REFINITIV

DELTA REPORT

10-Q

EZPW - EZCORP INC

10-Q - DECEMBER 31, 2024 COMPARED TO 10-Q - JUNE 30, 2024

The following comparison report has been automatically generated

TOTAL DELTAS	618
CHANGES	142
DELETIONS	277
ADDITIONS	199

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2024 December 31, 2024 or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from __________to ____________

Commission File No. 0-19424

ezcorplogob21.jpg

EZCORP, INC.

(Exact name of registrant as specified in its charter)

Delaware	**74-2540145**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
2500 Bee Cave Road Bldg One Suite 200 Rollingwood TX	**78746**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: **(512) 314-3400**

Securities registered pursuant to Section 12(b) of the Act

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Non-voting Common Stock, par value $.01 per share	**EZPW**	**NASDAQ Stock Market (NASDAQ Global Select Market)**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See definition of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☒
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The only class of voting securities of the registrant issued and outstanding is the Class B Voting Common Stock, par value $.01 per share, all of which is owned by an affiliate of the registrant. There is no trading market for the Class B Voting Common Stock.

As of July 24, 2024 January 29, 2025, 51,769,716 51,968,414 shares of the registrant's Class A Non-voting Common Stock ("Class A Common Stock"), par value $.01 per share, and 2,970,171 shares of the registrant's Class B Voting Common Stock, par value $.01 per share, were outstanding.

EZCORP, Inc.

INDEX TO FORM 10-Q

PART I — FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

EZCORP, Inc.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

(in thousands, except share and per share amounts)

(in thousands, except share and per share amounts)

(in thousands, except share and per share amounts)

Assets:

Assets:

Assets:

Current assets:
Current assets:
Current assets:
Cash and cash equivalents
Cash and cash equivalents
Cash and cash equivalents
Restricted cash
Restricted cash
Restricted cash
Pawn loans
Pawn loans
Pawn loans
Pawn service charges receivable, net
Pawn service charges receivable, net
Pawn service charges receivable, net
Inventory, net
Inventory, net
Inventory, net
Prepaid expenses and other current assets
Prepaid expenses and other current assets
Prepaid expenses and other current assets
Total current assets
Total current assets
Total current assets
Investments in unconsolidated affiliates
Investments in unconsolidated affiliates
Investments in unconsolidated affiliates
Other investments
Other investments
Other investments
Property and equipment, net
Property and equipment, net
Property and equipment, net
Right-of-use assets, net
Right-of-use assets, net
Right-of-use assets, net
Goodwill
Goodwill
Goodwill
Intangible assets, net
Intangible assets, net
Intangible assets, net
Deferred tax asset, net
Deferred tax asset, net
Deferred tax asset, net
Other assets, net
Other assets, net
Other assets, net
Total assets
Total assets
Total assets

Liabilities and equity:

Liabilities and equity:

Liabilities and equity:

Current liabilities:

Current liabilities:

Current liabilities:

Current maturities of long-term debt, net

Current maturities of long-term debt, net

Current maturities of long-term debt, net

Accounts payable, accrued expenses and other current liabilities

Accounts payable, accrued expenses and other current liabilities

Accounts payable, accrued expenses and other current liabilities

Customer layaway deposits

Customer layaway deposits

Customer layaway deposits

Operating lease liabilities, current

Operating lease liabilities, current

Operating lease liabilities, current

Total current liabilities

Total current liabilities

Total current liabilities

Long-term debt, net

Long-term debt, net

Long-term debt, net

Deferred tax liability, net

Deferred tax liability, net

Deferred tax liability, net

Operating lease liabilities

Operating lease liabilities

Operating lease liabilities

Other long-term liabilities

Other long-term liabilities

Other long-term liabilities

Total liabilities

Total liabilities

Total liabilities

Commitments and contingencies (Note 9)

Commitments and contingencies (Note 9)

Commitments and contingencies (Note 9)

Stockholders’ equity:

Stockholders’ equity:

Stockholders’ equity:

Class A Non-voting Common Stock, par value $0.01 per share; shares authorized: 100 million; issued and outstanding: 51,771,917 as of June 30, 2024; 52,214,761 as of June 30, 2023; and 51,869,569 as of September 30, 2023

Class A Non-voting Common Stock, par value $0.01 per share; shares authorized: 100 million; issued and outstanding: 51,771,917 as of June 30, 2024; 52,214,761 as of June 30, 2023; and 51,869,569 as of September 30, 2023

Class A Non-voting Common Stock, par value $0.01 per share; shares authorized: 100 million; issued and outstanding: 51,771,917 as of June 30, 2024; 52,214,761 as of June 30, 2023; and 51,869,569 as of September 30, 2023

Class A Non-voting Common Stock, par value $0.01 per share; shares authorized: 100 million; issued and outstanding: 52,050,550 as of December 31, 2024; 52,272,594 as of December 31, 2023; and 51,582,698 as of September 30, 2024

Class A Non-voting Common Stock, par value $0.01 per share; shares authorized: 100 million; issued and outstanding: 52,050,550 as of December 31, 2024; 52,272,594 as of December 31, 2023; and 51,582,698 as of September 30, 2024

Class A Non-voting Common Stock, par value $0.01 per share; shares authorized: 100 million; issued and outstanding: 52,050,550 as of December 31, 2024; 52,272,594 as of December 31, 2023; and 51,582,698 as of September 30, 2024

Class B Voting Common Stock, convertible, par value $0.01 per share; shares authorized: 3 million; issued and outstanding: 2,970,171

Class B Voting Common Stock, convertible, par value $0.01 per share; shares authorized: 3 million; issued and outstanding: 2,970,171
Class B Voting Common Stock, convertible, par value $0.01 per share; shares authorized: 3 million; issued and outstanding: 2,970,171

Additional paid-in capital
Additional paid-in capital
Additional paid-in capital

Retained earnings
Retained earnings
Retained earnings

Accumulated other comprehensive loss
Accumulated other comprehensive loss
Accumulated other comprehensive loss

Total equity
Total equity
Total equity

Total liabilities and equity
Total liabilities and equity
Total liabilities and equity

See accompanying notes to unaudited condensed consolidated financial statements statements.

EZCORP, Inc.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

Three Months Ended June 30,
Three Months Ended June 30,
Three Months Ended June 30,
Three Months Ended December 31,
Three Months Ended December 31,
Three Months Ended December 31,

(in thousands, except per share amount)
(in thousands, except per share amount)
(in thousands, except per share amount)

Revenues:
Revenues:
Revenues:

Merchandise sales
Merchandise sales
Merchandise sales

Jewelry scrapping sales
Jewelry scrapping sales
Jewelry scrapping sales

Pawn service charges
Pawn service charges
Pawn service charges

Other revenues
Other revenues
Other revenues

Total revenues
Total revenues
Total revenues
Merchandise cost of goods sold
Merchandise cost of goods sold
Merchandise cost of goods sold
Jewelry scrapping cost of goods sold
Jewelry scrapping cost of goods sold
Jewelry scrapping cost of goods sold
Gross profit
Gross profit
Gross profit
Operating expenses:
Operating expenses:
Operating expenses:
Store expenses
Store expenses
Store expenses
General and administrative
General and administrative
General and administrative
Depreciation and amortization
Depreciation and amortization
Depreciation and amortization
Loss (gain) on sale or disposal of assets and other
Loss (gain) on sale or disposal of assets and other
Loss (gain) on sale or disposal of assets and other
Other income
Other income
Other income
Total operating expenses
Total operating expenses
Total operating expenses
Operating income
Operating income
Operating income
Interest expense
Interest expense
Interest expense
Interest income
Interest income
Interest income
Equity in net (income) loss of unconsolidated affiliates
Equity in net (income) loss of unconsolidated affiliates
Equity in net (income) loss of unconsolidated affiliates
Other income
Other income
Other income
Equity in net income of unconsolidated affiliates
Equity in net income of unconsolidated affiliates
Equity in net income of unconsolidated affiliates

Other expense (income)
Other expense (income)
Other expense (income)
Income before income taxes
Income before income taxes
Income before income taxes
Income tax expense
Income tax expense
Income tax expense
Net income
Net income
Net income
Basic earnings per share
Basic earnings per share
Basic earnings per share
Diluted earnings per share
Diluted earnings per share
Diluted earnings per share
Weighted-average basic shares outstanding
Weighted-average basic shares outstanding
Weighted-average basic shares outstanding
Weighted-average diluted shares outstanding
Weighted-average diluted shares outstanding
Weighted-average diluted shares outstanding

See accompanying notes to unaudited condensed consolidated financial statements statements.

EZCORP, Inc.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited)

			Three Months Ended June 30,		**Nine Months Ended June 30,**				
		Three Months Ended December 31, **Three Months Ended December 31,** **Three Months Ended December 31,**							
(in thousands)	(in thousands)	**2024**	**2023**	**2024**	**2023**		(in thousands)	**2024**	**2023**
Net income									
Net income									
Net income									
Other comprehensive income:									

Foreign currency translation adjustment, net of income tax (benefit) expense for our investment in unconsolidated affiliate of $(101) and $(30) for the three months ended June 30, 2024, and 2023, respectively and $(60) and $706 for the nine months ended June 30, 2024, and 2023, respectively

Foreign currency translation adjustment, net of income tax (benefit) expense for our investment in unconsolidated affiliate of $(101) and $(30) for the three months ended June 30, 2024, and 2023, respectively and $(60) and $706 for the nine months ended June 30, 2024, and 2023, respectively

Foreign currency translation adjustment, net of income tax (benefit) expense for our investment in unconsolidated affiliate of $(101) and $(30) for the three months ended June 30, 2024, and 2023, respectively and $(60) and $706 for the nine months ended June 30, 2024, and 2023, respectively

Foreign currency translation adjustment, net of income tax (expense) benefit for our investment in unconsolidated affiliate of $(106) and $57 for the three months ended December 31, 2024, and 2023, respectively.

Foreign currency translation adjustment, net of income tax (expense) benefit for our investment in unconsolidated affiliate of $(106) and $57 for the three months ended December 31, 2024, and 2023, respectively.

Foreign currency translation adjustment, net of income tax (expense) benefit for our investment in unconsolidated affiliate of $(106) and $57 for the three months ended December 31, 2024, and 2023, respectively.

Comprehensive income

Comprehensive income

Comprehensive income

See accompanying notes to unaudited condensed consolidated financial statements statements.

EZCORP, Inc.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(Unaudited)

(in thousands)	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Stockholders' Equity	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
Balances as of September 30, 2023										
Balances as of September 30, 2024										
Balances as of September 30, 2023										
Balances as of September 30, 2024										
Balances as of September 30, 2023										
Balances as of September 30, 2024										
Stock compensation										
Release of restricted stock, net of shares withheld for taxes										
Release of restricted stock, net of shares withheld for taxes										
Release of restricted stock, net of shares withheld for taxes										
Taxes paid related to net share settlement of equity awards										
Foreign currency translation gain										
Foreign currency translation gain										
Foreign currency translation gain										
Purchase and retirement of treasury stock										
Purchase and retirement of treasury stock										
Purchase and retirement of treasury stock										
Net income										
Net income										
Net income										
Balances as of December 31, 2023										
Stock compensation	— —	2,580	—	—	2,580					

Release of restricted stock, net of shares withheld for taxes						
Release of restricted stock, net of shares withheld for taxes						
Release of restricted stock, net of shares withheld for taxes	89	1	(1)	—	—	—
Foreign currency translation gain						
Foreign currency translation gain						
Foreign currency translation gain	—	—	—	—	4,457	4,457
Purchase and retirement of treasury stock						
Purchase and retirement of treasury stock						
Purchase and retirement of treasury stock	(305)	(3)	(1,275)	(1,725)	—	(3,003)
Net income						
Net income						
Net income	—	—	—	21,479	—	21,479
Balances as of March 31, 2024						
Stock compensation						
Foreign currency translation loss						
Foreign currency translation loss						
Foreign currency translation loss						
Foreign currency translation loss						
Purchase and retirement of treasury stock						
Purchase and retirement of treasury stock						
Purchase and retirement of treasury stock						
Net income						
Net income						
Net income						
Balances as of June 30, 2024						
Balances as of December 31, 2024						

(in thousands)	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Stockholders' Equity	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
Balances as of September 30, 2022										
Balances as of September 30, 2023										
Balances as of September 30, 2022										
Balances as of September 30, 2023										
Balances as of September 30, 2022										
Stock compensation										
Transfer of equity consideration for acquisition										
Release of restricted stock, net of shares withheld for taxes										
Release of restricted stock, net of shares withheld for taxes										
Release of restricted stock, net of shares withheld for taxes										
Taxes paid related to net share settlement of equity awards										
Foreign currency translation gain										
Foreign currency translation gain										
Foreign currency translation gain										
Purchase and retirement of treasury stock										

Purchase and retirement of treasury stock
Purchase and retirement of treasury stock
Net income
Net income
Net income
Balances as of December 31, 2022
Balances as of September 30, 2023
Stock compensation
Release of restricted stock, net of shares withheld for taxes
Release of restricted stock, net of shares withheld for taxes
Release of restricted stock, net of shares withheld for taxes
Taxes paid related to net share settlement of equity awards
Foreign currency translation gain
Foreign currency translation gain
Foreign currency translation gain
Purchase and retirement of treasury stock
Purchase and retirement of treasury stock
Purchase and retirement of treasury stock
Net loss
Net loss
Net loss
Balances as of March 31, 2023
Stock compensation
Net income
Net income
Net income
Balances as of December 31, 2023
Foreign currency translation gain
Foreign currency translation gain
Foreign currency translation gain
Purchase and retirement of treasury stock
Purchase and retirement of treasury stock
Purchase and retirement of treasury stock
Net income
Net income
Net income
Balances as of June 30, 2023

See accompanying notes to unaudited condensed consolidated financial statements statements.

EZCORP, Inc.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

		Nine Months Ended June 30,			Three Months Ended December 31,	
(in thousands)	(in thousands)	**2024**	**2023**	(in thousands)	**2024**	**2023**

Operating activities:
Operating activities:
Operating activities:
Net income
Net income
Net income
Adjustments to reconcile net income to net cash flows from operating activities:
Depreciation and amortization
Depreciation and amortization
Depreciation and amortization
Amortization of debt discount and deferred financing costs
Non-cash lease expense
Deferred income taxes
Deferred income taxes
Deferred income taxes
Other adjustments
Other adjustments
Other adjustments
Provision for inventory reserve
Stock compensation expense
Equity in net (income) loss from investment in unconsolidated affiliates
Net loss on extinguishment of debt
Equity in net income from investment in unconsolidated affiliates
Changes in operating assets and liabilities, net of business acquisitions:
Changes in operating assets and liabilities, net of business acquisitions:
Changes in operating assets and liabilities, net of business acquisitions:
Pawn service charges receivable
Pawn service charges receivable
Pawn service charges receivable
Inventory
Prepaid expenses, other current assets and other assets
Accounts payable, accrued expenses and other liabilities
Accounts payable, accrued expenses and other liabilities
Accounts payable, accrued expenses and other liabilities
Customer layaway deposits
Income taxes
Dividends from unconsolidated affiliates
Net cash provided by operating activities
Net cash provided by operating activities
Net cash provided by operating activities
Investing activities:
Loans made
Loans made
Loans made
Loans repaid
Recovery of pawn loan principal through sale of forfeited collateral
Capital expenditures, net
Acquisitions, net of cash acquired
Proceeds from (issuance of) notes receivable
Investment in unconsolidated affiliate
Investment in other investments

Investment in other investments
Investment in other investments
Dividends from unconsolidated affiliates
Dividends from unconsolidated affiliates
Dividends from unconsolidated affiliates
Other
Net cash used in investing activities
Financing activities:
Taxes paid related to net share settlement of equity awards
Taxes paid related to net share settlement of equity awards
Taxes paid related to net share settlement of equity awards
Proceeds from issuance of debt
Proceeds from issuance of debt
Proceeds from issuance of debt
Debt issuance cost
Cash paid on extinguishment of debt
Payments on debt
Purchase and retirement of treasury stock
Purchase and retirement of treasury stock
Purchase and retirement of treasury stock
Payments of finance leases
Net cash (used in) provided by financing activities
Net cash used in financing activities
Effect of exchange rate changes on cash and cash equivalents and restricted cash
Net (decrease) increase in cash, cash equivalents and restricted cash
Net increase (decrease) in cash, cash equivalents and restricted cash
Cash and cash equivalents and restricted cash at beginning of period
Cash and cash equivalents and restricted cash at end of period

See accompanying notes to unaudited condensed consolidated financial statements statements.

