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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 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 March 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 number 001-10960

FIRSTCASH HOLDINGS, INC.
(Exact name of registrant as specified in its charter)

Delaware	**87-3920732**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1600 West 7th Street, Fort Worth, Texas 76102
(Address of principal executive offices) (Zip code)

(817) 335-1100
(Registrant's telephone number, including area code)

Not Applicable
(Former name, former address and former fiscal year, if changed since last report)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $.01 per share	**FCFS**	**The Nasdaq Stock 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 and post such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definitions 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

As of April 24, 2024, there were 45,473,298 shares of common stock outstanding.

FIRSTCASH HOLDINGS, INC.
FORM 10-Q FOR THE QUARTER ENDED MARCH 31, 2024

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CAUTIONARY STATEMENT REGARDING RISKS AND UNCERTAINTIES THAT MAY AFFECT FUTURE RESULTS

Forward-Looking Information

This quarterly report contains forward-looking statements about the business, financial condition, outlook and prospects of FirstCash Holdings, Inc. and its wholly owned subsidiaries (together, the "Company"). Forward-looking statements, as that term is defined in the Private Securities Litigation Reform Act of 1995, can be identified by the use of forward-looking terminology such as "believes," "projects," "expects," "may," "estimates," "should," "plans," "targets," "intends," "could," "would," "anticipates," "potential," "confident," "optimistic" or the negative thereof, or other variations thereon, or comparable terminology, or by discussions of strategy, objectives, estimates, guidance, expectations, outlook and future plans. Forward-looking statements can also be identified by the fact these statements do not relate strictly to historical or current matters. Rather, forward-looking statements relate to anticipated or expected events, activities, trends or results. Because forward-looking statements relate to matters that have not yet occurred, these statements are inherently subject to risks and uncertainties.

While the Company believes the expectations reflected in forward-looking statements are reasonable, there can be no assurances such expectations will prove to be accurate. Security holders are cautioned that such forward-looking statements involve risks and uncertainties. Certain factors may cause results to differ materially from those anticipated by the forward-looking statements made in this quarterly report. Such factors may include, without limitation, risks related to the extensive regulatory environment in which the Company operates; risks associated with the legal and regulatory proceedings that the Company is a party to, or may become a party to in the future, including the Consumer Financial Protection Bureau (the "CFPB") lawsuit filed against the Company; risks related to the Company's acquisitions, including the failure of the Company's acquisitions, to deliver the estimated value and benefits expected by the Company and the ability of the Company to continue to identify and consummate acquisitions on favorable terms, if at all; potential changes in consumer behavior and shopping patterns which could impact demand for the Company's pawn loan, retail, lease-to-own ("LTO") and retail finance products, including, as a result to, changes in the general economic conditions; labor shortages and increased labor costs; a deterioration in the economic conditions in the United States and Latin America, including as a result of inflation, elevated interest rates and higher gas prices, which potentially could have an impact on discretionary consumer spending and demand for the Company's products; currency fluctuations, primarily involving the Mexican peso; competition the Company faces from other retailers and providers of retail payment solutions; the ability of the Company to successfully execute on its business strategies; and other risks discussed and described in the Company's most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission (the "SEC"), including the risks described in Part 1, Item 1A, "Risk Factors" thereof, and other reports filed with the SEC. Many of these risks and uncertainties are beyond the ability of the Company to control, nor can the Company predict, in many cases, all of the risks and uncertainties that could cause its actual results to differ materially from those indicated by the forward-looking statements. The forward-looking statements contained in this quarterly report speak only as of the date of this quarterly report, and the Company expressly disclaims any obligation or undertaking to report any updates or revisions to any such statement to reflect any change in the Company's expectations or any change in events, conditions or circumstances on which any such statement is based, except as required by law.

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

FIRSTCASH HOLDINGS, INC.
CONSOLIDATED BALANCE SHEETS
(unaudited, in thousands)

