



NEWS RELEASE

CPS ANNOUNCES THIRD QUARTER 2024 EARNINGS

- Revenues of \$100.6 million compared to \$92.1 million in the prior year period
- Net income of \$4.8 million, or \$0.20 per diluted share
- Total portfolio balance of \$3.330 billion, highest in company history
- New contract purchases of \$445.9 million, compared to \$322.4 million in the prior year period

LAS VEGAS, NV, October 31, 2024 (GlobeNewswire) -- Consumer Portfolio Services, Inc. (Nasdaq: CPSS) (“CPS” or the “Company”) today announced earnings of \$4.8 million, or \$0.20 per diluted share, for its third quarter ended September 30, 2024.

Revenues for the third quarter of 2024 were \$100.6 million, an increase of \$8.5 million, or 9.2%, compared to \$92.1 million for the third quarter of 2023. Total operating expenses for the third quarter of 2024 were \$93.7 million compared to \$77.9 million for the 2023 period. Pretax income for the third quarter of 2024 was \$6.9 million compared to pretax income of \$14.2 million in the third quarter of 2023.

For the nine months ended September 30, 2024 total revenues were \$288.2 million compared to \$260.0 million for the nine months ended September 30, 2023, an increase of approximately \$28.2 million, or 10.8%. Total operating expenses for the nine months ended September 30, 2024 were \$268.1 million, compared to \$208.8 million for the nine months ended September 30, 2023. Pretax income for the nine months ended September 30, 2024 was \$20.1 million, compared to \$51.3 million for the nine months ended September 30, 2023. Net income for the nine months ended September 30, 2024 was \$14.1 million compared to \$38.2 million for the nine months ended September 30, 2023.

During the third quarter of 2024, CPS purchased \$445.9 million of new contracts compared to \$431.9 million during the second quarter of 2024 and \$322.4 million during the third quarter of 2023. The Company's receivables totaled \$3.330 billion as of September 30, 2024, an increase from \$3.173 billion as of June 30, 2024 and an increase from \$2.943 billion as of September 30, 2023.

Annualized net charge-offs for the third quarter of 2024 were 7.32% of the average portfolio as compared to 6.86% for the third quarter of 2023. Delinquencies greater than 30 days (including repossession inventory) were 14.04% of the total portfolio as of September 30, 2024, compared to 13.31% as of September 30, 2023.

“New loan origination volumes have outpaced the prior quarter for a fourth consecutive quarter. This positions us well for future quarters,” said Charles E. Bradley Jr., Chief Executive Officer. “With our operating efficiencies improving, we remain committed to driving the company forward in any environment.”

Conference Call

CPS announced that it will hold a conference call on November 1, 2024 at 1:00 p.m. ET to discuss its third quarter 2024 operating results.

Those wishing to participate can pre-register for the conference call at the following link <https://register.vevent.com/register/BIaadcdbbe0a7849aa918eac85c86475ff>. Registered participants will receive an email containing conference call details for dial-in options. To avoid delays, we encourage participants to dial into the conference call fifteen minutes ahead of the schedule start time. A replay will be available beginning two hours after conclusion of the call for 12 months via the Company's website at <https://ir.consumerportfolio.com/investor-relations>.

About Consumer Portfolio Services, Inc.

Consumer Portfolio Services, Inc. is an independent specialty finance company that provides indirect automobile financing to individuals with past credit problems or limited credit histories. We purchase retail installment sales contracts primarily from franchised automobile dealerships secured by late model used vehicles and, to a lesser extent, new vehicles. We fund these contract purchases on a long-term basis primarily through the securitization markets and service the contracts over their lives.