Notes to Condensed Consolidated Financial Statements

(Unaudited)

NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Business

EZCORP, Inc. (collectively with its subsidiaries, the “Company,” “we,” “us,” or “our”) is a provider of pawn loans in the United States (“U.S.”) and Latin America. Pawn loans are non-recourse loans collateralized by tangible property. We also sell merchandise, primarily collateral forfeited from pawn lending operations and pre-owned merchandise purchased from customers.

Basis of Presentation

The accompanying interim unaudited condensed consolidated financial statements (“Condensed Consolidated Financial Statements”) have been prepared in accordance with U.S. generally accepted accounting principles (“U.S. GAAP”) for interim financial information and with the instructions to Form 10-Q and Article 10-01 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by U.S. GAAP for complete financial statements.

These Condensed Consolidated Financial Statements should be read in conjunction with the audited consolidated financial statements and related notes contained in our Annual Report on Form 10-K for the year ended September 30, 2023, 2024, filed with the Securities and Exchange Commission (“SEC”) on November 15, 2023 November 13, 2024 (“2023 2024 Annual Report”).

In the opinion of management, the accompanying Condensed Consolidated Financial Statements include all adjustments, consisting of normal recurring adjustments, considered necessary for a fair presentation. Financial results for the three and nine month periods period ended June 30, 2024 December 31, 2024, are not necessarily indicative of results that may be expected for the fiscal year ending September 30, 2024 September 30, 2025 or any other period due, in part, to seasonal variations. There have been no changes that have had a material impact in significant accounting policies as described in our 2023 2024 Annual Report.

Principles of Consolidation

The accompanying Condensed Consolidated Financial Statements include the accounts of EZCORP, Inc. and its wholly-owned subsidiaries. We use the equity method of accounting for entities in which we have a 50% or less investment and exercise significant influence. We account for equity investments for which we do not have significant influence and without readily determinable fair values at cost with adjustments for observable changes in price in orderly transactions for identical or similar investments of the same issuer or impairments. All inter-company accounts and transactions have been eliminated in consolidation.

Use of Estimates and Assumptions

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Such estimates and assumptions include the determination of inventory reserves, expected credit losses, useful lives of long-lived and intangible assets, valuation of share-based compensation, valuation of equity investments, valuation of deferred tax assets and liabilities, loss contingencies related to litigation and discount rates used for operating leases. We base our estimates on historical experience, observable trends and various other assumptions we believe are reasonable. Actual results may differ materially from these estimates under different assumptions or conditions.

Merchandise Sales Revenue Revenues Recognition

Customer layaway deposits are recorded as liabilities when a customer provides a deposit for merchandise. Customer Upon cancellation, customer layaway deposits are generally refundable, upon cancellation. less a cancellation fee, via credit slip. Our customer layaway deposits balance as of June 30, 2024 December 31, 2024, 2023 and September 30, 2023 September 30, 2024 was $20.1 $24.2 million, $18.6 $18.3 million and $18.9 $21.6 million, respectively, and are generally recognized as revenue revenues within a one-year period.

Investments

We account for our investment in Rich Data Corporation ("RDC") in accordance with Accounting Standards Codification ("ASC") 321, Investments — Equity Securities, and we have elected to use the measurement alternative to measure this investment at cost, less any impairment, plus or minus changes resulting from observable price changes in orderly transactions for identical or similar investments of the same issuer, if any. As of June 30, 2024 December 31, 2024, 2023 and September 30, 2023 September 30, 2024, the carrying value of our investment in RDC was $6.2 million.

Refer to Note 5: Strategic Investments for details on our investment in Founders One, LLC ("Founders").

Recently Issued Accounting Pronouncements

In October 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2023-06, *Disclosure Improvements - Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative* ("ASU 2023-06"). ASU 2023-06 will impact various disclosure areas, including the statement of cash flows, accounting changes and error corrections, earnings per share, debt, equity, derivatives, and transfers of financial assets. The amendments in this ASU 2023-06 will be effective on the date the related disclosures are removed from Regulation S-X or Regulation S-K by the SEC, and will no longer be effective if the SEC has not removed the applicable disclosure requirement by June 30, 2027. Early adoption is prohibited. We are currently evaluating the impact of this standard on our consolidated financial statements and related disclosures.

In November 2023, the FASB issued ASU 2023-07, Segment Reporting (Topic 280): *Improvements to Reportable Segment Disclosures* ("ASU 2023-07"). ASU 2023-07 requires disclosure of significant segment expenses regularly provided to the chief operating decision maker ("CODM") included within segment operating profit or loss. Additionally, the ASU requires a description of how the CODM utilizes segment operating profit or loss to assess segment performance. The requirements of ASU 2023-07 are effective for the Company for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. Early adoption is permitted, and retrospective application is required for all periods presented. We are currently evaluating the impact of this standard on our consolidated financial statements and related disclosures.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures* ("ASU 2023-09"). ASU 2023-09 requires disclosure of specific categories and disaggregation of information in the rate reconciliation table. The ASU also requires disclosure of disaggregated information related to income taxes paid, income or loss from continuing operations before income tax expense or benefit and income tax expense or benefit from continuing operations. The requirements of this ASU 2023-09 are effective for the Company for fiscal years beginning after December 15, 2024. Early adoption is permitted, and the amendments should be applied on a prospective basis. Retrospective application is permitted. We are currently evaluating the impact of this standard on our consolidated financial statements and related disclosures.

In March 2024, the FASB issued ASU 2024-02, *Codification Improvements—Amendments to Remove References to the Concepts Statements* ("ASU 2024-02"). ASU 2024-02 contains amendments to the Codification that remove references to various FASB Concepts Statements. The requirements of this ASU 2024-02 are effective for the Company for fiscal years beginning after December 15, 2024 and can be applied on a prospective or retrospective basis. This standard is not expected to have a significant impact on our consolidated financial statements and related disclosures.

In November 2024, the FASB issued ASU 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses* ("ASU 2024-03"). Additionally, in January 2025, the FASB issued ASU 2025-01 to clarify the effective date of ASU 2024-03. ASU 2024-03 requires disclosure in the notes to the financial statements of specified information about certain costs and expenses. The requirements of ASU 2024-03 are effective for the Company for fiscal years beginning after December 15, 2026 and interim periods within fiscal years beginning after December 15, 2027. Early adoption is permitted and should be applied either prospectively to financial statements issued for reporting periods after the effective date of this ASU or retrospectively to any or all period periods presented in the financial statements. We are currently evaluating the impact of this standard on our consolidated financial statements and related disclosures.

In November 2024, the FASB issued ASU 2024-04, *Debt - Debt with Conversions and Other Options (Subtopic 470-20): Induced Conversions of Convertible Debt Instruments* ("ASU 2024-04"). ASU 2024-04 clarifies the requirements for determining whether certain settlements of convertible debt instruments, including convertible debt instruments with cash conversion features or convertible debt instruments that are not currently convertible, should be accounted for as an induced conversion. The requirements of ASU 2024-04 are effective for the Company for fiscal years beginning after December 15, 2025, and interim periods within those periods. Early adoption is permitted for all entities that have adopted the amendments in ASU 2020-06 and can be applied on a prospective or retrospective basis. We are currently evaluating the impact of this standard on our consolidated financial statements and related disclosures.

NOTE 2: GOODWILL

The following table summarizes the changes in the carrying amount of goodwill by segment and in total:

	Nine Months Ended June 30, 2024		
(in thousands)	U.S. Pawn	Latin America Pawn	Consolidated
Balances as of September 30, 2023	$ 255,942	$ 46,430	$ 302,372
Acquisitions (a)	8,329	—	8,329
Effect of foreign currency translation changes	—	(1,854)	(1,854)
Balances as of June 30, 2024	$ 264,271	$ 44,576	$ 308,847

	Three Months Ended December 31, 2024		
(in thousands)	U.S. Pawn	Latin America Pawn	Consolidated
Balances as of September 30, 2024	$ 264,428	$ 42,050	$ 306,478
Effect of foreign currency translation changes	—	(1,756)	(1,756)
Balances as of December 31, 2024	$ 264,428	$ 40,294	$ 304,722

		Nine Months Ended June 30, 2023		Three Months Ended December 31, 2023				
(in thousands)	(in thousands)	U.S. Pawn	Latin America Pawn	Consolidated	(in thousands)	U.S. Pawn	Latin America Pawn	Consolidated
Balances as of September 30, 2022								
Balances as of September 30, 2022								
Balances as of September 30, 2022								
Balances as of September 30, 2023								
Balances as of September 30, 2023								
Balances as of September 30, 2023								
Acquisitions (a)								
Effect of foreign currency translation changes								
Effect of foreign currency translation changes								
Effect of foreign currency translation changes								
Balances as of June 30, 2023								
Balances as of June 30, 2023								
Balances as of June 30, 2023								
Balances as of December 31, 2023								
Balances as of December 31, 2023								
Balances as of December 31, 2023								

(a) Amount represents goodwill recognized in connection with acquisitions an immaterial acquisition within the U.S. Pawn segment that were immaterial, individually and in the aggregate, and we have therefore omitted certain disclosures.

NOTE 3: EARNINGS PER SHARE

The following table reconciles the number of common shares used to compute basic and diluted earnings per share attributable to EZCORP Inc., shareholders:

		Three Months Ended June 30,		Nine Months Ended June 30,				
		Three Months Ended December 31, Three Months Ended December 31, Three Months Ended December 31,						
(in thousands, except per share amounts)	(in thousands, except per share amounts)	2024	2023	2024	2023	(in thousands, except per share amounts)	2024	2023
Basic earnings per common share:								
Basic earnings per common share:								
Basic earnings per common share:								
Net income - basic								
Net income - basic								
Net income - basic								
Weighted shares outstanding - basic								
Basic earnings per common share								
Diluted earnings per common share:								
Diluted earnings per common share:								
Diluted earnings per common share:								
Net income - basic								
Net income - basic								
Net income - basic								
Add: Convertible Notes interest expense, net of tax*								
Add: Convertible Notes* interest expense, net of tax								
Net income - diluted								
Net income - diluted								
Net income - diluted								
Weighted shares outstanding - basic								
Equity-based compensation awards - effect of dilution**								
Convertible Notes - effect of dilution***								
Convertible Notes* - effect of dilution								
Weighted shares outstanding - diluted								
Weighted shares outstanding - diluted								
Weighted shares outstanding - diluted								
Diluted earnings per common share								
Potential common shares excluded from the calculation of diluted earnings per common share above:								
Potential common shares excluded from the calculation of diluted earnings per common share above:								
Potential common shares excluded from the calculation of diluted earnings per common share above:								
Convertible Notes***								
Convertible Notes***								

Convertible Notes***
Restricted stock****
Restricted stock***
Restricted stock****
Restricted stock****
Total
Restricted stock***
Restricted stock***

* Effective January 1, 2024 The Company's debt (collectively, the "Convertible Notes") includes the 2.375% Convertible Senior Notes Due 2025 (the "2025 Convertible Notes"), we are required to combination settle the 2024 3.750% Convertible Notes. As such, no interest expense is included in the diluted earnings per share computation for Senior Notes Due 2029 (the "2029 Convertible Notes") and the three months ended June 30, 2024 and only December 31, 2023 also includes the first quarter of 2.875% Convertible Senior Notes Due 2024 interest expense is included for the nine months ended June 30, 2024. The nine months ended June 30,2023 includes $5.4 million gain on the partial extinguishment of debt, associated with the 2025 (the "2024 Convertible Notes, which was recorded to "Interest expense" in the Company's condensed consolidated statement of operations. Notes"). See Note 7: Debt for conversion price, initial conversion rate and additional information.

** Includes time-based share-based awards and performance based performance-based awards for which targets for fiscal year tranches have been achieved and vesting is subject only to achievement of service conditions.

*** As we are required to combination settle the 2024 Convertible Notes effective January 1, 2024, the 3.4 million principal shares are not included for the three months ended June 30, 2024 and only the weighted average shares of 1.2 million are included for the nine months ended June 30, 2024. Additionally, 75,854 and 25,192 potential common shares related to the accreted value of the 2024 Convertible Notes are included for the three and nine months ended June 30, 2024, respectively, as the average market rate was above the initial conversion price of $10.00 per share for the period ended June 30, 2024. See Note 7: Debt for conversion price, initial conversion rate and additional information on the 2024 Convertible Notes, 2025 Convertible Notes, and 2029 Convertible Notes.

**** Includes antidilutive share-based awards as well as performance-based share-based awards that are contingently issuable, but for which the condition for issuance has not been met as of the end of the reporting period.

NOTE 4: LEASES

We determine if a contract contains a lease at inception. Our lease portfolio consists primarily of operating leases for pawn store locations and corporate offices with lease terms ranging from three to ten years and finance leases for vehicles with lease terms ranging from two to five years.

The table below presents balances of our lease assets and liabilities and their balance sheet locations for both operating and financing leases:

(in thousands)
(in thousands)
(in thousands)
Lease assets:
Lease assets:
Lease assets:
Operating lease right-of-use assets
Operating lease right-of-use assets
Operating lease right-of-use assets
Financing lease assets
Financing lease assets
Financing lease assets
Total lease assets
Total lease assets
Total lease assets
Lease liabilities:
Lease liabilities:
Lease liabilities:
Current:
Current:
Current:
Operating lease liabilities
Operating lease liabilities
Operating lease liabilities
Financing lease liabilities
Financing lease liabilities
Financing lease liabilities
Total current lease liabilities

Total current lease liabilities
Total current lease liabilities
Non-current:
Non-current:
Non-current:
Operating lease liabilities
Operating lease liabilities
Operating lease liabilities
Financing lease liabilities
Financing lease liabilities
Financing lease liabilities
Total non-current lease liabilities
Total non-current lease liabilities
Total non-current lease liabilities
Total lease liabilities
Total lease liabilities
Total lease liabilities

The table below provides major components of our lease costs:

		Three Months Ended June 30,		**Nine Months Ended June 30,**					
		Three Months Ended December 31, **Three Months Ended December 31,** **Three Months Ended December 31,**							
(in thousands)	(in thousands)	**2024**	**2023**	**2024**	**2023**	(in thousands)	**2024**	**2023**	
Operating lease cost:									
Operating lease cost:									
Operating lease cost:									
Operating lease cost *									
Operating lease cost *									
Operating lease cost *									
Variable lease cost									
Total operating lease cost									
Financing lease cost:									
Financing lease cost:									
Financing lease cost:									
Amortization of financing lease assets									
Amortization of financing lease assets									
Amortization of financing lease assets									
Interest on financing lease liabilities									
Total financing lease cost									
Total lease cost									

* Includes a reduction for sublease rental income of $0.7 $0.6 million and $1.0 $1.1 million for the three months ended June 30, 2024 and 2023, respectively, and $2.4 million and $2.8 million for the nine months ended June 30, 2024 December 31, 2024 and 2023, respectively.

Lease expense is recognized on a straight-line basis over the lease term with variable lease expense recognized in the period in which the costs are incurred. The components of lease expense are included in “Store expenses” and “General and administrative” under operating expenses, based on the underlying lease use. Cash paid for operating leases was $15.9 $20.0 million and $19.5 $20.3 million for the three months ended June 30, 2024 and 2023, respectively, and $60.5 million and $56.9 million for the nine months ended June 30, 2024 December 31, 2024 and 2023, respectively. Cash paid for principal and interest on finance leases was $0.1 million and less than $0.1 million, respectively, for the three months ended June 30, 2024 December 31, 2024 and $0.4 $0.1 million and $0.2 $0.1 million, respectively, for the nine three months ended June 30, 2024 respectively December 31, 2023. There was no cash paid for principal or interest on finance leases during the three and nine months ended June 30, 2023.