	March 31, 2024	March 31, 2023	December 31, 2023
ASSETS			
Cash and cash equivalents	**$ 135,070**	$ 100,795	$ 127,018
Accounts receivable, net	**69,703**	56,357	71,922
Pawn loans	**456,079**	377,697	471,846
Finance receivables, net	**105,653**	102,093	113,901
Inventories	**302,385**	257,603	312,089
Leased merchandise, net	**157,785**	148,854	171,191
Prepaid expenses and other current assets	**30,460**	29,523	38,634
Total current assets	**1,257,135**	1,072,922	1,306,601
Property and equipment, net	**658,349**	563,422	632,724
Operating lease right of use asset	**320,515**	308,890	328,458
Goodwill	**1,730,353**	1,591,460	1,727,652
Intangible assets, net	**265,184**	315,865	277,724
Other assets	**10,080**	9,204	10,242
Deferred tax assets, net	**5,836**	7,534	6,514
Total assets	**$ 4,247,452**	$ 3,869,297	$ 4,289,915
LIABILITIES AND STOCKHOLDERS’ EQUITY			
Accounts payable and accrued liabilities	**$ 138,812**	$ 142,277	$ 163,050
Customer deposits and prepayments	**75,423**	69,075	70,580
Lease liability, current	**100,874**	95,338	101,962
Total current liabilities	**315,109**	306,690	335,592
Revolving unsecured credit facilities	**15,000**	308,000	568,000
Senior unsecured notes	**1,529,147**	1,036,176	1,037,647
Deferred tax liabilities, net	**133,606**	145,686	136,773
Lease liability, non-current	**209,208**	201,871	215,485
Total liabilities	**2,202,070**	1,998,423	2,293,497
Stockholders’ equity:			
Common stock	**573**	573	573
Additional paid-in capital	**1,727,564**	1,730,747	1,741,046
Retained earnings	**1,263,564**	1,092,697	1,218,029
Accumulated other comprehensive loss	**(36,702)**	(77,060)	(43,037)
Common stock held in treasury, at cost	**(909,617)**	(876,083)	(920,193)
Total stockholders’ equity	**2,045,382**	1,870,874	1,996,418
Total liabilities and stockholders’ equity	**$ 4,247,452**	$ 3,869,297	$ 4,289,915

The accompanying notes are an integral part of these consolidated financial statements.

FIRSTCASH HOLDINGS, INC.
CONSOLIDATED STATEMENTS OF INCOME
(unaudited, in thousands, except per share amounts)

	Three Months Ended March 31,	
	2024	2023
Revenue:		
Retail merchandise sales	**$ 366,821**	$ 327,915
Pawn loan fees	**179,535**	151,560
Leased merchandise income	**205,671**	183,438
Interest and fees on finance receivables	**57,387**	54,642
Wholesale scrap jewelry sales	**26,956**	45,184
Total revenue	**836,370**	762,739
Cost of revenue:		
Cost of retail merchandise sold	**223,529**	199,001
Depreciation of leased merchandise	**120,284**	101,605
Provision for lease losses	**43,010**	49,065
Provision for loan losses	**30,418**	29,285
Cost of wholesale scrap jewelry sold	**23,289**	35,727
Total cost of revenue	**440,530**	414,683
Net revenue	**395,840**	348,056
Expenses and other income:		
Operating expenses	**221,136**	199,061
Administrative expenses	**43,057**	39,017
Depreciation and amortization	**26,027**	27,111
Interest expense	**25,418**	20,897
Interest income	**(743)**	(517)
Gain on foreign exchange	**(186)**	(802)
Merger and acquisition expenses	**597**	31
Other expenses (income), net	**(1,351)**	45
Total expenses and other income	**313,955**	284,843
Income before income taxes	**81,885**	63,213
Provision for income taxes	**20,517**	15,825
Net income	**$ 61,368**	$ 47,388
Earnings per share:		
Basic	**$ 1.36**	$ 1.03
Diluted	**$ 1.35**	$ 1.02

The accompanying notes are an integral part of these consolidated financial statements.

FIRSTCASH HOLDINGS, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(unaudited, in thousands)

	Three Months Ended March 31,	
	2024	2023
Net income	**$ 61,368**	$ 47,388
Other comprehensive income:		
Currency translation adjustment	**6,335**	29,513
Comprehensive income	**$ 67,703**	$ 76,901

The accompanying notes are an integral part of these consolidated financial statements.

FIRSTCASH HOLDINGS, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(unaudited, in thousands, except per share amounts)

Three Months Ended March 31, 2024

	Common Stock		Additional Paid-In Capital	Retained Earnings	Accum-ulated Other Compre-hensive Loss	Common Stock Held in Treasury		Total Stock-holders' Equity
	Shares	Amount				Shares	Amount	
As of 12/31/2023	57,322	$ 573	$ 1,741,046	$ 1,218,029	$ (43,037)	12,214	$ (920,193)	$ 1,996,418
Shares issued under share-based compensation plan, net of 59 shares net-settled	—	—	(17,583)	—	—	(140)	10,576	(7,007)
Share-based compensation expense	—	—	4,101	—	—	—	—	4,101
Net income	—	—	—	61,368	—	—	—	61,368
Cash dividends ($0.35 per share)	—	—	—	(15,833)	—	—	—	(15,833)
Currency translation adjustment	—	—	—	—	6,335	—	—	6,335
As of 3/31/2024	**57,322**	**$ 573**	**$ 1,727,564**	**$ 1,263,564**	**$ (36,702)**	**12,074**	**$ (909,617)**	**$ 2,045,382**

The accompanying notes are an integral part of these consolidated financial statements.