Forward-looking statements in this news release include the Company's recorded figures representing allowances for remaining expected lifetime credit losses, its estimates of fair value (most significantly for its receivables accounted for at fair value), its provision for credit losses, its entries offsetting the preceding, and figures derived from any of the preceding. In each case, such figures are forward-looking statements because they are dependent on the Company's estimates of losses to be incurred in the future. The accuracy of such estimates may be adversely affected by various factors, which include the following: possible increased delinquencies; repossessions and losses on retail installment contracts; incorrect prepayment speed and/or discount rate assumptions; possible unavailability of qualified personnel, which could adversely affect the Company's ability to service its portfolio; possible increases in the rate of consumer bankruptcy filings, which could adversely affect the Company's rights to collect payments from its portfolio; other changes in government regulations affecting consumer credit; possible declines in the market price for used vehicles, which could adversely affect the Company's realization upon repossessed vehicles; and economic conditions in geographic areas in which the Company's business is concentrated. Any or all of such factors also may affect the Company's future financial results, as to which there can be no assurance. Any implication that the results of the most recently completed quarter are indicative of future results is disclaimed, and the reader should draw no such inference. Factors such as those identified above in relation to losses to be incurred in the future may affect future performance.

Investor Relations Contact

Danny Bharwani, Chief Financial Officer

949-753-6811

Consumer Portfolio Services, Inc. and Subsidiaries
Condensed Consolidated Statements of Operations
(In thousands, except per share data)
(Unaudited)

| | Three months ended | | Nine months ended | |
|--|--------------------|------------------|-------------------|------------------|
| | September 30, | | September 30, | |
| | 2024 | 2023 | 2024 | 2023 |
| Revenues: | | | | |
| Interest income | \$ 93,158 | \$ 83,261 | \$ 265,812 | \$ 245,960 |
| Mark to finance receivables measured at fair value | 5,500 | 6,000 | 16,000 | 6,000 |
| Other income | 1,922 | 2,818 | 6,391 | 8,077 |
| | <u>100,580</u> | <u>92,079</u> | <u>288,203</u> | <u>260,037</u> |
| Expenses: | | | | |
| Employee costs | 24,162 | 21,812 | 72,303 | 64,991 |
| General and administrative | 13,276 | 13,045 | 40,288 | 36,224 |
| Interest | 50,056 | 37,889 | 138,735 | 106,354 |
| Provision for credit losses | (994) | (2,000) | (4,579) | (20,700) |
| Other expenses | 7,229 | 7,115 | 21,376 | 21,915 |
| | <u>93,729</u> | <u>77,861</u> | <u>268,123</u> | <u>208,784</u> |
| Income before income taxes | 6,851 | 14,218 | 20,080 | 51,253 |
| Income tax expense | 2,055 | 3,839 | 6,022 | 13,097 |
| Net income | <u>\$ 4,796</u> | <u>\$ 10,379</u> | <u>\$ 14,058</u> | <u>\$ 38,156</u> |
| Earnings per share: | | | | |
| Basic | \$ 0.22 | \$ 0.49 | \$ 0.66 | \$ 1.83 |
| Diluted | \$ 0.20 | \$ 0.41 | \$ 0.58 | \$ 1.51 |
| Number of shares used in computing earnings | | | | |
| per share: | | | | |
| Basic | 21,343 | 21,154 | 21,250 | 20,815 |
| Diluted | 24,153 | 25,218 | 24,340 | 25,331 |

Condensed Consolidated Balance Sheets
(In thousands)
(Unaudited)

| | September 30, 2024 | December 31, 2023 |
|--|-----------------------|----------------------|
| Assets: | | |
| Cash and cash equivalents | \$ 8,071 | \$ 6,174 |
| Restricted cash and equivalents | 270,981 | 119,257 |
| Finance receivables measured at fair value | 3,132,310 | 2,722,662 |
| Finance receivables | 8,274 | 27,553 |
| Allowance for finance credit losses | (486) | (2,869) |
| Finance receivables, net | 7,788 | 24,684 |
| Deferred tax assets, net | 1,565 | 3,736 |
| Other assets | 41,977 | 27,233 |
| | <u>\$ 3,462,692</u> | <u>\$ 2,903,746</u> |
| Liabilities and Shareholders' Equity: | | |
| Accounts payable and accrued expenses | \$ 72,626 | \$ 62,544 |
| Warehouse lines of credit | 105,783 | 234,025 |
| Residual interest financing | 99,127 | 49,875 |
| Securitization trust debt | 2,875,777 | 2,265,446 |
| Subordinated renewable notes | 24,288 | 17,188 |
| | <u>3,177,601</u> | <u>2,629,078</u> |
| Shareholders' equity | 285,091 | 274,668 |
| | <u>\$ 3,462,692</u> | <u>\$ 2,903,746</u> |

