbook

# Executive Summary

## Management Team



Name and Title	Biography
Kenneth E. Rees <i>CEO and Chairman</i>	<ul style="list-style-type: none"><li>• Served as CEO and chairman of Board of Directors since 2014</li><li>• He joined Think Finance (TFI), the predecessor company, as President in 2004 and held the position of CEO from his appointment until 2014, the day before the spin-off</li></ul>
Jason Harvison <i>COO and Director</i>	<ul style="list-style-type: none"><li>• Served as COO and member of Board of Directors since 2014, and was a member of Risk Committee through 2016</li><li>• He joined TFI as Senior Vice President in 2003</li></ul>
Christopher Lutes <i>CFO</i>	<ul style="list-style-type: none"><li>• Served as CFO since 2015</li><li>• Served as CFO of TFI from 2007 to 2014</li></ul>
Walt Ramsey <i>CCO</i>	<ul style="list-style-type: none"><li>• Served as Chief Credit Officer since 2014, having previously served as Chief Risk Officer at TFI from 2011 to 2014</li><li>• Before joining TFI, he was Senior Vice President of Consumer Banking Risk at JP Morgan from 2008 to 2011, and Chief Risk Officer and Managing Director of Personal Loans at Lloyds TSB from 2005 to 2007</li></ul>
Scott Greever <i>Managing Director</i>	<ul style="list-style-type: none"><li>• Served as MD of UK business unit since February 2016, and served as Chief Information Officer of the UK business from 2015 to 2016</li><li>• He held multiple roles with TFI from 2009 to 2014, including Chief Information Officer UK and Vice President of Application Development in the US</li></ul>

Source(s): Company website, SEC filings

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