FIRSTCASH HOLDINGS, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
CONTINUED
(unaudited, in thousands, except per share amounts)

Three Months Ended March 31, 2023

	Common Stock		Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Common Stock Held in Treasury		Total Stockholders' Equity
	Shares	Amount				Shares	Amount	
As of 12/31/2022	57,322	$ 573	$ 1,734,528	$ 1,060,603	$ (106,573)	11,030	$ (809,365)	$ 1,879,766
Shares issued under share-based compensation plan, net of 28 shares net-settled	—	—	(7,156)	—	—	(64)	4,693	(2,463)
Share-based compensation expense	—	—	3,375	—	—	—	—	3,375
Net income	—	—	—	47,388	—	—	—	47,388
Cash dividends ($0.33 per share)	—	—	—	(15,294)	—	—	—	(15,294)
Currency translation adjustment	—	—	—	—	29,513	—	—	29,513
Purchases of treasury stock, including excise tax	—	—	—	—	—	782	(71,411)	(71,411)
As of 3/31/2023	57,322	$ 573	$ 1,730,747	$ 1,092,697	$ (77,060)	11,748	$ (876,083)	$ 1,870,874

The accompanying notes are an integral part of these consolidated financial statements.

FIRSTCASH HOLDINGS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited, in thousands)

	Three Months Ended March 31,	
	2024	2023
Cash flow from operating activities:		
Net income	**$ 61,368**	$ 47,388
Adjustments to reconcile net income to net cash flow provided by operating activities:		
Depreciation of leased merchandise	**120,284**	101,605
Provision for lease losses	**43,010**	49,065
Provision for loan losses	**30,418**	29,285
Share-based compensation expense	**4,101**	3,375
Depreciation and amortization expense	**26,027**	27,111
Amortization of debt issuance costs	**819**	692
Net amortization of premiums, discounts and unearned origination fees on finance receivables	**(6,859)**	(3,344)
Impairments and dispositions of certain other assets	**461**	45
Deferred income taxes, net	**(2,421)**	(5,732)
Changes in operating assets and liabilities, net of business combinations:		
Accounts receivable, net	**2,491**	2,484
Inventories purchased directly from customers, wholesalers or manufacturers	**3,912**	12,819
Leased merchandise, net	**(149,888)**	(146,222)
Prepaid expenses and other assets	**1,935**	(2,138)
Accounts payable, accrued liabilities and other liabilities	**(31,722)**	(20,992)
Income taxes	**18,596**	15,153
Net cash flow provided by operating activities	**122,532**	110,594
Cash flow from investing activities:		
Pawn loans, net [(1)]	**25,149**	44,358
Finance receivables, net	**(15,311)**	(24,540)
Purchases of furniture, fixtures, equipment and improvements	**(26,427)**	(13,828)
Purchases of store real property	**(11,340)**	(17,483)
Acquisitions of pawn stores, net of cash acquired	**(1,705)**	(1,746)
Net cash flow used in investing activities	**(29,634)**	(13,239)
Cash flow from financing activities:		
Borrowings from unsecured credit facilities	**50,000**	73,000
Repayments of unsecured credit facilities	**(603,000)**	(104,000)
Issuance of senior unsecured notes	**500,000**	—
Debt issuance costs paid	**(9,094)**	—
Purchases of treasury stock	**—**	(67,227)
Payment of withholding taxes on net share settlements of restricted stock unit awards	**(7,007)**	(2,463)
Dividends paid	**(15,833)**	(15,294)
Net cash flow used in financing activities	**(84,934)**	(115,984)

FIRSTCASH HOLDINGS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
CONTINUED
(unaudited, in thousands)

	Three Months Ended March 31,	
	2024	2023
Effect of exchange rates on cash	**88**	2,094
Change in cash and cash equivalents	**8,052**	(16,535)
Cash and cash equivalents at beginning of the period	**127,018**	117,330
Cash and cash equivalents at end of the period	**$ 135,070**	$ 100,795

(1) Includes the funding of new pawn loans net of cash repayments and recovery of principal through the sale of inventories acquired from forfeiture of pawn collateral.