The weighted-average term and discount rates for leases are as follows:

	Nine Months Ended June 30,	
	2024	2023
Weighted-average remaining lease term (years):		
Operating leases	4.88	5.11
Financing leases	3.01	3.88
Weighted-average discount rate:		
Operating leases	8.33 %	8.52 %
Financing leases	11.14 %	11.14 %

	Three Months Ended December 31,	
	2024	2023
Weighted-average remaining lease term (years):		
Operating leases	5.02	4.86
Financing leases	2.80	3.42
Weighted-average discount rate:		
Operating leases	8.40 %	8.53 %
Financing leases	11.14 %	11.14 %

As of June 30, 2024 December 31, 2024, maturities of lease liabilities under ASC 842 by fiscal year were as follows:

(in thousands)	(in thousands)	Operating Leases	Financing Leases	(in thousands)	Operating Leases	Financing Leases
Remaining 2024						
Fiscal 2025						
Remaining 2025						
Fiscal 2026						
Fiscal 2027						
Fiscal 2028						
Fiscal 2029						
Thereafter						
Total lease liabilities						
Less: portion representing imputed interest						
Total net lease liabilities						
Less: current portion						
Total long term net lease liabilities						
Total long-term net lease liabilities						

We recorded $46.1 $18.2 million and $55.2 $9.3 million in non-cash additions to our operating right-of-use assets and lease liabilities for the nine three months ended June 30, 2024 December 31, 2024 and 2023, respectively. We recorded $0.3 million and $2.1 million in no non-cash finance lease additions for the nine three months ended June 30, 2024 December 31, 2024 and 2023, respectively.

$0.1 million for the three months ended December 31, 2023.

NOTE 5: STRATEGIC INVESTMENTS

Cash Converters International Limited

As of June 30, 2024 December 31, 2024, we owned 273,939,157 shares, or approximately 43.7%, of Cash Converters. We acquired our original investment (representing approximately 30% of the outstanding shares) in November 2009 and have increased our ownership through the acquisition of additional shares periodically since that time.

We received cash dividends from Cash Converters of $3.5 million $1.9 million and $3.6 million $1.7 million during the nine three months ended June 30, 2024 December 31, 2024 and 2023, respectively.

The following tables present summary financial information for Cash Converters' most recently reported results at December 31, 2023 as applicable after translation to U.S. dollars:

		December 31,			June 30,	
(in thousands)	(in thousands)	2023	2022	(in thousands)	2024	2023

Current assets	
Current assets	
Current assets	
Non-current assets	
Total assets	
Current liabilities	
Current liabilities	
Current liabilities	
Non-current liabilities	
Shareholders' equity	
Total liabilities and shareholders' equity	

(in thousands)	Half-Year Ended December 31, 2023		Half-Year Ended December 31, 2022	
Gross revenues	$	124,874	$	98,768
Gross profit	$	73,675	$	63,800
Net profit (loss)	$	6,499	$	(73,197)

(in thousands)	Full-Year Ended June 30, 2024		Full-Year Ended June 30, 2023	
Gross revenues	$	251,135	$	203,608
Gross profit	$	152,879	$	125,709
Net profit (loss)	$	11,420	$	(65,351)

During the three and nine months ended June 30, 2024 December 31, 2024, and 2023 we recorded our share of income of $1.4 $1.6 million and $4.3 $1.2 million, respectively, from Cash Converters. During the three and nine months ended June 30, 2023, we recorded our share of income of $1.5 million and a $29.4 million loss on our share of losses from Cash Converters, respectively, included in "Equity in net (income) loss income of unconsolidated affiliates" in the condensed consolidated statements of operations. For the nine months ended June 30, 2023, the $29.4 million loss includes $32.4 million of our share of their non-cash goodwill impairment charge.

See Note 6: Fair Value Measurements for the fair value and carrying value of our investment in Cash Converters.

Founders One, LLC

In October 2021, fiscal 2022, we invested $15.0 million in exchange for a non-redeemable voting participating preferred equity interest in Founders One, LLC ("Founders"), a then newly-formed entity with one other member.

On December 2, 2022, In fiscal 2023, we contributed an additional $15.0 million to Founders associated with our preferred interest. In addition, we interest and loaned Founders $15.0 million to Founders in exchange for a Demand Promissory Note secured by the common interest in Founders held by the other member.

In October 2023, fiscal 2024, we contributed an additional $15.0 million to Founders associated with our preferred interest, bringing our total preferred equity investment in Founders to $45.0 million.

We have an interest in Founders, a variable interest entity, but because the Company is not the primary beneficiary, we do not consolidate Founders. Further, as we are not the appointed manager, we do not have the ability to direct the activities of the investment entity that most significantly impact its economic performance. Consequently, our preferred equity investment in Founders is accounted for utilizing the measurement alternative within ASC 321, Investments — Equity Securities. As of June 30, 2024 December 31, 2024, our $45.0 million carrying value of the preferred equity investment and $15.0 million $15.0 million Demand Promissory Note are included in "Other investments" and "Prepaid expenses and other current assets" in our condensed consolidated balance sheets, respectively. As of June 30, 2024 December 31, 2024, our maximum exposure for losses related to our investment in Founders was our $45.0 million preferred equity investment and $15.0 million $15.0 million Demand Promissory Note plus accrued and unpaid interest.

See Note 6: Fair Value Measurements for the fair value and carrying value of our loan to Founders.

NOTE 6: FAIR VALUE MEASUREMENTS

The fair value of a financial instrument is the amount that could be received upon the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy prioritizes the quality and reliability of the information used to determine fair values. Categorization within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The fair value hierarchy is defined into the following three categories:

- Level 1 — Quoted market prices in active markets for identical assets or liabilities.
- Level 2 — Other observable market-based inputs or unobservable inputs that are corroborated by market data.
- Level 3 — Unobservable inputs that are not corroborated by market data.

We have elected not to measure at fair value any eligible items for which fair value measurement is optional.

There were no transfers in or out of Level 1, Level 2 or Level 3 for financial assets or liabilities measured at fair value on a recurring basis during the periods presented.

Financial Assets and Liabilities Not Measured at Fair Value

The tables below present our estimates of fair value of financial assets and liabilities that were not measured at fair value:

	Carrying Value	Estimated Fair Value			
			Fair Value Measurement Using		
(in thousands)	June 30, 2024	June 30, 2024	Level 1	Level 2	Level 3
Financial assets:					
Promissory note receivable from Founders	$ 16,186	$ 16,186	$ —	$ —	$ 16,186
Investments in unconsolidated affiliates	12,297	40,762	39,912	—	850
Financial liabilities:					
2024 Convertible Notes	$ 34,386	$ 34,690	$ —	$ 34,690	$ —
2025 Convertible Notes	102,940	99,238	—	99,238	—
2029 Convertible Notes	223,998	262,564	—	262,564	—

	Carrying Value	Estimated Fair Value			
			Fair Value Measurement Using		
(in thousands)	June 30, 2023	June 30, 2023	Level 1	Level 2	Level 3
Financial assets:					
Promissory note receivable due April 2024	$ 1,242	$ 1,242	$ —	$ —	$ 1,242
Promissory note receivable from Founders	16,050	16,050	—	—	16,050
Investments in unconsolidated affiliates	10,247	41,367	41,367	—	—
Financial liabilities:					
2024 Convertible Notes	$ 34,223	$ 36,126	$ —	$ 36,126	$ —
2025 Convertible Notes	102,433	94,586	—	94,586	—
2029 Convertible Notes	223,030	228,294	—	228,294	—

	Carrying Value	Estimated Fair Value			
			Fair Value Measurement Using		
(in thousands)	December 31, 2024	December 31, 2024	Level 1	Level 2	Level 3
Financial assets:					
Promissory note receivable from Founders	$ 16,317	$ 16,317	$ —	$ —	$ 16,317
Investments in unconsolidated affiliates	13,555	43,328	42,478	—	850
Financial liabilities:					
2025 Convertible Notes	$ 103,205	$ 102,339	$ —	$ 102,339	$ —
2029 Convertible Notes	224,505	289,887	—	289,887	—

	Carrying Value	Carrying Value	Estimated Fair Value		Carrying Value	Estimated Fair Value		
			Fair Value Measurement Using			Fair Value Measurement Using		
(in thousands)	(in thousands)	September 30, 2023	Level 1	Level 2	December 31, 2023	December 31, 2023	Level 1	Level 2	Level 3
Financial assets:								

Financial assets:

Financial assets:

Promissory note receivable due April 2024

Promissory note receivable due April 2024

Promissory note receivable due April 2024

Promissory note receivable from Founders

Investments in unconsolidated affiliates

Investments in unconsolidated affiliates

Investments in unconsolidated affiliates

Financial liabilities:

Financial liabilities:

Financial liabilities:

2024 Convertible Notes

2024 Convertible Notes

2024 Convertible Notes

2025 Convertible Notes

2029 Convertible Notes

	Carrying Value	Estimated Fair Value			
			Fair Value Measurement Using		
(in thousands)	September 30, 2024	September 30, 2024	Level 1	Level 2	Level 3
Financial assets:					
Promissory note receivable from Founders	$ 15,722	$ 15,722	$ —	$ —	$ 15,722
Investments in unconsolidated affiliates	13,329	42,496	41,646	—	850
Financial liabilities:					
2025 Convertible Notes	$ 103,072	$ 100,401	$ —	$ 100,401	$ —
2029 Convertible Notes	224,256	273,700	—	273,700	—

Based primarily on the short-term nature of cash and cash equivalents, pawn loans, pawn service charges receivable and other liabilities, we estimate that their carrying value approximates fair value. We consider our cash and cash equivalents, including money market accounts, to be measured using Level 1 inputs and our pawn loans, pawn service charges receivable and other liabilities to be measured using Level 3 inputs. Significant increases or decreases in the underlying assumptions used to value pawn loans, pawn service charges receivable, fees and interest receivable and other debt could significantly increase or decrease these fair value estimates.

The Company remeasured its acquisition-related contingent obligation associated with In fiscal 2023, we loaned $15.0 million to Founders in exchange for a Demand Promissory Note secured by the acquisition common interest in June 2021 Founders held by the other member. As of PLO del Bajio S. de R.S. de C.V. December 31, 2024, which owned stores operating under the name “Cash Apoyo Efectivo,” at interest rate on the end of each reporting period. This remeasurement resulted in a $2.6 million note was 15.00% per annum, and $5.1 million reduction all principal and accrued interest is due on demand. Based primarily on the short-term nature of the obligation with an offset recorded to “Other” as an operating item in our condensed consolidated statement of operations during the three and nine months ended June 30, 2023, respectively. There is no remaining obligation in our Consolidated Balance Sheet note, we estimate that its carrying value approximates fair value as of June 30, 2023 December 31, 2024. The key assumptions used to determine the fair value of acquisition-related contingent consideration are estimated by management, not observable in the market and, therefore, considered Level 3 inputs within the fair value hierarchy.

In March fiscal 2019, we received $1.1 million in previously escrowed seller funds as a result of settling certain indemnification claims with the seller of GPMX. In April 2019, we loaned the $1.1 million back to the seller of GPMX in exchange for a promissory note. The interest rate on the note was 2.89% per annum and was secured by certain marketable securities owned by the seller and held in a U.S. brokerage account. All principal and accrued interest was received in April 2024.

In December 2022, we loaned $15.0 million to Founders in exchange for a Demand Promissory Note secured by the common interest in Founders held by the other member. As of June 30, 2024, the interest rate on the note was 15.00% per annum, and all principal and accrued interest is due on demand. Based primarily on the short-term nature of the note, we estimate that its carrying value approximates fair value as of June 30, 2024.

We use the equity method of accounting to account for our ownership interest in Cash Converters. The inputs used to generate the fair value of the investment in Cash Converters were considered Level 1 inputs. These inputs consist of (a) the quoted stock price on the Australian Stock Exchange multiplied by (b) the number of shares we owned multiplied by (c) the applicable foreign currency exchange rate as of the end of our reporting period. We included no control premium for owning a large percentage of outstanding shares.

We measured the fair value of the 2024, 2025 and 2029 Convertible Notes using quoted price inputs. The notes are not actively traded, and thus the price inputs represent a Level 2 measurement. As the quoted price inputs are highly variable from day to day, the fair value estimates disclosed above could significantly increase or decrease.

NOTE 7: DEBT

The following table presents the Company's debt instruments outstanding:

		June 30, 2024			June 30, 2023		September 30, 2023		December 31, 2024				December 31, 2023			September 30, 2024			
			Debt			Debt			Debt				Debt			Debt			
(in thousands)	(in thousands)	Gross Amount	Issuance Costs	Carrying Amount	Gross Amount	Issuance Costs	Carrying Amount	Gross Amount	Issuance Costs	Carrying Amount	(in thousands)	Gross Amount	Issuance Costs	Carrying Amount	Gross Amount	Issuance Costs	Carrying Amount	Gross Amount	Is
2029 Convertible Notes																			
2029 Convertible Notes																			
2029 Convertible Notes																			
2025 Convertible Notes																			
2024 Convertible Notes																			
Total																			
Total																			
Total																			
Less current portion																			
Total long-term debt																			

The following table presents the Company's contractual maturities related to the debt instruments as of June 30, 2024 December 31, 2024:

	Schedule of Contractual Maturities			
(in thousands)	2029 Convertible Notes	2025 Convertible Notes	2024 Convertible Notes	Total
Remaining 2024	$ —	$ —	$ 34,389	$ 34,389
Fiscal 2025	—	103,373	—	103,373
Fiscal 2026	—	—	—	—
Fiscal 2027	—	—	—	—
Fiscal 2028	—	—	—	—
Thereafter	230,000	—	—	230,000
Total long-term debt	$ 230,000	$ 103,373	$ 34,389	$ 367,762

	Schedule of Contractual Maturities		
(in thousands)	2029 Convertible Notes	2025 Convertible Notes	Total
Remaining 2025	$ —	$ 103,373	$ 103,373
Fiscal 2026	—	—	—
Fiscal 2027	—	—	—
Fiscal 2028	—	—	—
Fiscal 2029	—	—	—
Thereafter	230,000	—	230,000

Total long-term debt	$	230,000	$	103,373	$	333,373

The following table presents the Company's interest expense related to the Convertible Notes for the three and nine months ended June 30, 2024 December 31, 2024 and 2023:

(in thousands)	Three Months Ended December 31, 2024	Three Months Ended December 31, 2023
2029 Convertible Notes:		
Contractual interest expense	$ 2,156	$ 2,156
Amortization of deferred financing costs	249	244
Total interest expense	$ 2,405	$ 2,400
2025 Convertible Notes:		
Contractual interest expense	$ 614	$ 614
Amortization of deferred financing costs	133	131
Total interest expense	$ 747	$ 745
2024 Convertible Notes:		
Contractual interest expense	$ —	$ 247
Amortization of deferred financing costs	—	42
Total interest expense	$ —	$ 289

	Three Months Ended June 30,		Nine Months Ended June 30,	
(in thousands)	2024	2023	2024	2023
2029 Convertible Notes:				
Contractual interest expense	$ 2,156	$ 2,157	$ 6,469	$ 4,744
Amortization of deferred financing costs	242	239	714	488
Total interest expense	$ 2,398	$ 2,396	$ 7,183	$ 5,232
2025 Convertible Notes:				
Contractual interest expense	$ 613	$ 614	$ 1,841	$ 2,170
Amortization of deferred financing costs	123	121	377	429
Gain on extinguishment	—	—	—	(5,389)
Total interest expense	$ 736	$ 735	$ 2,218	$ (2,790)
2024 Convertible Notes:				
Contractual interest expense	$ 248	$ 247	$ 742	$ 1,370
Amortization of deferred financing costs	40	39	121	218
Loss on extinguishment	—	—	—	8,935
Total interest expense	$ 288	$ 286	$ 863	$ 10,523

3.750%

2029 Convertible Senior Notes Due 2029

In December 2022, we issued $230.0 million aggregate principal amount of 3.750% the 2029 Convertible Senior Notes, Due 2029 (the "2029 Convertible Notes"), for which $230.0 million remains outstanding as of June 30, 2024 December 31, 2024. The 2029 Convertible Notes were issued pursuant to an indenture dated December 12, 2022 (the "2022 Indenture") by and between the Company and Truist Bank, as trustee. The 2029 Convertible Notes were issued in a private offering under Rule 144A under the Securities Act of 1933.

