

# Investment Banking Update

## Stephens served as exclusive financial advisor and investment banker to Community Choice Financial Inc. on its Balance Sheet Recapitalization

March 26, 2021

**\$460.8 MILLION**



Has completed its Balance Sheet Recapitalization

### Transaction Details

- On March 26, 2021, CCF Holdings, LLC, and its subsidiaries (collectively, "Community Choice Financial" or the "Company") completed its Balance Sheet Recapitalization (the "Recapitalization")
- Prior to the Recapitalization, the Company's capital structure included the following principal balances (excludes unpaid interest and fees except on PIK Notes):
  - \$69.0M Secured Credit Facility (the "SPV Facility")
  - \$40.0M Secured OpCo Notes (the "OpCo Facility")
  - \$351.8M PIK Notes Due 2023 (the "PIK Notes")
- Under the Recapitalization, Community Choice Financial entered into new agreements representing the issuance of a \$200M asset-backed revolving credit facility, a \$20M term loan, and \$40.25M in perpetual cumulative convertible preferred units (with up to \$15M in additional preferred unit issuances to occur during 2021). Additionally, as part of the Recapitalization, the PIK Notes were converted into Class A Common Units of the Company
- Proceeds from the Recapitalization transactions, in addition to a portion of the Company's balance sheet cash, were used to repay in full and terminate the Company's existing SPV Facility and OpCo Facility, and to pay transaction fees associated with the Recapitalization

### According to Company Information:

CCF Holdings LLC is a provider of alternative financial services to unbanked and under-banked consumers. The Company was formed in 2018 and succeeded to the business and operations of Community Choice Financial Inc. The Company owned and operated 452 retail locations in 12 states and was licensed to deliver similar financial services over the internet in 27 states as of September 30, 2020. Through its network of retail locations and over the internet, the Company provides customers a variety of financial products and services, including secured and unsecured, short-term and medium-term consumer loans, check cashing, prepaid debit cards, and other services that address the specific needs of its individual customers.

Source: Community Choice Financial public filings

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