The accompanying notes are an integral part of these consolidated financial statements.

FIRSTCASH HOLDINGS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

Note 1 - General

Basis of Presentation

The accompanying consolidated balance sheet as of December 31, 2023, which is derived from audited consolidated financial statements, and the unaudited consolidated financial statements, including the notes thereto, includes the accounts of FirstCash Holdings, Inc. and its wholly-owned subsidiaries (together, the "Company"). The Company regularly makes acquisitions, and the results of operations for the acquisitions have been consolidated since the acquisition dates. All significant intercompany accounts and transactions have been eliminated.

These unaudited consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") for interim financial information and with the rules and regulations for reporting on Form 10-Q. Accordingly, they do not include certain information and disclosures required for comprehensive financial statements. These interim period financial statements should be read in conjunction with the Company's audited consolidated financial statements, which are included in the Company's Annual Report on Form 10-K for the year ended December 31, 2023, filed with the SEC on February 5, 2024. The consolidated financial statements as of March 31, 2024 and 2023, and for the three month periods ended March 31, 2024 and 2023, are unaudited, but in management's opinion include all adjustments (consisting of only normal recurring adjustments) considered necessary to present fairly the financial position, results of operations and cash flow for such interim periods. Operating results for the period ended March 31, 2024 are not necessarily indicative of the results that may be expected for the full year.

The Company has pawn operations in Latin America, where in Mexico, Guatemala and Colombia, the functional currency is the Mexican peso, Guatemalan quetzal and Colombian peso. Accordingly, the assets and liabilities of these subsidiaries are translated into U.S. dollars at the exchange rate in effect at each balance sheet date, and the resulting adjustments are accumulated in other comprehensive income (loss) as a separate component of stockholders' equity. Revenues and expenses are translated at the average exchange rates occurring during the respective period. The Company also has pawn operations in El Salvador, where the reporting and functional currency is the U.S. dollar.

Use of Estimates

The preparation of interim financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and related revenue and expenses, and the disclosure of gain and loss contingencies at the date of the financial statements. Such estimates and assumptions are subject to a number of risks and uncertainties, which may cause actual results to differ materially from the Company's estimates.

Recent Accounting Pronouncements

In October 2023, the FASB issued ASU No 2023-06, "Disclosure Agreements – Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative" ("ASU 2023-06"). ASU 2023-06 will align the disclosure and presentation requirements in the FASB Accounting Standards Codification with the SEC's regulations. The amendments in ASU 2023-06 will be applied prospectively and are effective when the SEC removes the related requirements from Regulations S-X or S-K. Any amendments the SEC does not remove by June 30, 2027 will not be effective. As the Company is currently subject to these SEC requirements, ASU 2023-06 is not expected to have a material effect on the Company's current financial position, results of operations or financial statement disclosures.

In November 2023, the FASB issued ASU No 2023-07, "Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures" ("ASU 2023-07"). ASU 2023-07 expands disclosures about a public entity's reportable segments and requires more enhanced information about a reportable segment's expenses, interim segment profit or loss, and how a public entity's chief operating decision maker uses reported segment profit or loss information in assessing segment performance and allocating resources. ASU 2023-07 is effective for fiscal years beginning after December 15, 2023 and interim periods within fiscal years beginning after December 15, 2024. Early adoption is permitted. ASU 2023-07 should be applied retrospectively to all prior periods presented in the financial statements. The Company does not expect ASU 2023-07 to have a material effect on the Company's current financial position, results of operations or financial statement disclosures.

In December 2023, the FASB issued ASU No 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures" ("ASU 2023-09"). ASU 2023-09 expands disclosures in the rate reconciliation and requires disclosure of income taxes paid by jurisdiction. ASU 2023-09 is effective for fiscal years beginning after December 15, 2024. Early adoption is permitted. ASU 2023-09 should be applied prospectively; however, retrospective application is permitted. The Company does not expect ASU 2023-09 to have a material effect on the Company's current financial position, results of operations or financial statement disclosures.

In March 2024, the FASB issued ASU No 2024-02, "Codification Improvements - Amendments to Remove References to the Concepts Statements" ("ASU 2024-02"). ASU 2024-02 removes references to various Concepts Statements. In most instances, the references are extraneous and not required to understand or apply the guidance. ASU 2024-02 is effective for fiscal years beginning after December 15, 2024. Early adoption is permitted. ASU 2024-02 can be applied prospectively or retrospectively. The Company adopted ASU 2024-02 effective January 1, 2024 on a prospective basis. The adoption of ASU 2024-02 did not have a material effect on the Company's current financial position, results of operations or financial statement disclosures.