The 2029 Convertible Notes pay interest semi-annually in arrears at a rate of 3.750% per annum on June 15 and December 15 of each year, commencing June 15, 2023, and mature on December 15, 2029 (the "2029 Maturity Date"), unless converted, redeemed or repurchased in accordance with the terms prior to such date. At maturity, the holders of the 2029 Convertible Notes will be entitled to receive cash equal to the principal of the 2029 Convertible Notes plus accrued interest.

The effective interest rate for the three and nine months ended June 30, 2024 December 31, 2024 was approximately 4.28%. As of June 30, 2024 December 31, 2024, the remaining unamortized debt issuance costs will be amortized using the effective interest method through the 2029 Maturity Date assuming no early conversion.

The 2029 Convertible Notes are convertible based on an initial conversion rate of 89.0313 shares of Class A Common Stock per $1,000 principal amount (equivalent to an initial conversion price of $11.23 per share). The conversion rate will not be adjusted for any accrued and unpaid interest. The 2029 Convertible Notes contain certain make-whole fundamental change premiums and customary anti-dilution adjustments. Upon conversion, we may settle in cash, shares of Class A Common Stock or any combination thereof, at our election.

Prior to June 15, 2029, the 2029 Convertible Notes will be convertible only under the following circumstances: (1) during any fiscal quarter commencing after the fiscal quarter ending on March 31, 2023 (and only during such fiscal quarter), if the last reported sale price of our Class A Common Stock for at least 20 trading days (whether or not consecutive) during a period of 30 consecutive trading days ending on the last trading day of the immediately preceding fiscal quarter is greater than or equal to 130% of the conversion price on each applicable trading day; (2) during the five business day period after any five consecutive trading day period (the “measurement period”) in which the trading price, as defined in the 2022 Indenture, per $1,000 principal amount of notes for each trading day of the measurement period was less than 98% of the product of the last reported sale price of our Class A Common Stock and the conversion rate on such trading day; (3) if we call any or all of the 2029 Convertible Notes for redemption, at any time prior to the close of business on the business day immediately preceding the redemption date; or (4) upon the occurrence of specified corporate events, as defined in the 2022 Indenture. On or after June 15, 2029 until the close of business on the business day immediately preceding the 2029 Maturity Date, holders of 2029 Convertible Notes may, at their option, convert their 2029 Convertible Notes at any time, regardless of the foregoing circumstances.

We may not redeem the 2029 Convertible Notes prior to December 21, 2026. At our option, we may redeem for cash all or any portion of the 2029 Convertible Notes on or after December 21, 2026, if the last reported sale price of the Class A Common Stock has been at least 130% of the conversion price then in effect for at least 20 trading days (whether or not consecutive), including the trading day immediately preceding the date on which we provide notice of redemption, during any 30 consecutive trading day period ending on, and including, the trading day immediately preceding the date on which we provide notice of redemption. The redemption price will be equal to 100% of the principal amount of the 2029 Convertible Notes to be redeemed, plus accrued and unpaid interest to, but excluding, the redemption date.

As of December 31, 2024, the 2029 Convertible Notes were not convertible as no conditions of conversion had been met. Accordingly, the net balance of the 2029 Convertible Notes was classified as a non-current liability in our condensed consolidated balance sheets as of December 31, 2024. The classification of the 2029 Convertible Notes as current or non-current in the condensed consolidated balance sheets is evaluated at each balance sheet date and may change from time to time depending on whether any of the conversion conditions has been met.

If one of the conversion conditions is met in any future fiscal quarter, we will classify our net liability under the 2029 Convertible Notes as a current liability in the condensed consolidated balance sheets as of the end of that fiscal quarter. If none of the conversion conditions have been met in a future fiscal quarter prior to the one-year period immediately preceding the 2029 Maturity Date, we will classify our net liability under the 2029 Convertible Notes as a non-current liability in the condensed consolidated balance sheets as of the end of that fiscal quarter. If the note holders elect to convert their 2029 Convertible Notes prior to maturity, any unamortized debt issuance costs will be recognized as expense at the time of conversion. If the entire outstanding principal amount had been converted on December 31, 2024, we would have recorded an expense associated with the conversion, comprised of $5.5 million of unamortized debt issuance costs. The stock trading price condition and other triggers are measured on a quarter-by-quarter basis and were not met as of June 30, 2024 December 31, 2024. As of June 30, 2024 December 31, 2024, the if-converted value of the 2029 Convertible Notes did not exceed the principal amount.

Note Repurchases

In December 2022, the Company repurchased approximately $109.4 million aggregate principal amount of 2.875% Convertible Senior Notes Due 2024 for approximately $117.5 million plus accrued interest and approximately $69.1 million aggregate principal amount of 2.375% Convertible Senior Notes Due 2025 for approximately $62.9 million plus accrued interest and recognized a $3.5 million loss on extinguishment of debt recorded to “Interest expense” in the Company’s condensed consolidated statement of operations for the three months ended December 31, 2022.

2.375% 2025 Convertible Senior Notes Due 2025

In May 2018, we issued $172.5 million aggregate principal amount of 2.375% the 2025 Convertible Senior Notes Due 2025 (the “2025 Convertible Notes”), for which $103.4 million remains outstanding as of June 30, 2024. Notes. The 2025 Convertible Notes were issued pursuant to an indenture dated May 14, 2018 (the “2018 Indenture”) by and between the Company and Wells Fargo Bank, National Association, as the original trustee. Effective October 1, 2019, Truist (formerly BB&T) assumed the duties and responsibilities as trustee under the 2018 Indenture. The 2025 Convertible Notes were issued in a private offering under Rule 144A under the Securities Act of 1933. In December 2022, we repurchased approximately $69.1 million aggregate principal amount of the 2025 Convertible Notes for approximately $62.9 million plus accrued interest. As of December 31, 2024, $103.4 million remains outstanding.

The 2025 Convertible Notes pay interest semi-annually in arrears at a rate of 2.375% per annum on May 1 and November 1 of each year, commencing November 1, 2018, and mature on May 1, 2025 (the “2025 Maturity Date”), unless converted, redeemed or repurchased in accordance with the terms prior to such date.

The effective interest rate for the three and nine months ended June 30, 2024 December 31, 2024 was approximately 2.88% for the 2025 Convertible Notes. As of June 30, 2024 December 31, 2024, the remaining unamortized debt issuance costs will be amortized using the effective interest method through the 2025 Maturity Date assuming no early conversion.

The 2025 Convertible Notes are convertible based on an initial conversion rate of 62.8931 shares of Class A Common Stock per $1,000 principal amount (equivalent to an initial conversion price of $15.90 per share). The conversion rate will not be adjusted for any accrued and unpaid interest. The 2025 Convertible Notes contain certain make-whole fundamental change premiums and customary anti-dilution adjustments. Upon conversion, we may settle in cash, shares of Class A Common Stock or any combination thereof, at our election.

Prior to November 1, 2024, the 2025 Convertible Notes are convertible only under the following circumstances: (1) during any fiscal quarter commencing after the fiscal quarter ended on June 30, 2018 (and only during such fiscal quarter), if the last reported sale price of our Class A Common Stock for at least 20 trading days (whether or not consecutive) during a period of 30 consecutive trading days ending on the last trading day of the immediately preceding fiscal quarter is greater than or equal to 130% of the conversion price on each applicable trading day; (2) during the five business day period after any five consecutive trading day period (the "measurement period") in which the trading price, as defined in the 2018 Indenture, per $1,000 principal amount of notes for each trading day of the measurement period was less than 98% of the product of the last reported sale price of our Class A Common Stock and the conversion rate on such trading day; (3) if we call any or all of the 2025 Convertible Notes for redemption, at any time prior to the close of business on the business day immediately preceding the redemption date; or (4) upon the occurrence of specified corporate events, as defined in the 2018 Indenture. On or after November 1, 2024 until Until the close of business on the business day immediately preceding the 2025 Maturity Date, holders of 2025 Convertible Notes may, at their option, convert their 2025 Convertible Notes at any time, regardless time.

Pursuant to the terms of the foregoing circumstances.

At our option, 2018 Indenture, we may redeem for cash all or have elected to settle any portion conversions of the 2025 Convertible Notes if the last reported sale price using shares of the Class A Common Stock has been at least 130% of the conversion price then in effect for at least 20 trading days (whether or not consecutive) (physical settlement). On October 28, 2024, including the trading day immediately preceding the date on which we provide provided notice of redemption, during any 30 consecutive trading day period ending on, and including, that election to the trading day immediately preceding trustee.

If the date on which we provide notice of redemption. The redemption price will be equal note holders elect to 100% of the principal amount of the convert their 2025 Convertible Notes prior to maturity, any unamortized debt issuance costs will be redeemed, plus accrued and unpaid interest to, but excluding, recognized as expense at the redemption date.

time of conversion. If the entire outstanding principal amount had been converted on December 31, 2024, we would have recorded an expense associated with the conversion, comprised of $0.2 million of unamortized debt issuance costs. The stock trading price condition and other triggers are measured on a quarter-by-quarter basis and were not met as of June 30, 2024 December 31, 2024. As of June 30, 2024 December 31, 2024, the if-converted value of the 2025 Convertible Notes did not exceed the principal amount. amount and none of the note holders had elected to convert their 2025 Convertible Notes.

2.875% 2024 Convertible Senior Notes Due 2024

In July 2017, we issued $143.75 million aggregate principal amount of 2.875% the 2024 Convertible Senior Notes Due 2024 (the "2024 Convertible Notes"), of which $34.4 million remains outstanding as of June 30, 2024. Notes. The 2024 Convertible Notes were issued pursuant to an indenture dated July 5, 2017 (the "2017 Indenture") by and between the Company and Wells Fargo Bank, National Association, as the original trustee. Effective October 1, 2019, Truist (formerly BB&T) assumed the duties and responsibilities as trustee under the 2017 Indenture. The 2024 Convertible Notes were issued in a private offering under Rule 144A under the Securities Act of 1933. The 2024 Convertible Notes pay interest semi-annually in arrears at a rate of 2.875% per annum on January 1 and July 1 of each year, commencing January 1, 2018, and mature on July 1, 2024 (the "2024 Maturity Date"), unless converted, redeemed or In December 2022, we repurchased in accordance with the terms prior to such date. At maturity, the holders approximately $109.4 million aggregate principal amount of the 2024 Convertible Notes will be entitled to receive cash equal to the principal of the 2024 Convertible Notes for approximately $117.5 million plus accrued interest.

The effective interest rate for the three and nine months ended June 30, 2024 was approximately 3.35%. As of June 30, 2024, the remaining unamortized debt issuance costs will be amortized using the effective interest method through the 2024 Maturity Date assuming no early conversion.

The 2024 Convertible Notes are convertible based on an initial conversion rate of 100 shares of Class A Common Stock per $1,000 principal amount (equivalent to an initial conversion price of $10.00 per share). The conversion rate will not be adjusted for any accrued and unpaid interest. The 2024 Convertible Notes contain certain make-whole fundamental change premiums and customary anti-dilution adjustments.

Until the close of business on the business day immediately preceding the 2024 Maturity Date, holders of 2024 Convertible Notes may, at their option, convert their 2024 Convertible Notes at any time.

Because we did not elect an alternative settlement method prior to January 1, 2024, conversions will be settled by combination settlement, which is $1,000 cash (per the $1,000 principal value) plus stock equal to the accreted value as defined in the 2017 Indenture.

As of June 30, 2024, based on the terms of the 2017 Indenture, the if-converted value of the 2024 Convertible Notes exceeded the principal amount by $0.8 million, or approximately 77,000 Class A common shares.

Prior to the 2024 Maturity Date, certain holders of the 2024 Convertible Notes elected to convert their 2024 Convertible Notes, resulting in combination settlement on the 2024 Maturity Date. On July 1, 2024, the $34.4 million aggregate principal amount outstanding plus accrued interest was repaid using cash on hand and 77,328 Class A Common Stock shares, equal to the accreted value, were issued as part of the 2024 Convertible Notes conversion.

The 2024 Convertible Notes paid interest semi-annually in arrears at a rate of 2.875% per annum on January 1 and July 1 of each year, commencing January 1, 2018, and matured on July 1, 2024 (the "2024 Maturity Date"). The 2024 Convertible Notes were convertible based on an initial conversion rate of 100 shares of Class A Common Stock per $1,000 principal amount (equivalent to an initial conversion price of $10.00 per share). Until the close of business on the business day immediately preceding the 2024 Maturity Date, holders of 2024 Convertible Notes could, at their option, convert their 2024 Convertible Notes at any time. Because we did not elect an alternative settlement method prior to January 1, 2024, conversions were settled by combination settlement, which was $1,000 cash (per the $1,000 principal value) plus stock equal to the accreted value as defined in the 2017 Indenture.

NOTE 8: COMMON STOCK AND STOCK COMPENSATION

Common Stock Repurchase Program

On May 3, 2022, the Company's Board of Directors (the "Board") authorized the repurchase of up to $50 million of our Class A Common Stock over three years (the "Common Stock Repurchase Program"). Execution of the program will be responsive to fluctuating market conditions and valuations, liquidity needs and the expected return on investment compared to other opportunities.

The amount and timing of purchases will be dependent on a variety of factors, including stock price, trading volume, general market conditions, legal and regulatory requirements, general business conditions, the level of cash flows, and corporate considerations determined by management and the Board, such as liquidity and capital needs and the availability of attractive alternative investment opportunities. The Board of Directors has reserved the right to modify, suspend or terminate the program at any time. As of June 30, 2024 December 31, 2024, we had repurchased and retired 2,572,794 3,096,011 shares of our Class A Common Stock for $23.0 $29.0 million under the Common Stock Repurchase Program, of which 285,392 and 945,749 250,463 shares were repurchased and retired for $3.0 million and $9.0 million during the three and nine months ended June 30, 2024, respectively. December 31, 2024. During the three and nine months ended June 30, 2023 December 31, 2023, 346,310 and 1,037,703 354,882 shares were repurchased and retired for $3.0 million and $9.0 million, respectively, under the Common Stock Repurchase Program. The repurchase amount is allocated between "Additional paid-in capital" and "Retained earnings" in our condensed consolidated balance sheets.

Other Common Stock Repurchases

During December 2022, the Company used approximately $5.0 million of the net proceeds from the 2029 Convertible Notes offering to repurchase for cash 578,703 shares of its Class A common stock from purchasers of the notes in privately negotiated transactions. Such transactions were authorized separately from, and not considered a part of, the publicly announced share repurchase program discussed above. The repurchase amount is allocated between "Additional paid-in capital" and "Retained earnings" in our condensed consolidated balance sheets.

Stock Compensation

We maintain a Board-approved incentive plan to retain the services of our valued officers, directors and employees and to incentivize such persons to make contributions to our company and motivate excellent performance (the "Incentive Plan"). Under the Incentive Plan, we grant awards of restricted stock or restricted stock units to employees and non-employee directors. Awards granted to employees are typically subject to performance and service conditions. Awards granted to non-employee directors are time-based awards subject only to service conditions. Awards granted under the Incentive Plan are measured at the grant date fair value with compensation costs associated with the awards recognized over the requisite service period, usually the vesting period, on a straight-line basis.

The following table presents a summary of stock compensation activity:

	Shares	Shares	Weighted Average Grant Date Fair Value	Shares	Weighted Average Grant Date Fair Value
Outstanding as of September 30, 2023					
Outstanding as of September 30, 2023					
Outstanding as of September 30, 2023					
Outstanding as of September 30, 2024					
Outstanding as of September 30, 2024					
Outstanding as of September 30, 2024					
Granted (a)					
Released (b)					
Cancelled					
Outstanding as of June 30, 2024					
Outstanding as of December 31, 2024					
Outstanding as of December 31, 2024					
Outstanding as of December 31, 2024					

(a) Includes performance adjustment of 353,993 320,076 shares awarded above their target grants resulting from the achievement of performance targets established at the grant date.

(b) 377,231 337,421 shares were withheld to satisfy related income tax withholding.