Note 2 - Earnings Per Share

The following table sets forth the computation of basic and diluted earnings per share (in thousands, except per share amounts):

	Three Months Ended March 31,	
	2024	2023
Numerator:		
Net income	**$ 61,368**	$ 47,388
Denominator:		
Weighted-average common shares for calculating basic earnings per share	**45,244**	46,147
Effect of dilutive securities:		
Restricted stock unit awards	**143**	165
Weighted-average common shares for calculating diluted earnings per share	**45,387**	46,312
Earnings per share:		
Basic	**$ 1.36**	$ 1.03
Diluted	**$ 1.35**	$ 1.02

Note 3 - Operating Leases

Lessor

For information about the Company's revenue-generating activities as a lessor, refer to the "Leased merchandise and revenue recognition" section of Note 2 to the consolidated financial statements included in the Company's 2023 Annual Report on Form 10-K. All of the Company's lease agreements are considered operating leases.

Lessee

The Company leases the majority of its pawnshop locations and certain administrative offices under operating leases and determines if an arrangement is or contains a lease at inception. Many leases include both lease and non-lease components for which the Company accounts separately. Lease components include rent, taxes and insurance costs while non-lease components include common area or other maintenance costs. Operating leases are included in operating lease right of use assets, lease liability, current and lease liability, non-current in the consolidated balance sheets. The Company does not have any finance leases.

Leased facilities are generally leased for a term of three to five years with one or more options to renew for an additional three to five years, typically at the Company's sole discretion. In addition, the majority of these leases can be terminated early upon an adverse change in law which negatively affects the store's profitability. The Company regularly evaluates renewal and termination options to determine if the Company is reasonably certain to exercise the option, and excludes these options from the lease term included in the recognition of the operating lease right of use asset and lease liability until such certainty exists. The weighted-average remaining lease term for operating leases was 3.9 years as of March 31, 2024 and 4.0 years as of March 31, 2023.

The operating lease right of use asset and lease liability is recognized based on the present value of the future minimum lease payments over the lease term at the commencement date. The Company's leases do not provide an implicit rate, and therefore, it uses its incremental borrowing rate based on the information available at the lease commencement date in determining the present value of the lease payments. The Company utilizes a portfolio approach for determining the incremental borrowing rate to apply to groups of leases with similar characteristics. The weighted-average discount rate used to measure the lease liability as of March 31, 2024 and 2023 was 8.2% and 6.9%, respectively.

The Company has certain operating leases in Mexico which are denominated in U.S. dollars. The liability related to these leases is considered a monetary liability and requires remeasurement each reporting period into the functional currency (Mexican pesos) using reporting date exchange rates. The remeasurement results in the recognition of foreign currency exchange gains or losses each reporting period, which can produce a certain level of earnings volatility. The Company recognized a foreign currency gain of $0.2 million and $1.2 million during the three months ended March 31, 2024 and 2023, respectively, related to the remeasurement of these U.S. dollar-denominated operating leases, which is included in gain on foreign exchange in the accompanying consolidated statements of income.

Lease expense is recognized on a straight-line basis over the lease term, with variable lease expense recognized in the period such payments are incurred. The following table details the components of lease expense included in operating expenses in the consolidated statements of income during the three months ended March 31, 2024 and 2023 (in thousands):

	Three Months Ended March 31,	
	2024	2023
Operating lease expense	**$ 36,919**	$ 33,540
Variable lease expense [(1)]	**5,021**	4,472
Total operating lease expense	**$ 41,940**	$ 38,012

(1) Variable lease costs consist primarily of taxes, insurance and common area or other maintenance costs paid based on actual costs incurred by the lessor and can therefore vary over the lease term.

The following table details the maturity of lease liabilities for all operating leases as of March 31, 2024 (in thousands):

Nine months ending December 31, 2024	$	94,112
2025		98,976
2026		74,162
2027		46,168
2028		23,853
Thereafter		24,406
Total	$	361,677
Less amount of lease payments representing interest		(51,595)
Total present value of lease payments	$	310,082

The following table details supplemental cash flow information related to operating leases for the three months ended March 31, 2024 and 2023 (in thousands):

	Three Months Ended March 31,			
	2024		2023	
Cash paid for amounts included in the measurement of operating lease liabilities	**$**	**33,439**	$	30,146
Leased assets obtained in exchange for new operating lease liabilities	**$**	**19,924**	$	19,734

Note 4 - Fair Value of Financial Instruments

The fair value of financial instruments is determined by reference to various market data and other valuation techniques, as appropriate. Financial assets and liabilities are classified based on the lowest level of input that is significant to the fair value measurement. The Company's assessment of the significance of a particular input to the fair value measurement requires judgment, and may affect the valuation of the fair value of assets and liabilities and their placement within the fair value hierarchy levels. The three fair value levels are (from highest to lowest):

Level 1: Quoted market prices in active markets for identical assets or liabilities.

Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data.

Level 3: Unobservable inputs that are not corroborated by market data.

Recurring Fair Value Measurements

The Company did not have any financial assets and liabilities measured at fair value on a recurring basis as of March 31, 2024 and December 31, 2023. The Company's financial assets and liabilities as of March 31, 2023 that are measured at fair value on a recurring basis are as follows (in thousands):

	Estimated Fair Value		
	Fair Value Measurements Using		
	Level 1	Level 2	Level 3
Financial liabilities [(1)]:			
Contingent consideration as of March 31, 2023	$ —	$ —	$ —

[(1)] As of March 31, 2023, under the American First Finance ("AFF") purchase agreement, the seller parties had the right to receive up to $50.0 million of additional consideration if AFF achieved certain adjusted EBITDA targets for the first half of 2023. The Company revalues this contingent consideration to fair value at the end of each reporting period. The estimate of the fair value of contingent consideration is determined by applying a Monte Carlo simulation, which includes inputs not observable in the market, such as the risk-free rate, risk-adjusted discount rate, the volatility of the underlying financial metrics and projected financial forecast of AFF over the earn-out period, and therefore represents a Level 3 measurement. Significant increases or decreases in these inputs could result in a significantly lower or higher fair value measurement of the contingent consideration.

The changes in financial assets and liabilities that are measured and recorded at fair value on a recurring basis using Level 3 fair value measurements for the three months ended March 31, 2023 are as follows (in thousands):

	Three Months Ended March 31, 2023
Contingent consideration at beginning of the period	$ —
Change in fair value	—
Contingent consideration at end of the period	$ —

There were no transfers in or out of Level 1, 2 or 3 during the three months ended March 31, 2023.

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Fair Value Measurements on a Non-Recurring Basis

The Company measures non-financial assets and liabilities, such as property and equipment and intangible assets, at fair value on a non-recurring basis, or when events or circumstances indicate that the carrying amount of the assets may be impaired. There were no such events or conditions identified during the three months ended March 31, 2024 and 2023.

Financial Assets and Liabilities Not Measured at Fair Value, But for Which Fair Value is Disclosed

The Company's financial assets and liabilities as of March 31, 2024, March 31, 2023 and December 31, 2023 that are not measured at fair value in the consolidated balance sheets are as follows (in thousands):

	Carrying Value	Estimated Fair Value			
			Fair Value Measurements Using		
	March 31, 2024	**March 31, 2024**	Level 1	Level 2	Level 3
Financial assets:					
Cash and cash equivalents	$ 135,070	$ 135,070	$ 135,070	$ —	$ —
Accounts receivable, net	69,703	69,703	—	—	69,703
Pawn loans	456,079	456,079	—	—	456,079
Finance receivables, net [1]	105,653	227,922	—	—	227,922
	$ 766,505	$ 888,774	$ 135,070	$ —	$ 753,704
Financial liabilities:					
Revolving unsecured credit facilities	$ 15,000	$ 15,000	$ —	$ 15,000	$ —
Senior unsecured notes (outstanding principal)	1,550,000	1,489,000	—	1,489,000	—
	$ 1,565,000	$ 1,504,000	$ —	$ 1,504,000	$ —

(1) Finance receivables, gross as of March 31, 2024 was $222.1 million. See Note 5.

	Carrying Value	Estimated Fair Value			
			Fair Value Measurements Using		
	March 31, 2023	March 31, 2023	Level 1	Level 2	Level 3
Financial assets:					
Cash and cash equivalents	$ 100,795	$ 100,795	$ 100,795	$ —	$ —
Accounts receivable, net	56,357	56,357	—	—	56,357
Pawn loans	377,697	377,697	—	—	377,697
Finance receivables, net [1]	102,093	214,206	—	—	214,206
	$ 636,942	$ 749,055	$ 100,795	$ —	$ 648,260
Financial liabilities:					
Revolving unsecured credit facilities	$ 308,000	$ 308,000	$ —	$ 308,000	$ —
Senior unsecured notes (outstanding principal)	1,050,000	950,000	—	950,000	—
	$ 1,358,000	$ 1,258,000	$ —	$ 1,258,000	$ —

(1) Finance receivables, gross as of March 31, 2023 was $201.3 million. See Note 5.