NOTE 9: COMMITMENTS AND CONTINGENCIES

Currently, and from time to time, we are involved in various claims, disputes, lawsuits, investigations, and legal and regulatory proceedings. We accrue for contingencies if it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated. Because these matters are inherently unpredictable and unfavorable developments or resolutions can occur, assessing contingencies requires judgments and is highly subjective about future events, and the amount of resulting loss may differ from these estimates. We do not believe the resolution of any particular matter will have a material adverse effect on our financial condition, results of operations or liquidity.

NOTE 10: SEGMENT INFORMATION

Our operations are primarily managed on a geographical basis and are comprised of three reportable segments. The factors for determining our reportable segments include the manner in which our chief operating decision maker evaluates performance for purposes of allocating resources and assessing performance.

We currently report our segments as follows:

- U.S. Pawn — all pawn activities in the United States;
- Latin America Pawn — all pawn activities in Mexico and other parts of Latin America; and
- Other Investments — primarily our equity interest in the net income of Cash Converters along with our investment in RDC and our investment in and notes receivable from Founders.

There are no inter-segment revenues presented below, and the amounts below were determined in accordance with the same accounting principles used in our condensed consolidated financial statements.

The following income (loss) before income taxes tables present revenue revenues for each reportable segment, disaggregated revenue revenues within our reportable segments and Corporate, segment profits and segment contribution.

	Three Months Ended June 30, 2024					
(in thousands)	U.S. Pawn	Latin America Pawn	Other Investments	Total Segments	Corporate Items	Consolidated
Revenues:						
Merchandise sales	$ 107,849	$ 50,291	$ —	$ 158,140	$ —	$ 158,140
Jewelry scrapping sales	13,757	1,638	—	15,395	—	15,395
Pawn service charges	77,416	30,414	—	107,830	—	107,830
Other revenues	28	28	—	56	—	56
Total revenues	199,050	82,371	—	281,421	—	281,421
Merchandise cost of goods sold	67,229	33,982	—	101,211	—	101,211
Jewelry scrapping cost of goods sold	11,887	1,596	—	13,483	—	13,483
Gross profit	119,934	46,793	—	166,727	—	166,727
Segment and corporate expenses (income):						
Store expenses	81,441	34,894	—	116,335	—	116,335
General and administrative	—	—	—	—	20,060	20,060
Depreciation and amortization	2,408	2,090	—	4,498	3,660	8,158
(Gain) loss on sale or disposal of assets and other	(2)	22	—	20	—	20
Interest expense	—	—	—	—	3,539	3,539
Interest income	—	(370)	(605)	(975)	(1,956)	(2,931)
Equity in net (income) loss of unconsolidated affiliates	—	—	(1,406)	(1,406)	143	(1,263)
Other (income) expense	—	(184)	12	(172)	(19)	(191)
Segment contribution	$ 36,087	$ 10,341	$ 1,999	$ 48,427		
Income (loss) before income taxes				$ 48,427	$ (25,427)	$ 23,000

	Three Months Ended June 30, 2023					
(in thousands)	U.S. Pawn	Latin America Pawn	Other Investments	Total Segments	Corporate Items	Consolidated
Revenues:						
Merchandise sales	$ 102,177	$ 45,803	$ —	$ 147,980	$ —	$ 147,980
Jewelry scrapping sales	13,098	833	—	13,931	—	13,931
Pawn service charges	68,790	25,029	—	93,819	—	93,819
Other revenues	27	40	15	82	—	82
Total revenues	184,092	71,705	15	255,812	—	255,812
Merchandise cost of goods sold	62,799	32,270	—	95,069	—	95,069
Jewelry scrapping cost of goods sold	11,101	857	—	11,958	—	11,958

Gross profit	110,192	38,578	15	148,785	—	148,785
Segment and corporate expenses (income):						
Store expenses	75,389	29,543	—	104,932	—	104,932
General and administrative	—	—	—	—	17,876	17,876
Depreciation and amortization	2,505	2,303	—	4,808	3,218	8,026
Gain on sale or disposal of assets	—	(29)	—	(29)	—	(29)
Other income	—	(2,632)	—	(2,632)	—	(2,632)
Interest expense	—	—	—	—	3,414	3,414
Interest income	(1)	(256)	—	(257)	(2,327)	(2,584)
Equity in net income of unconsolidated affiliates	—	—	(1,523)	(1,523)	—	(1,523)
Other (income) expense	—	(65)	10	(55)	50	(5)
Segment contribution	$ 32,299	$ 9,714	$ 1,528	$ 43,541		
Income (loss) before income taxes				$ 43,541	$ (22,231)	$ 21,310

	Three Months Ended December 31, 2024					
(in thousands)	U.S. Pawn	Latin America Pawn	Other Investments	Total Segments	Corporate Items	Consolidated
Revenues:						
Merchandise sales	$ 128,800	$ 57,543	$ —	$ 186,343	$ —	$ 186,343
Jewelry scrapping sales	15,498	1,234	—	16,732	—	16,732
Pawn service charges	87,876	29,176	—	117,052	—	117,052
Other revenues	27	16	—	43	—	43
Total revenues	232,201	87,969	—	320,170	—	320,170
Merchandise cost of goods sold	81,556	40,268	—	121,824	—	121,824
Jewelry scrapping cost of goods sold	11,968	974	—	12,942	—	12,942
Gross profit	138,677	46,727	—	185,404	—	185,404
Segment and corporate expenses (income):						
Store expenses	83,089	33,362	—	116,451	—	116,451
General and administrative	—	—	—	—	18,669	18,669
Depreciation and amortization	2,717	2,046	—	4,763	3,572	8,335
Loss on sale or disposal of assets and other	—	8	—	8	—	8
Interest expense	—	—	—	—	3,147	3,147
Interest income	—	(202)	(594)	(796)	(1,297)	(2,093)
Equity in net (income) loss of unconsolidated affiliates	—	—	(1,623)	(1,623)	148	(1,475)
Other (income) expense	(11)	(71)	—	(82)	1,060	978
Segment contribution	$ 52,882	$ 11,584	$ 2,217	$ 66,683		
Income (loss) before income taxes				$ 66,683	$ (25,299)	$ 41,384

	Nine Months Ended June 30, 2024					
(in thousands)	U.S. Pawn	Latin America Pawn	Other Investments	Total Segments	Corporate Items	Consolidated
Revenues:						
Merchandise sales	$ 348,211	$ 154,019	$ —	$ 502,230	$ —	$ 502,230
Jewelry scrapping sales	39,258	3,933	—	43,191	—	43,191
Pawn service charges	236,499	84,943	—	321,442	—	321,442
Other revenues	94	59	35	188	—	188
Total revenues	624,062	242,954	35	867,051	—	867,051
Merchandise cost of goods sold	218,736	103,944	—	322,680	—	322,680
Jewelry scrapping cost of goods sold	33,965	3,514	—	37,479	—	37,479

Gross profit	371,361	135,496	35	506,892	—	506,892
Segment and corporate expenses (income):						
Store expenses	239,536	101,936	—	341,472	—	341,472
General and administrative	—	—	—	—	54,869	54,869
Depreciation and amortization	7,548	6,821	—	14,369	10,573	24,942
(Gain) loss on sale or disposal of assets and other	(6)	(240)	—	(246)	97	(149)
Other income	—	—	—	—	(765)	(765)
Interest expense	—	—	—	—	10,381	10,381
Interest income	—	(1,398)	(1,811)	(3,209)	(5,243)	(8,452)
Equity in net (income) loss of unconsolidated affiliates	—	—	(4,278)	(4,278)	143	(4,135)
Other (income) expense	—	(231)	27	(204)	(423)	(627)
Segment contribution	$ 124,283	$ 28,608	$ 6,097	$ 158,988		
Income (loss) before income taxes				$ 158,988	$ (69,632)	$ 89,356

		Nine Months Ended June 30, 2023						Three Months Ended December 31, 2023						
(in thousands)	(in thousands)	U.S. Pawn	Latin America Pawn	Other Investments	Total Segments	Corporate Items	Consolidated	(in thousands)	U.S. Pawn	Latin America Pawn	Other Investments	Total Segments	Corporate Items	Consolidated
Revenues:														
Revenues:														
Revenues:														
Merchandise sales														
Merchandise sales														
Merchandise sales														
Jewelry scrapping sales														
Pawn service charges														
Other revenues														
Total revenues														
Merchandise cost of goods sold														
Jewelry scrapping cost of goods sold														
Gross profit														
Gross profit														
Gross profit														
Segment and corporate expenses (income):														
Store expenses														
Store expenses														
Store expenses														
General and administrative														
Depreciation and amortization														
Depreciation and amortization														
Depreciation and amortization														
Loss (gain) on sale or disposal of assets														
Other income														
Loss (gain) on sale or disposal of assets and other														
Interest expense														

Interest expense
Interest expense
Interest income
Equity in net loss of unconsolidated affiliates
Equity in net income of unconsolidated affiliates
Other (income) expense
Segment contribution (loss)
Other (income) expense
Other (income) expense
Segment contribution
Income (loss) before income taxes
Income (loss) before income taxes
Income (loss) before income taxes

The following table presents separately identified segment assets:

(in thousands)	(in thousands)	U.S. Pawn	Latin America Pawn	Other Investments (a)	Corporate Items	Total	(in thousands)	U.S. Pawn	Latin America Pawn	Other Investments	Corporate Items	Total
As of June 30, 2024												
As of June 30, 2024												
As of June 30, 2024												
As of December 31, 2024												
As of December 31, 2024												
As of December 31, 2024												
Pawn loans												
Pawn loans												
Pawn loans												
Pawn service charges receivable, net												
Inventory, net												
Total assets												
As of June 30, 2023												
As of June 30, 2023												
As of June 30, 2023												
As of December 31, 2023												
As of December 31, 2023												
As of December 31, 2023												
Pawn loans												
Pawn loans												
Pawn loans												
Pawn service charges receivable, net												
Inventory, net												
Total assets												
As of September 30, 2023												
As of September 30, 2023												
As of September 30, 2023												
As of September 30, 2024												
As of September 30, 2024												
As of September 30, 2024												
Pawn loans												
Pawn loans												
Pawn loans												

Pawn service charges receivable, net
Inventory, net
Total assets

(a) Segment assets as of September 30, 2023 have been recast to conform to current year presentation as CCV no longer meets the 10 percent threshold to be considered its own segment.

NOTE 11: SUPPLEMENTAL CONSOLIDATED FINANCIAL INFORMATION

The following table provides supplemental information on net amounts included in our condensed consolidated balance sheets:

(in thousands)	June 30, 2024	June 30, 2023	September 30, 2023
Gross pawn service charges receivable	$ 53,532	$ 47,071	$ 50,881
Allowance for uncollectible pawn service charges receivable	(12,894)	(12,112)	(11,996)
Pawn service charges receivable, net	$ 40,638	$ 34,959	$ 38,885
Gross inventory	$ 175,187	$ 157,590	$ 169,138
Inventory reserves	(3,250)	(2,646)	(2,661)
Inventory, net	$ 171,937	$ 154,944	$ 166,477
Prepaid expenses and other	$ 4,753	$ 6,081	$ 4,106
Accounts receivable, notes receivable and other	30,845	29,860	30,548
Income taxes prepaid and receivable	4,793	8,984	4,969
Prepaid expenses and other current assets	$ 40,391	$ 44,925	$ 39,623
Property and equipment, gross	$ 278,231	$ 335,296	$ 345,461
Accumulated depreciation	(218,305)	(273,447)	(277,365)
Property and equipment, net	$ 59,926	$ 61,849	$ 68,096
Accounts payable	$ 14,910	$ 19,220	$ 23,022
Accrued payroll	16,551	13,668	11,472
Incentive accrual	14,508	13,564	18,544
Other payroll related expenses	2,951	6,059	5,262
Accrued sales and VAT taxes	4,106	6,663	5,565
Accrued income taxes payable	2,115	2,646	2,628
Other current liabilities	14,601	12,638	15,112
Accounts payable, accrued expenses and other current liabilities	$ 69,742	$ 74,458	$ 81,605

(in thousands)	December 31, 2024	December 31, 2023	September 30, 2024
Gross pawn service charges receivable	$ 57,359	$ 50,919	$ 57,544
Allowance for uncollectible pawn service charges receivable	(12,161)	(10,917)	(13,531)
Pawn service charges receivable, net	$ 45,198	$ 40,002	$ 44,013
Gross inventory	$ 202,529	$ 167,660	$ 194,657
Inventory reserves	(3,048)	(2,733)	(2,734)
Inventory, net	$ 199,481	$ 164,927	$ 191,923
Prepaid expenses and other	$ 4,218	$ 6,868	$ 3,350
Accounts receivable and other	13,945	15,699	16,482
Notes receivable	16,924	18,333	16,332
Income taxes prepaid and receivable	1,475	3,101	3,007
Prepaid expenses and other current assets	$ 36,562	$ 44,001	$ 39,171

Property and equipment, gross	$	280,953	$	352,291	$	280,714
Accumulated depreciation		(217,722)		(283,293)		(214,741)
Property and equipment, net	$	63,231	$	68,998	$	65,973

Accounts payable	$	14,822	$	18,200	$	20,850
Accrued payroll		9,694		7,682		13,541
Incentive accrual		6,139		6,859		19,883
Other payroll related expenses		5,525		7,849		3,999
Accrued sales and VAT taxes		4,782		6,089		3,954
Accrued income taxes payable		13,600		9,068		5,934
Other current liabilities		14,120		13,639		17,576
Accounts payable, accrued expenses and other current liabilities	$	68,682	$	69,386	$	85,737

The following table provides supplemental disclosure of condensed consolidated statements of cash flows information:

		Nine Months Ended June 30,			Three Months Ended December 31,	
(in thousands)	(in thousands)	2024	2023	(in thousands)	2024	2023
Supplemental disclosure of cash flow information						
Supplemental disclosure of cash flow information						
Supplemental disclosure of cash flow information						
Cash and cash equivalents at beginning of period						
Cash and cash equivalents at beginning of period						
Cash and cash equivalents at beginning of period						
Restricted cash at beginning of period						
Total cash and cash equivalents and restricted cash at beginning of period						
Cash and cash equivalents at end of period						
Cash and cash equivalents at end of period						
Cash and cash equivalents at end of period						
Restricted cash at end of period						
Total cash and cash equivalents and restricted cash at end of period						
Non-cash investing and financing activities:						
Non-cash investing and financing activities:						
Non-cash investing and financing activities:						
Pawn loans forfeited and transferred to inventory						
Pawn loans forfeited and transferred to inventory						
Pawn loans forfeited and transferred to inventory						
Transfer of equity consideration for acquisition						
Transfer of equity consideration for acquisition						
Transfer of equity consideration for acquisition						
Acquisition earn-out contingency						
Accrued acquisition consideration						
Accrued acquisition consideration						
Accrued acquisition consideration						

ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Management’s Discussion and Analysis of Financial Condition and Results of Operations is intended to inform the reader about matters affecting the financial condition and results of operations of EZCORP, Inc. and its subsidiaries (collectively, “we,” “us”, “our”, “EZCORP” or the “Company”). The following discussion should be read together with our condensed consolidated financial statements and related notes included elsewhere within this report. This discussion contains forward-looking statements. Our actual results could differ materially from those anticipated in these forward-looking statements. See “Part I, Item 1A — Risk Factors” of our Annual Report on Form 10-K for the year ended September

30, 2023, 2024, as supplemented by the information set forth in “Part I, Item 3 — Quantitative and Qualitative Disclosures about Market Risk” and “Part II, Item 1A — Risk Factors” of this Report, for a discussion of certain risks, uncertainties and assumptions associated with these statements.

Business Development

On September 11, 2024, the Company announced entry into an acquisition agreement with Presta Dinero, S.A. de C.V. for the purchase of 53 pawn stores in Mexico. While at the time we expected to complete the transaction by October 31, 2024, the transaction has not yet closed and the parties remain in discussion.

Business Overview

EZCORP is a Delaware corporation headquartered in Austin, Texas. We are a leading provider of pawn services in the United States and Latin America. Pawn loans are nonrecourse loans collateralized by personal property. We also sell merchandise, primarily collateral forfeited from unpaid loans and pre-owned merchandise purchased from customers.