	Carrying Value December 31, 2023	Estimated Fair Value December 31, 2023	Fair Value Measurements Using Level 1	Level 2	Level 3
Financial assets:					
Cash and cash equivalents	$ 127,018	$ 127,018	$ 127,018	$ —	$ —
Accounts receivable, net	71,922	71,922	—	—	71,922
Pawn loans	471,846	471,846	—	—	471,846
Finance receivables, net [1]	113,901	227,732	—	—	227,732
	$ 784,687	$ 898,518	$ 127,018	$ —	$ 771,500
Financial liabilities:					
Revolving unsecured credit facilities	$ 568,000	$ 568,000	$ —	$ 568,000	$ —
Senior unsecured notes (outstanding principal)	1,050,000	987,000	—	987,000	—
	$ 1,618,000	$ 1,555,000	$ —	$ 1,555,000	$ —

[1] Finance receivables, gross as of December 31, 2023 were $227.5 million. See Note 5.

As cash and cash equivalents have maturities of less than three months, the carrying value of cash and cash equivalents approximates fair value. Due to their short-term maturities, the carrying value of pawn loans and accounts receivable, net approximate fair value.

Finance receivables are measured at amortized cost, net of an allowance for loan losses on the consolidated balance sheets. In estimating fair value for finance receivables, the Company utilized a discounted cash flow methodology. The Company used various unobservable inputs reflecting its own assumptions, such as contractual future principal and interest cash flows, future charge-off rates and discount rates (which consider current interest rates and are adjusted for credit risk, among other factors).

The carrying value of the unsecured credit facilities approximates fair value as of March 31, 2024, March 31, 2023 and December 31, 2023. The fair value of the unsecured credit facilities is estimated based on market values for debt issuances with similar characteristics or rates currently available for debt with similar terms. In addition, the unsecured credit facilities have a variable interest rate based on the prevailing secured overnight financing rate ("SOFR") or the Mexican Central Bank's interbank equilibrium rate ("TIIE") and reprice with any changes in SOFR or TIIE. The fair value of the senior unsecured notes is estimated based on quoted prices in markets that are not active.

Note 5 - Finance Receivables, Net

Finance receivables, net, which include retail installment sales agreements and bank-originated loans, consist of the following (in thousands):

	As of March 31, **2024**	As of March 31, 2023	As of December 31, 2023
Finance receivables, gross	**$ 222,087**	$ 201,288	$ 227,474
Merchant partner discounts and premiums, net	**(15,221)**	(6,328)	(11,907)
Unearned origination fees	**(5,193)**	(4,257)	(5,212)
Finance receivables, amortized cost	**201,673**	190,703	210,355
Less allowance for loan losses	**(96,020)**	(88,610)	(96,454)
Finance receivables, net	**$ 105,653**	$ 102,093	$ 113,901

The following table details the changes in the allowance for loan losses (in thousands):

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Balance at beginning of period	**$ 96,454**	$ 84,833
Provision for loan losses	**30,418**	29,285
Charge-offs	**(33,279)**	(27,117)
Recoveries	**2,427**	1,609
Balance at end of period	**$ 96,020**	$ 88,610

The following is an assessment of the credit quality indicators of the amortized cost of finance receivables as of March 31, 2024 and 2023, by origination year (in thousands):

	Origination Year 2024	2023	2022	Total
As of March 31, 2024				
Delinquency:				
1 to 30 days past due	$ 6,215	$ 12,594	$ 1,304	$ 20,113
31 to 60 days past due	1,950	7,526	704	10,180
61 to 89 days past due [1]	453	7,584	697	8,734
Total past due finance receivables	8,618	27,704	2,705	39,027
Current finance receivables	66,804	87,360	8,482	162,646
Finance receivables, amortized cost	$ 75,422	$ 115,064	$ 11,187	$ 201,673

	Origination Year 2023	2022	2021	Total
As of March 31, 2023				
Delinquency:				
1 to 30 days past due	$ 5,509	$ 9,822	$ 1,408	$ 16,739
31 to 60 days past due	1,632	6,163	870	8,665
61 to 89 days past due [1]	419	6,507	858	7,784
Total past due finance receivables	7,560	22,492	3,136	33,188
Current finance receivables	68,791	78,123	10,601	157,515
Finance receivables, amortized cost	$ 76,351	$ 100,615	$ 13,737	$ 190,703

[1] The Company charges off finance receivables when a receivable is 90 days or more contractually past due.