We exist to serve our customers’ short-term cash needs, helping them to live and enjoy their lives. We are focused on three strategic pillars:

Strengthen the Core	**Relentless focus on superior execution and operational excellence in our core pawn business**
Cost Efficiency and Simplification	**Shape a culture of cost efficiency through ongoing focus on simplification and optimization**
Innovate and Grow	**Broaden customer engagement to service more customers more frequently in more locations**

Pawn Activities

At our pawn stores, we advance cash against the value of collateralized tangible personal property. We earn pawn service charges (“PSC”) for those cash advances, and the PSC rate varies by state and transaction size. At the time of the transaction, we take possession of the pawned collateral, which consists of tangible personal property, generally jewelry, consumer electronics, tools, sporting goods or and musical instruments. If the customer chooses to redeem their pawn, they will repay the amount advanced plus any accrued PSC. If the customer chooses not to redeem their pawn, the pawned collateral becomes our inventory, which we sell in our retail merchandise sales activities or, in some cases, scrap for its inherent gold or precious stone content. Consequently, the success of our pawn business is largely dependent on our ability to accurately assess the probability of pawn redemption and the estimated resale or scrap value of the collateralized personal property.

Our ability to offer quality second-hand pre-owned goods at prices significantly lower than original retail prices attracts value-conscious customers. The gross profit on sales of inventory depends primarily on our assessment of the estimated resale or scrap value at the time the property is either accepted as pawn collateral or purchased and our ability to sell that merchandise in a timely manner. As a significant portion of our inventory and sales involve gold and jewelry, our results can be influenced by the market price of gold and diamonds.

Growth and Expansion

Our strategy is to expand the number of locations we operate through opening new (“de novo”) locations and through acquisitions and investments in both Latin America, the United States and potential new markets. Our ability to open de novo stores, acquire new stores and make other related investments is dependent on several variables, such as projected achievement of internal investment hurdles, the availability of acceptable sites or acquisition candidates, the alignment of acquirer/seller price expectations, the regulatory environment, local zoning ordinances, access to capital and the availability of qualified personnel.

Seasonality and Quarterly Results

In the United States, PSC is historically highest in our fourth fiscal quarter (July through September) due to a higher average loan balance during the summer lending season. PSC is historically lowest in our third fiscal quarter (April through June) following the tax refund season and merchandise sales are highest in our first and second fiscal quarters (October through March) due to the holiday season, jewelry sales surrounding Valentine’s Day and the availability of tax refunds. In Latin America, most of our customers receive additional compensation from their employers in December, and many receive additional compensation in June or July, applying downward pressure on loan balances and fueling some merchandise sales in those periods. In Mexico, we saw similar downward pressure in loan balances during the third quarter of fiscal 2023 due to a change in law related to company profit sharing payments to employees. We anticipated this change would impact pawn loan redemptions annually in May and June; however, in fiscal 2024, the demand for pawn loans in Mexico exceeded any downward pressure related to profit sharing payments. As a net effect of these and other factors and excluding discrete charges, our consolidated income before tax is generally highest in our first fiscal quarter (October through December) and lowest in our third fiscal quarter (April through June).

Financial Highlights

We remain focused on optimizing our balance of pawn loans outstanding (“PLO”) and the resulting higher PSC. The following chart presents sources of gross profit, including PSC, merchandise sales gross profit (“Merchandise sales GP”) and jewelry scrapping gross profit (“Jewelry Scrapping GP”) for the three and nine months ended June 30, 2024 December 31, 2024 and 2023:

353

The following chart presents sources of gross profit by geographic disbursement for the three and nine months ended June 30, 2024 December 31, 2024 and 2023:

470

Results of Operations

Non-GAAP Constant Currency and Same-Store Financial Information

To supplement our condensed consolidated financial statements, which are prepared and presented in accordance with GAAP, we provide certain other non-GAAP financial information on a constant currency basis (“constant currency”) and “same-store” basis. We use constant currency results to evaluate our Latin America Pawn operations, which are denominated primarily in Mexican pesos, Guatemalan quetzales and other Latin American currencies. We analyze results on a same-store basis (which is defined as stores open during the entirety of the comparable periods) to better understand existing store performance without the influence of increases or decreases resulting solely from changes in store count. We believe presentation of constant currency and same-store results is meaningful and useful in understanding the activities and business metrics of our Latin America Pawn operations and reflect reflects an additional way of viewing aspects of our business that, when viewed with GAAP results, provide provides a better understanding and evaluation of factors and trends affecting our business. We provide non-GAAP financial information for informational purposes and to enhance understanding of our GAAP consolidated financial statements. We use this non-GAAP financial information to evaluate and compare operating results across accounting periods. Readers should consider the information in addition to, but not rather than or superior to, our financial statements prepared in accordance with GAAP. This non-GAAP financial information may be determined or calculated differently by other companies, limiting the usefulness of those measures for comparative purposes.

Constant currency results reported herein are calculated by translating consolidated balance sheet and consolidated statement of operations items denominated in local currency to U.S. dollars using the exchange rate from the prior-year comparable period, as opposed to the current period, in order to exclude the effects of foreign currency rate fluctuations. In addition, we have an equity method investment that is denominated in Australian dollars and is translated into U.S. dollars. We used the end-of-period rate for balance sheet items and the average closing daily exchange rate on a monthly basis during the appropriate period for statement of operations items. Our statement of operations constant currency results reflect the monthly exchange rate fluctuations and are not directly calculable from the rates below. Constant currency results, where presented, also exclude the foreign currency gain or loss. The end-of-period and approximate average exchange rates for each applicable currency as compared to U.S. dollars as of and for the three and nine months ended June 30, 2024 December 31, 2024 and 2023 were as follows:

	December 31,		Three Months Ended December 31,	
	2024	2023	2024	2023
Mexican peso	20.8	17.0	20.1	17.5
Guatemalan quetzal	7.5	7.7	7.5	7.6
Honduran lempira	25.0	24.3	24.8	24.4
Australian dollar	1.6	1.5	1.5	1.5

	June 30,		Three Months Ended June 30,		Nine Months Ended June 30,	
	2024	2023	2024	2023	2024	2023
Mexican peso	18.3	17.1	17.2	17.7	17.3	18.7
Guatemalan quetzal	7.6	7.7	7.6	7.6	7.6	7.6
Honduran lempira	24.3	24.4	24.3	24.3	24.3	24.3
Australian dollar	1.5	1.5	1.5	1.5	1.5	1.5

Operating Results

Segments

We manage our business and report our financial results in three reportable segments:

- U.S. Pawn — Represents all pawn activities in the United States;
- Latin America Pawn — Represents all pawn activities in Mexico and other parts of Latin America; and
- Other Investments — Represents our equity interest in the net income of Cash Converters along with our investment in Rich Data Corporation (“RDC”) and our investment in and notes receivable from Founders.

Store Count by Segment

	Three Months Ended June 30, 2024		
	U.S. Pawn	Latin America Pawn	Consolidated

As of March 31, 2024	535	711	1,246
New locations opened	1	6	7
Locations acquired	5	—	5
As of June 30, 2024	541	717	1,258

	Three Months Ended December 31, 2024		
	U.S. Pawn	Latin America Pawn	Consolidated
As of September 30, 2024	542	737	1,279
New locations opened	—	4	4
As of December 31, 2024	542	741	1,283

	Three Months Ended June 30, 2023		
	U.S. Pawn	Latin America Pawn	Consolidated
As of March 31, 2023	527	672	1,199
New locations opened	1	12	13
As of June 30, 2023	528	684	1,212

	Nine Months Ended June 30, 2024		
	U.S. Pawn	Latin America Pawn	Consolidated
As of September 30, 2023	529	702	1,231
New locations opened	1	20	21
Locations acquired	12	—	12
Locations combined or closed	(1)	(5)	(6)
As of June 30, 2024	541	717	1,258

	Nine Months Ended June 30, 2023		
	U.S. Pawn	Latin America Pawn	Consolidated
As of September 30, 2022	515	660	1,175
New locations opened	3	25	28
Locations acquired	10	—	10
Locations combined or closed	—	(1)	(1)
As of June 30, 2023	528	684	1,212

	Three Months Ended December 31, 2023		
	U.S. Pawn	Latin America Pawn	Consolidated
As of September 30, 2023	529	702	1,231
New locations opened	—	5	5
Locations acquired	1	—	1
As of December 31, 2023	530	707	1,237

Three Months Ended June 30, 2024 December 31, 2024 vs. Three Months Ended June 30, 2023 December 31, 2023

These tables, as well as the discussion that follows, should be read in conjunction with the accompanying Condensed Consolidated Financial Statements and related notes.

U.S. Pawn

The following table presents selected summary financial data for our U.S. Pawn segment:

(in thousands)	Three Months Ended June 30,			Change			Three Months Ended December 31,			Change
Gross profit:										
Gross profit:										
Gross profit:										
Pawn service charges										
Pawn service charges										
Pawn service charges	$ 77,416	$	$ 68,790	13%		13%	$ 87,876	$	$ 79,073	11%
Merchandise sales										
Merchandise sales										
Merchandise sales	107,849	102,177	102,177	6%		6%	128,800	125,513	125,513	3%
Merchandise sales gross profit	40,620	39,378	39,378	3%		3%	47,244	46,804	46,804	
Gross margin on merchandise sales	38 %		39 %		(100)bps		37 %		37 %	
Jewelry scrapping sales										
Jewelry scrapping sales										
Jewelry scrapping sales	13,757	13,098	13,098	5%		5%	15,498	12,815	12,815	21%
Jewelry scrapping sales gross profit	1,870	1,997	1,997	(6)%		(6)%	3,530	1,531	1,531	1
Gross margin on jewelry scrapping sales	14 %		15 %		(100)bps		23 %		12 %	
Other revenues										
Other revenues										
Other revenues	28	27	27	4%		4%	27	37	37	(27)%
Gross profit	119,934	110,192	110,192	9%		9%	138,677	127,445	127,445	
Segment operating expenses:										
Segment operating expenses:										
Segment operating expenses:										
Store expenses										
Store expenses										
Store expenses	81,441	75,389	75,389	8%		8%	83,089	77,255	77,255	8%
Depreciation and amortization	2,408	2,505	2,505	(4)%		(4)%	2,717	2,624	2,624	
Gain on sale or disposal of assets and other	(2)		—		*					
Loss on sale or disposal of assets and other	—		26		(100)%					
Segment operating contribution	$ 36,087	$	$ 32,298	12%		12%	$ 52,871	$	$ 47,540	11%
Other segment income										
Other segment income										
Other segment income	—	(1)	(1)	(100)%		(100)%	(11)	—	—	100%

Segment contribution	Segment contribution	$ 36,087	$	$ 32,299	12%	12%	Segment contribution $	52,882	$	$ 47,540	11%
Other data:											
Other data:											
Other data:											
Net earning assets (a)											
Net earning assets (a)											
Net earning assets (a)		$321,218	$	$293,787	9%	9%	$	368,668	$	$317,774	16%
Inventory turnover	Inventory turnover	2.6	2.6	2.6	—%	—%	Inventory turnover	2.5	2.7	2.7	(
Average monthly ending pawn loan balance per store (b)	Average monthly ending pawn loan balance per store (b)	$ 352	$	$ 325	8%	8%	Average monthly ending pawn loan balance per store (b)	396	359	359	10
Monthly average yield on pawn loans outstanding	Monthly average yield on pawn loans outstanding	14 %		14 %	—bps		Monthly average yield on pawn loans outstanding	14 %		14 %	
General merchandise as a % of PLO	General merchandise as a % of PLO	34 %		35 %	(100)bps		General merchandise as a % of PLO	32 %		33 %	
Jewelry as a % of PLO	Jewelry as a % of PLO	66 %		65 %	100bps		Jewelry as a % of PLO	68 %		67 %	

* Represents a percentage computation that is not mathematically meaningful.

(a) Balance includes pawn loans and inventory.

(b) Balance is calculated based upon the average of the monthly ending balances during the applicable period.

PLO ended the quarter at $199.3 million $220.2 million, up 11% or 10% 15% on a total and same-store basis. basis due to increase in average loan size, increased loan demand and improved operational performance.

Total revenues was up 8% increased 7% and gross profit was up increased 9%, reflecting increased higher PSC and higher merchandise sales.

PSC increased 13% 11% as a result of higher average PLO.

Merchandise sales increased 6% 3%, and gross margin decreased to 38% from 39% was flat at 37%. Aged general merchandise, which is inventory over one year old, increased to 5.0% to $2.0 million 2.6%, or $1.2 million of total general merchandise inventory. Excluding luxury handbags in our three Max Pawn luxury stores in Las Vegas, aged general merchandise remains under was 1%.

Net inventory increased 6% 17%, as expected in line with the growth in PLO. Inventory turnover remained flat at 2.6x. decreased to 2.5x, from 2.7x .

Store expenses increased 8% and 6% (5% on a same-store basis, basis), primarily due to increased labor in-line with costs (including higher health benefits) supporting more store activity, and to offset by a lesser extent, decrease in expenses related to our loyalty program.

Segment contribution increased 12% 11% to $36.1 million $52.9 million, due to the changes noted above.

During the quarter, segment store count increased by six, due to the acquisition of five stores and opening of one de novo store. remained at 542.

Latin America Pawn

The following table presents selected summary financial data for the Latin America Pawn segment, including constant currency results, after translation to U.S. dollars from its functional currencies noted above under “Results of Operations — Non-GAAP Constant Currency and Same-Store Financial Information.”

	Three Months Ended June 30,	Three Months Ended December 31,

(in thousands)	(in thousands)	2024 (GAAP)		2023 (GAAP)		Change (GAAP)	2024 (Constant Currency)	Change (Constant Currency)	(in thousands)	2024 (GAAP)		
Gross profit:												
Gross profit:												
Gross profit:												
Pawn service charges												
Pawn service charges												
Pawn service charges		$ 30,414	$	$ 25,029	22%	22%	$ 29,822	19%		19%	$ 29,176	$
Merchandise sales												
Merchandise sales												
Merchandise sales		50,291	45,803	45,803	10%	10%	49,263	8%		8%	57,543	53,89
Merchandise sales gross profit	Merchandise sales gross profit	16,309	13,533	13,533	21%	21%	15,954	18%		18%	Merchandise sales gross profit	17,275
Gross margin on merchandise sales	Gross margin on merchandise sales	32 %		30 %		200bps	32 %	200bps	Gross margin on merchandise sales	30 %		
Jewelry scrapping sales												
Jewelry scrapping sales												
Jewelry scrapping sales		1,638	833	833	97%	97%	1,600	92%		92%	1,234	1,26
Jewelry scrapping sales gross profit	Jewelry scrapping sales gross profit	42	(24)	(24)	275%	275%	43	279%		279%	Jewelry scrapping sales gross profit	260
Gross margin on jewelry scrapping sales	Gross margin on jewelry scrapping sales	3 %		(3)%		600bps	3 %	600bps	Gross margin on jewelry scrapping sales	21 %		
Other revenues, net												
Other revenues, net												
Other revenues, net		28	40	40	(30)%	(30)%	26	(35)%		(35)%	16	1
Gross profit	Gross profit	46,793	38,578	38,578	21%	21%	45,845	19%		19%	Gross profit	46,727
Segment operating expenses:												
Segment operating expenses:												
Segment operating expenses:												
Store expenses												
Store expenses												
Store expenses		34,894	29,543	29,543	18%	18%	34,110	15%		15%	33,362	33,30
Depreciation and amortization												
Depreciation and amortization												
Depreciation and amortization		2,090	2,303	2,303	(9)%	(9)%	2,044	(11)%		(11)%	2,046	2,33
Other income		—		(2,632)		(100)%	—	(100)%				
Loss (gain) on sale or disposal of assets and other												
Loss (gain) on sale or disposal of assets and other												
Loss (gain) on sale or disposal of assets and other	Loss (gain) on sale or disposal of assets and other	22	(29)	(29)	(176)%	(176)%	21	(172)%		(172)%	8	(19

Segment operating contribution	Segment operating contribution	9,787	9,393	9,393	4%	4%	9,670	3%	3%	Segment operating contribution	11,311	
Other segment income												
Other segment income												
Other segment income		(554)	(321)	(321)	73%	73%	(505)	57%	57%		(273)	(46
Segment contribution	Segment contribution	$ 10,341	$	$ 9,714	6%	6%	$ 10,175	5%	5%	Segment contribution	$ 11,584	$
Other data:												
Other data:												
Other data:												
Net earning assets (a)												
Net earning assets (a)												
Net earning assets (a)		$112,439	$	$90,536	24%	24%	$ 118,080	30%	30%		$ 105,637	$
Inventory turnover	Inventory turnover	3.0	3.4	3.4	(12)%	(12)%	3.0	(12)%	(12)%	Inventory turnover	3.1	
Average monthly ending pawn loan balance per store (b)	Average monthly ending pawn loan balance per store (b)	$ 90	$	$ 74	22%	22%	$ 89	20%	20%	Average monthly ending pawn loan balance per store (b)	$ 80	$
Monthly average yield on pawn loans outstanding	Monthly average yield on pawn loans outstanding	16 %		17 %	(100)bps		16 %	(100)bps		Monthly average yield on pawn loans outstanding	16 %	
General merchandise as a % of PLO	General merchandise as a % of PLO	65 %		70 %	(500)bps		65 %	(500)bps		General merchandise as a % of PLO	60 %	
Jewelry as a % of PLO	Jewelry as a % of PLO	35 %		30 %	500bps		35 %	500bps		Jewelry as a % of PLO	40 %	

(a) Balance includes pawn loans and inventory.

(b) Balance is calculated based upon the average of the monthly ending balances during the applicable period.

		2024 Change (GAAP)	2024 Change (GAAP)		2024 Change (Constant Currency)	2024 Change (GAAP)	2024 Change (Constant Currency)
Same-Store data:							
Same-store data:							
PLO							
PLO							
PLO		20%	26%		2%		17%
PSC	PSC	19%	17%	PSC	5%		15%
Merchandise Sales	Merchandise Sales	6%	4%	Merchandise Sales	4%		16%
Merchandise Sales Gross Profit	Merchandise Sales Gross Profit	18%	15%	Merchandise Sales Gross Profit	(3)%		8%
Store Expenses	Store Expenses	14%	12%	Store Expenses	(2)%		9%

PLO improved to $62.4 million $54.6 million, up 24% (30% 4% (19% on constant currency basis). On a same-store basis, PLO increased 20% (26% 2% (17% on a constant currency basis) due to improved operational performance and increased loan demand.

Total revenues was were up 15% (13% 7% (18% on constant currency basis), and gross profit increased 21% (19% 4% (14% on a constant currency basis), reflecting mainly due to increased PSC and higher merchandise sales and improved merchandise sales gross profit. sales.

PSC increased 22% (19% to $29.2 million, up 7% (17% on a constant currency basis) as a result of higher average PLO.

Merchandise sales increased 7% (19% on constant currency basis) and merchandise sales gross margin increased decreased to 32% 30% from 30% 32%. Aged general merchandise was less than 1% decreased to 1.4% from 1.6% of total general merchandise inventory.

Net inventory increased 25% (32% 35% (57% on a constant currency basis). Inventory due to increase in PLO and decrease in inventory turnover decreased to 3.0x, 3.1x, from 3.4x. 3.8x.

Store expenses increased 18% (15% were flat (11% increase on a constant currency basis) and 14% (12% on a same-store basis decreased 2% (9% increase on a constant currency basis) on a same-store basis, , primarily due to increased labor in line with store activity and to a lesser extent, rent.

Segment contribution increased 6% (5% 14% to $11.6 million (24% on a constant currency basis) to $10.3 million, due to the changes noted above, in addition to the impact of the prior year reversal of contingent consideration liability in connection with a previously completed acquisition, which was recorded to "Other income." above.

During the quarter, segment store count increased by six four de novo stores. stores to 741.

Other Investments

The following table presents selected financial data for our Other Investments segment after translation to U.S. dollars from its functional currency of primarily Australian dollars:

	Three Months Ended June 30,		
(in thousands)	2024	2023	Change
Gross profit:			
Consumer loan fees, interest and other	$ —	$ 15	(100)%
Gross profit	—	15	(100)%
Segment operating expenses:			
Interest income	(605)	—	*
Equity in net income of unconsolidated affiliates	(1,406)	(1,523)	(8)%
Segment operating contribution	2,011	1,538	31%
Other segment loss	12	10	20%
Segment contribution	$ 1,999	$ 1,528	31%

* Represents a percentage computation that is not mathematically meaningful.

	Three Months Ended December 31,		
(in thousands)	2024	2023	Change
Gross profit:			
Consumer loan fees, interest and other	$ —	$ 4	(100)%
Gross profit	—	4	(100)%
Segment operating expenses:			
Interest income	(594)	(573)	4%
Equity in net income of unconsolidated affiliates	(1,623)	(1,153)	41%
Segment operating contribution	2,217	1,730	28%
Other segment loss	—	1	(100)%
Segment contribution	$ 2,217	$ 1,729	28%

Segment contribution was $2.0 million $2.2 million, an increase of $0.5 million primarily due to our interest income from our notes receivable investment in Founders offset by the decrease increase in our share of equity in net income of Cash Converters.

Other Items

The following table reconciles our consolidated segment contribution discussed above to net income attributable to EZCORP, Inc., including items that affect our consolidated financial results but are not allocated among segments:

(in thousands)	Three Months Ended June 30,		Percentage Change		Three Months Ended December 31,		Percentage Change	
Segment contribution								
Segment contribution								
Segment contribution	$ 48,427	$ $ 43,541	11%	11%	$ 66,683	$ $ 59,418	12%	12%

Corporate expenses (income):													
General and administrative													
General and administrative													
General and administrative		20,060	17,876	17,876	12%		12%		18,669	16,543	16,543	13%	13%
Depreciation and amortization	Depreciation and amortization	3,660	3,218	3,218	14%		14%	Depreciation and amortization	3,572	3,602	3,602	(1)%	(1)%
Gain on sale or disposal of assets and other		—		(2)		(100)%							
Interest expense													
Interest expense													
Interest expense		3,539	3,414	3,414	4%		4%		3,147	3,440	3,440	(9)%	(9)%
Interest income	Interest income	(1,956)	(2,327)	(2,327)	(16)%		(16)%	Interest income	(1,297)	(1,646)	(1,646)	(21)%	(21)%
Equity in net loss of unconsolidated affiliates	Equity in net loss of unconsolidated affiliates	143	—	—	*		*	Equity in net loss of unconsolidated affiliates	148	—	—	100%	100%
Other (income) expense		(19)		50		138%							
Other expense (income)		1,060		(224)		*							
Income before income taxes													
Income before income taxes													
Income before income taxes		23,000	21,310	21,310	8%		8%		41,384	37,705	37,705	10%	10%
Income tax expense	Income tax expense	5,050	3,088	3,088	64%		64%	Income tax expense	10,368	9,235	9,235	12%	12%
Net income													
Net income													
Net income		$ 17,950	$	$ 18,222	(1)%		(1)%		$ 31,016	$	$ 28,470	9%	9%

* Represents a percentage computation that is not mathematically meaningful.

Segment contribution increased $4.9 million $7.3 million or 11% 12% over the prior year quarter, primarily due to improved operating results of the U.S. Pawn and Latin America Pawn segments above.

General and administrative expense increased $2.2 million $2.1 million or 12% 13%, primarily due to labor (including incentive compensation compensation) and, to a lesser extent, ongoing support costs related to the implementation and ongoing support of Workday.

Income tax expense increased $2.0 $1.1 million primarily due to an increase in income before taxes of $3.7 million, partially offset by an increase in the benefit for stock compensation for tax purposes in excess of the book expense. The increase in the effective tax rate this quarter compared is due primarily to the prior year. In the prior year there was a benefit to the effective tax rate due to the reversal of contingent consideration liability an increase in connection with a previously completed acquisition. non-deductible items.

Income tax expense includes other items that do not necessarily correspond to pre-tax earnings and create volatility in our effective tax rate. These items include the net effect of state taxes, non-deductible items and the foreign rate differential. See our Annual Report on Form 10-K for the year ended September 30, 2023 September 30, 2024, Note 11: Income Taxes of Notes to Consolidated Financial Statements included in "Part II, Item 8 — Financial Statements and Supplemental Data" for quantification of these items.

Nine Months Ended June 30, 2024 vs. Nine Months Ended June 30, 2023

The tables below and discussion that follows should be read in conjunction with the accompanying condensed consolidated financial statements and related notes.

U.S. Pawn

The following table presents selected summary financial data for the U.S. Pawn segment:

	Nine Months Ended June 30,		
(in thousands)	2024	2023	Change
Gross profit:			
Pawn service charges	$ 236,499	$ 208,045	14%

Merchandise sales		348,211		329,231	6%
Merchandise sales gross profit		129,475		125,533	3%
Gross margin on merchandise sales		37 %		38 %	(100)bps
Jewelry scrapping sales		39,258		30,088	30%
Jewelry scrapping sales gross profit		5,293		4,221	25%
Gross margin on jewelry scrapping sales		13 %		14 %	(100)bps
Other revenues		94		84	12%
Gross profit		371,361		337,883	10%
Segment operating expenses:					
Store expenses		239,536		220,639	9%
Depreciation and amortization		7,548		7,820	(3)%
(Gain) loss on sale or disposal of assets and other		(6)		84	107%
Segment operating contribution		124,283		109,340	14%
Other segment income		—		(2)	(100)%
Segment contribution	$	124,283	$	109,342	14%
Other data:					
Average monthly ending pawn loan balance per store (a)	$	352	$	317	11%
Monthly average yield on pawn loans outstanding		14 %		14 %	—bps

(a) Balance is calculated based upon the average of the monthly ending balances during the applicable period.

During the nine months ended June 30, 2024, net store count increased by 12 due to the acquisition of 12stores, opening of one de novo store, and the consolidation of one store.

Pawn service charges increased 14% as a result of higher average PLO.

Merchandise sales increased 6%, and merchandise sale gross profit increased 3%, reflecting a 100bps decrease in gross margin.

Store expenses increased 9%, primarily due to increased labor in-line with store activity and to a lesser extent, expenses related to our loyalty program.

Segment contribution increased $14.9 million, or 14%, primarily due to the changes described above.

Latin America Pawn

The following table presents selected summary financial data our Latin America Pawn segment, including constant currency results, after translation to U.S. dollars from functional currencies. See "Results of Operations — Non-GAAP Constant Currency and Same-Store Financial Information" above.

	Nine Months Ended June 30,							
(in thousands)		2024 (GAAP)		2023 (GAAP)	Change (GAAP)		2024 (Constant Currency)	Change (Constant Currency)
Gross profit:								
Pawn service charges	$	84,943	$	71,397	19%	$	80,401	13%
Merchandise sales		154,019		135,043	14%		144,538	7%
Merchandise sales gross profit		50,075		41,456	21%		46,938	13%
Gross margin on merchandise sales		33 %		31 %	200bps		32 %	100bps
Jewelry scrapping sales		3,933		4,552	(14)%		3,742	(18)%
Jewelry scrapping sales gross profit		419		(394)	206%		385	(198)%
Gross margin on jewelry scrapping sales		11 %		(9)%	*		10 %	*
Other revenues, net		59		75	(21)%		55	(27)%
Gross profit		135,496		112,534	20%		127,779	14%

Segment operating expenses:								
Store expenses		101,936		86,365	18%		95,812	11%
Depreciation and amortization		6,821		6,850	—%		6,385	(7)%
Other income		—		(5,097)	(100)%		—	(100)%
Gain on sale or disposal of assets and other		(240)		(56)	329%		(234)	318%
Segment operating contribution		26,979		24,472	10%		25,816	5%
Other segment income		(1,629)		(767)	112%		(1,653)	116%
Segment contribution	$	28,608	$	25,239	13%	$	27,469	9%
Other data:								
Average monthly ending pawn loan balance per store (a)	$	83	$	72	15%	$	79	10%
Monthly average yield on pawn loans outstanding		16 %		17 %	(100)bps		16 %	(100)bps

* Represents a percentage computation that is not mathematically meaningful.

(a) Balance is calculated based upon the average of the monthly ending balances during the applicable period.

	2024 Change (GAAP)	2024 Change (Constant Currency)
Same-Store data:		
PLO	20%	26%
PSC	17%	11%
Merchandise Sales	11%	4%
Merchandise Sales Gross Profit	19%	11%
Store Expenses	14%	7%

During the nine months ended June 30, 2024, net store count increased by 15 due to the opening of twenty de novo stores and the consolidation of five stores.

PSC increased 19% to $84.9 million (13% to $80.4 million on a constant currency basis) as a result of higher average PLO.

Merchandise sales increased 14% (7% on a constant currency basis) and 11% on a same-store basis (4% on a constant currency basis). Merchandise sales gross margin increased 200 bps to 33% from 31%.

Store expenses increased by 18% (11% on a constant currency basis) and 14% (7% on a constant currency basis) on a same-store basis, primarily due to increased labor, in line with store activity and to a lesser extent, rent.

Segment contribution increased $3.4 million, or 13% ($2.2 million, or 9%, on a constant currency basis), due to the changes noted above, in addition to the impact of the prior year reversal of contingent consideration liability in connection with a previously completed acquisition, which was recorded to “Other income.”

Other Investments

The following table presents selected financial data for our Other Investments segment after translation to U.S. dollars from its functional currency of primarily Australian dollars:

	Nine Months Ended June 30,				
(in thousands)		2024		2023	Change
Gross profit:					
Consumer loan fees, interest and other	$	35	$	47	(26)%
Gross profit		35		47	(26)%
Segment operating expenses:					
Interest income		(1,811)		—	*
Equity in net (income) loss of unconsolidated affiliates		(4,278)		29,394	115%
Segment operating contribution (loss)		6,124		(29,347)	121%
Other segment loss		27		20	35%
Segment contribution (loss)	$	6,097	$	(29,367)	121%

* Represents a percentage computation that is not mathematically meaningful.

Segment income was $6.1 million, an increase of $35.5 million from the prior-year nine months ended June 30, 2023, primarily due to our share of the prior year net loss from Cash Converters related to their non-cash goodwill impairment charge.

Other Items

The following table reconciles our consolidated segment contribution discussed above to net income attributable to EZCORP, Inc., including items that affect our consolidated financial results but are not allocated among segments:

	Nine Months Ended June 30,		
(in thousands)	2024	2023	Percentage Change
Segment contribution	$ 158,988	$ 105,214	51%
Corporate expenses (income):			
General and administrative	54,869	48,964	12%
Depreciation and amortization	10,573	9,307	14%
Gain on sale or disposal of assets	97	—	*
Other income	(765)	—	*
Interest expense	10,381	12,994	(20)%
Interest income	(5,243)	(4,421)	19%
Equity in net loss of unconsolidated affiliates	143	—	*
Other income	(423)	(138)	207%
Income before income taxes	89,356	38,508	132%
Income tax expense	21,457	10,298	108%
Net income	$ 67,899	$ 28,210	141%

* Represents a percentage computation that is not mathematically meaningful.

Segment contribution increased $53.8 million or 51% over the prior year nine months ended June 30, 2023, primarily due to our share of the net loss from Cash Converters related to their non-cash goodwill impairment charge during the prior year and the improved operating results of the segments above.

General and administrative expenses increased $5.9 million or 12%, primarily due to labor, incentive compensation and, to a lesser extent, costs related to the implementation and ongoing support of Workday.

Interest expense decreased $2.6 million, primarily due to the loss on extinguishment of debt in the prior year. In December 2022, the Company repurchased approximately $109.4 million aggregate principal amount of 2.875% Convertible Senior Notes Due 2024 for approximately $117.5 million plus accrued interest and approximately $69.1 million aggregate principal amount of 2.375% Convertible Senior Notes Due 2025 for approximately $62.9 million plus accrued interest and recorded a $3.5 million loss on extinguishment of debt.

Interest income increased $0.8 million, due primarily to our treasury management with increased market interest rates.

Income tax expense increased $11.2 million, primarily due to an increase in income before income taxes of $50.8 million for the nine months ended June 30, 2024 compared to the same prior year nine month period due to our share of the net loss from Cash Converters in the prior year quarter, the non-deductible loss on the convertible debt refinancing during the first quarter of 2023, and an increase in the effective tax rate this quarter compared to the prior year. In the prior year there was a benefit to the effective tax rate due to the reversal of contingent consideration liability in connection with a previously completed acquisition.

Income tax expense includes other items that do not necessarily correspond to pre-tax earnings and create volatility in our effective tax rate. These items include the net effect of state taxes, non-deductible items and the foreign rate differential. See Annual Report on Form 10-K for the year ended September 30, 2023, Note 11: 9: Income Taxes of Notes to Consolidated Financial Statements included in “Part II, Item 8 — Financial Statements and Supplemental Data” for quantification of these items.

Liquidity and Capital Resources

Cash and Cash Equivalents

Our cash and cash equivalents balance was $218.0 million $174.5 million at June 30, 2024 December 31, 2024 compared to $220.6 million $170.5 million at September 30, 2023 September 30, 2024. At June 30, 2024 December 31, 2024, our cash and equivalents were held in cash depository accounts with major banks or invested in high quality, short-term liquid investments.

Cash Flows

The table and discussion below presents a summary of the selected sources and uses of our cash:

(in thousands)	Nine Months Ended June 30, 2024	Nine Months Ended June 30, 2023	Percentage Change
Net cash provided by operating activities	$ 70,264	$ 74,309	(5)%
Net cash used in investing activities	(59,234)	(70,547)	(16)%
Net cash (used in) provided by financing activities	(12,648)	26,972	(147)%
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(108)	1,420	(108)%
Net (decrease) increase in cash, cash equivalents and restricted cash	$ (1,726)	$ 32,154	(105)%

(in thousands)	Three Months Ended December 31, 2024	Three Months Ended December 31, 2023	Percentage Change
Net cash provided by operating activities	$ 25,991	$ 21,481	21%
Net cash used in investing activities	(14,040)	(16,864)	(17)%
Net cash used in financing activities	(7,102)	(6,392)	11%
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(764)	(207)	269%
Net increase (decrease) in cash, cash equivalents and restricted cash	$ 4,085	$ (1,982)	306%

The decrease increase in cash flows provided by operating activities year-over-year was primarily due to an increase in net income as well as changes in working capital primarily related to the timing of payments of prepaid expenses, accounts payable, inventory, customer layaway deposits and income taxes, offset by an increase in net income (when considering adjustments for non-cash items affecting net income). taxes.

The $11.3 $2.8 million decrease in cash flows used in investing activities year-over-year was primarily due to a $29.6 $17.3 million decrease in net cash flows used related to fund acquisitions, strategic investments, and capital expenditures and other, a $21.2 $3.6 million increase in cash inflows from the sale of forfeited collateral, partially offset by an $18.1 million increase of $43.0 million in net pawn lending outflows.

The $39.6 $0.7 million decrease increase in cash flows provided by used in financing activities was primarily related to the December 2022 financing taxes paid related to net share settlement of the 2029 Convertible Notes, in which we issued $230.0 million principal amount of 3.750% Convertible Senior Notes Due 2029 offset by the extinguishment of approximately $109.4 million aggregate principal amount of our 2024 Convertible Notes for approximately $117.5 million plus accrued interest and approximately $69.1 million aggregate principal amount of our 2025 Convertible Notes for approximately $62.9 million plus accrued interest. In addition, we used approximately $5.0 million of the net proceeds from the 2029 Convertible Notes offering to repurchase 578,703 shares of our Class A common stock from purchasers of the notes in privately negotiated transactions. equity awards.

The net effect of these changes was an $1.7 a $4.1 million decrease increase in cash on hand during the current year to date period, resulting in a $227.2 $183.9 million ending cash and restricted cash balance.

Sources and Uses of Cash

In December 2022, we issued $230.0 million aggregate principal amount of 2029 Convertible Notes. In conjunction with the issuance of the 2029 Convertible Notes, we extinguished approximately $109.4 million aggregate principal amount of our 2024 Convertible Notes for approximately $117.5 million plus accrued interest and approximately $69.1 million aggregate principal amount of our 2025 Convertible Notes for approximately $62.9 million plus accrued interest. In addition, we used approximately $5.0 million of the net proceeds from the 2029 Convertible Notes offering to repurchase 578,703 shares of our Class A common stock from purchasers of the notes in privately negotiated transactions. See Note 7 of Notes to Condensed Consolidated Financial Statements included in “Part I, Item 1 — Financial Statements.” The shares repurchased in conjunction with the transactions discussed above were authorized separately from, and not considered part of, the publicly announced share repurchase program referred to below.

On May 3, 2022, our Board authorized the repurchase of up to $50 million of our Class A Common Stock over three years. As of June 30, 2024 December 31, 2024, we have repurchased 2,572,794 3,096,011 shares of our Class A Common Stock under the program for $23.0 $29.0 million. Execution of the program will be responsive to fluctuating market conditions and valuations, liquidity needs and the expected return on investment compared to other opportunities.

Under the stock repurchase program, we may purchase Class A Non-Voting common stock from time to time at management’s discretion in accordance with applicable securities laws, including through open market transactions, block or privately negotiated transactions, or any combination thereof. In addition, we may purchase shares pursuant to a trading plan meeting the requirements of Rule 10b5-1 under the Securities Exchange Act of 1934.

The amount and timing of purchases will be dependent on a variety of factors, including stock price, trading volume, general market conditions, legal and regulatory requirements, general business conditions, the level of cash flows and corporate considerations determined by management and the Board, such as liquidity and capital needs and the availability of attractive alternative investment opportunities. The Board of Directors has reserved the right to modify, suspend or terminate the program at any time. See Note 8 of Notes to Condensed Consolidated Financial Statements included in “Part I, Item 1 — Financial Statements.”

On July 1, 2024, the 2024 Convertible Notes matured and the remaining $34.4 million aggregate principal amount outstanding plus accrued interest was repaid using cash on hand.

We anticipate that cash flows from operations and cash on hand will be adequate to fund ongoing operations, current debt service requirements, tax payments, any future stock repurchases, strategic investments, our contractual obligations, planned de novo store growth, capital expenditures and working capital requirements through the next twelve months. We continue to explore acquisition opportunities, both large and small, and may choose to pursue additional debt, equity or equity-linked financings in the future should the need arise. Depending on the level of acquisition activity and other factors, our ability to repay our longer-term debt obligations, including the convertible debt maturing in May 2025 and 2029, may require us to refinance these obligations through the issuance of new debt securities, equity securities, convertible securities or through new credit facilities.

Contractual Obligations

In “Part II, Item 7 — Management’s Discussion and Analysis of Financial Condition and Results of Operations” of our Annual Report on Form 10-K for the year ended September 30, 2023 September 30, 2024, we reported that we had $736.6 $673.5 million in total contractual obligations as of September 30, 2023 September 30, 2024. There have been no material changes to this total obligation since September 30, 2023 September 30, 2024.

We are responsible for the maintenance, property taxes and insurance at most of our locations. In the fiscal year ended September 30, 2023 September 30, 2024, these collectively amounted to $16.3 $17.7 million.

Recently Adopted Accounting Policies and Recently Issued Accounting Pronouncements

See Note 1 of the Notes to Condensed Consolidated Financial Statements included in “Part I, Item 1 — Financial Statements” of this Quarterly Report for recently issued accounting pronouncements including the expected dates of adoption and estimated effects, if any, on our consolidated financial statements.

Cautionary Statement Regarding Risks and Uncertainties that May Affect Future Results

This Quarterly Report on Form 10-Q, including Management’s Discussion and Analysis of Financial Condition and Results of Operations, includes “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. We intend that all forward-looking statements be subject to the safe harbors created by these laws. All statements, other than statements of historical facts, regarding our strategy, future operations, financial position, future revenues, projected costs, prospects, plans and objectives are forward-looking statements. These statements are often, but not always, made with words or phrases like “may,” “should,” “could,” “will,” “predict,” “anticipate,” “believe,” “estimate,” “expect,” “intend,” “plan,” “projection” and similar expressions. Such statements are only predictions of the outcome and timing of future events based on our current expectations and currently available information and, accordingly, are subject to substantial risks, uncertainties and assumptions. Actual results could differ materially from those expressed in the forward-looking statements due to a number of risks and uncertainties, many of which are beyond our control. In addition, we cannot predict all of the risks and uncertainties that could cause our actual results to differ from those expressed in the forward-looking statements. Accordingly, you should not regard any forward-looking statements as a representation that the expected results will be achieved. Important risk factors that could cause results or events to differ from current expectations are identified and described in “Part I, Item 1A — Risk Factors” of our Annual Report on Form 10-K for the year ended September 30, 2023 2024 and “Part II, Item 1A — Risk Factors” of this Report.

We specifically disclaim any responsibility to publicly update any information contained in a forward-looking statement except as required by law. All forward-looking statements attributable to us are expressly qualified in their entirety by this cautionary statement.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market risks relating to our operations result primarily from changes in interest rates, gold values and foreign currency exchange rates, and are described in detail in “Part II, Item 7A — Quantitative and Qualitative Disclosures about Market Risk” of our Annual Report on Form 10-K for the year ended September 30, 2023 September 30, 2024. There have been no material changes in our reported market risks or risk management policies since the filing of our Annual Report on Form 10-K for the year ended September 30, 2023 September 30, 2024.

ITEM 4. CONTROLS AND PROCEDURES

This report includes the certifications of our Chief Executive Officer and Chief Financial Officer required by Rule 13a-14 of the Securities Exchange Act of 1934 (the “Exchange Act”). See Exhibits 31.1 and 31.2. This Item 4 includes information concerning the controls and control evaluations referred to in those certifications.

Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934) are designed to ensure that information required to be disclosed in the reports we file or submit under the Securities Exchange Act is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosures.

Under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, our management evaluated the effectiveness of the design and operation of our disclosure controls and procedures as of June 30, 2024 December 31, 2024. Our principal executive officer and principal financial officer have concluded that as of June 30, 2024 December 31, 2024, our disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed in our reports under the

Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC rules and forms and that such information is accumulated and communicated to management as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting during the quarter ended June 30, 2024 December 31, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations on Internal Controls

Our management, including our Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls or our internal controls will prevent or detect all errors and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. The design of any system of controls is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with associated policies or procedures. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

PART II — OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

See Note 9: Commitments And Contingencies of Notes to Condensed Consolidated Financial Statements included in "Part I, Item 1 — Financial Statements."

ITEM 1A. RISK FACTORS

Important risk factors that could affect our operations and financial performance, or that could cause results or events to differ from current expectations, are described in "Part I, Item 1A — Risk Factors" of our Annual Report on Form 10-K for the year ended September 30, 2023, as supplemented by the information set forth below.

Illinois recently passed the Pawnbroker Regulation Act of 2023, which went into effect on March 22, 2024 September 30, 2024.

The new law clarifies that pawn transactions are exempt from the Illinois Predatory Loan Prevention Act. It also reduces the monthly finance charge on certain pawn transactions, which is not expected to have a material adverse impact on our business in Illinois (20 stores) or the Company as a whole.

ITEM 2. Unregistered Sale of Equity Security and Use of Proceeds

The table below provides certain information about our repurchase of shares of Class A Non-voting Common Stock during the quarter ended June 30, 2024 December 31, 2024.

	Share Repurchases					
	Total Number of Shares Purchased (1)		Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Programs		Approximate Dollar Value of Shares That May Yet Be Purchased Under the Programs (1)
	(in thousands, except number of shares and average price information)					
April 1, 2024 through April 30, 2024	90,451	$	11.04	90,451	$	29,010
May 1, 2024 through May 31, 2024	71,500	$	10.18	71,500	$	28,282
June 1, 2024 through June 30, 2024	123,441	$	10.27	123,441	$	27,013
Quarter ended June 30, 2024	285,392	$	10.49	285,392	$	27,013

	Share Repurchases					
	Total Number of Shares Purchased (1)		Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Programs		Approximate Dollar Value of Shares That May Yet Be Purchased Under the Programs (1)
	(in thousands, except number of shares and average price information)					
October 1, 2024 through October 31, 2024	87,421	$	11.42	87,421	$	23,021
November 1, 2024 through November 30, 2024	40,200	$	12.50	40,200	$	22,518
December 1, 2024 through December 31, 2024	122,842	$	12.16	122,842	$	21,024
Quarter ended December 31, 2024	250,463	$	11.96	250,463	$	21,024

(1) On May 3, 2022, the Board of Directors approved a share repurchase program, under which we are authorized to repurchase up to $50 million of our Class A Non-Voting common shares over a three-year period. All repurchases under this program were in open market transactions at prevailing market prices and were executed pursuant to a trading plan under Rule 10b5-1 under the Securities Exchange Act of 1934. Execution of the program will be responsive to fluctuating market conditions and valuations, liquidity needs and the expected return on investment compared to other opportunities.

ITEM 5. Other Information

Insider Trading Arrangements

On May 23, 2024 December 11, 2024, Keith Robertson, then Chief Information Officer, terminated a prearranged trading plan entered into on May 23, 2024 to sell up to 89,830 shares of the Company's Class A Non-Voting Common Stock between September 1, 2024 and December 31, 2024, and on December 12, 2024, Mr. Robertson entered into a prearranged trading plan to sell up to 89,830 shares of the Company's Class A Non-Voting Common Stock between September 1, 2024 March 14, 2025 and December 31, 2024 June 30, 2025 pursuant to the terms of the plan. The plan is designed to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Exchange Act and comply with the Company's policies regarding stock transactions.

Other than as described above, no Director or Executive Officer adopted, modified or terminated any contract, instruction, written plan or other trading arrangement relating to the purchase or sale of Company securities during the fiscal quarter ended June 30, 2024 December 31, 2024.

ITEM 6. EXHIBITS

The following exhibits are filed with, or incorporated by reference into, this report.

		Incorporated by Reference				
Exhibit	Description of Exhibit	Form	File No.	Exhibit	Filing Date	Filed Herewith
31.1	Certification of Principal Executive Officer, pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934					x
31.2	Certification of Principal Financial Officer, pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934					x
32.1†	Certifications of Principal Executive Officer and Principal Financial Officer, pursuant to 18 U.S.C. Section 1350					x
101.INS	Inline XBRL Instance Document (the instance document does not appear in the interactive data files because the XBRL tags are embedded within the Inline XBRL document)					
101.SCH	Inline XBRL Taxonomy Extension Schema Document					x
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document					x
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document					x
101.LAB	Inline XBRL Taxonomy Extension Labels Linkbase Document					x
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document					x
104	Cover Page Interactive Data File in Inline XBRL format (contained in Exhibit 101)					

† The certifications furnished in Exhibit 32.1 hereto are deemed to accompany this Quarterly Report on Form 10-Q and will not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, except to the extent that the registrant specifically incorporates it by reference.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

EZCORP, INC.

Date: July 31, 2024 February 5, 2025

/s/ Timothy K. Jugmans

Timothy K. Jugmans,
Chief Financial Officer

39 32

Exhibit 31.1

Certification of Lachlan P. Given, Chief Executive Officer,
pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934,
as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Lachlan P. Given, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of EZCORP, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 31, 2024 February 5, 2025

/s/ Lachlan P. Given

Lachlan P. Given
Chief Executive Officer

Exhibit 31.2

Certification of Timothy K. Jugmans, Chief Financial Officer,
pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934,
as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Timothy K. Jugmans, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of EZCORP, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 31, 2024 February 5, 2025

/s/ Timothy K. Jugmans
Timothy K. Jugmans
Chief Financial Officer

Exhibit 32.1

Certification of Lachlan P. Given, Chief Executive Officer, and Timothy K. Jugmans, Chief Financial Officer,
pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

The undersigned officers of EZCORP, Inc. hereby certify that (a) EZCORP's Quarterly Report on Form 10-Q for the quarter ended June 30, 2024 December 31, 2024, as filed with the Securities and Exchange Commission, fully complies with the requirements of section 13(a) of the Securities Exchange Act of 1934, as amended, and (b) the information contained in the report fairly presents, in all material respects, the financial condition and results of operations of EZCORP.

Date: July 31, 2024 February 5, 2025	/s/ Lachlan P. Given
	Lachlan P. Given
	Chief Executive Officer
Date: July 31, 2024 February 5, 2025	/s/ Timothy K. Jugmans
	Timothy K. Jugmans
	Chief Financial Officer

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