The following table details the gross charge-offs of finance receivables for the three months ended March 31, 2024 and 2023, by origination year (in thousands):

	Origination Year 2024	2023	2022	2021	Total
Finance receivables gross charge-offs:					
Gross charge-offs during the three months ended March 31, 2024	**$ 131**	**$ 29,270**	**$ 3,878**	**$ —**	**$ 33,279**
Gross charge-offs during the three months ended March 31, 2023	—	187	22,444	4,486	27,117

Note 6 - Leased Merchandise, Net

Leased merchandise, net consists of the following (in thousands):

	As of March 31,		As of December 31,
	2024	2023	2023
Leased merchandise	**$ 369,298**	$ 349,648	$ 384,129
Processing fees	**(4,022)**	(4,341)	(4,348)
Merchant partner discounts and premiums, net	**2,203**	2,693	2,501
Accumulated depreciation	**(114,431)**	(105,997)	(115,964)
Leased merchandise, before allowance for lease losses	**253,048**	242,003	266,318
Less allowance for lease losses	**(95,263)**	(93,149)	(95,127)
Leased merchandise, net	**$ 157,785**	$ 148,854	$ 171,191

The following table details the changes in the allowance for lease losses (in thousands):

	Three Months Ended March 31,	
	2024	2023
Balance at beginning of period	**$ 95,127**	$ 79,189
Provision for lease losses	**43,010**	49,065
Charge-offs	**(44,877)**	(36,778)
Recoveries	**2,003**	1,673
Balance at end of period	**$ 95,263**	$ 93,149

Note 7 - Long-Term Debt

The following table details the Company's long-term debt at the respective principal amounts, net of unamortized debt issuance costs on the senior unsecured notes (in thousands):

	As of March 31,		As of December 31,
	2024	2023	2023
Revolving unsecured credit facilities:			
Revolving unsecured credit facility, maturing 2027 [1]	**$ 15,000**	$ 308,000	$ 568,000
Revolving unsecured uncommitted credit facility, maturing 2027 [1]	**—**	—	—
Total revolving unsecured credit facilities	**15,000**	308,000	568,000
Senior unsecured notes:			
4.625% senior unsecured notes due 2028 [2]	**494,763**	493,727	494,499
5.625% senior unsecured notes due 2030 [3]	**543,388**	542,449	543,148
6.875% senior unsecured notes due 2032 [4]	**490,996**	—	—
Total senior unsecured notes	**1,529,147**	1,036,176	1,037,647
Total long-term debt	**$ 1,544,147**	$ 1,344,176	$ 1,605,647

(1) Debt issuance costs related to the Company's revolving unsecured credit facilities are included in other assets in the accompanying consolidated balance sheets.

(2) As of March 31, 2024, March 31, 2023 and December 31, 2023, deferred debt issuance costs of $5.2 million, $6.3 million and $5.5 million, respectively, are included as a direct deduction from the carrying amount of the senior unsecured notes due 2028 in the accompanying consolidated balance sheets.

(3) As of March 31, 2024, March 31, 2023 and December 31, 2023, deferred debt issuance costs of $6.6 million, $7.6 million and $6.9 million, respectively, are included as a direct deduction from the carrying amount of the senior unsecured notes due 2030 in the accompanying consolidated balance sheets.

(4) As of March 31, 2024, deferred debt issuance costs of $9.0 million are included as a direct deduction from the carrying amount of the senior unsecured notes due 2032 in the accompanying consolidated balance sheets.

Revolving Unsecured Credit Facility

As of March 31, 2024, the Company maintained an unsecured line of credit with a group of U.S.-based commercial lenders (the "Credit Facility") in the amount of $640.0 million. The Credit Facility matures on August 30, 2027. As of March 31, 2024, the Company had $15.0 million in outstanding borrowings and $2.8 million in outstanding letters of credit under the Credit Facility, leaving $622.2 million available for future borrowings, subject to certain financial covenants. The Credit Facility bears interest at the Company's option of either (i) the prevailing SOFR (with interest periods of 1, 3 or 6 months at the Company's option) plus a fixed spread of 2.5% and a fixed SOFR adjustment of 0.1% or (ii) the prevailing prime or base rate plus a fixed spread of 1.5%. The agreement has an interest rate floor of 0%. Additionally, the Company is required to pay an annual commitment fee of 0.325% on the average daily unused portion of the Credit Facility commitment. The weighted-average interest rate on amounts outstanding under the Credit Facility at March 31, 2024 was 7.92% based on 1-month SOFR. Under the terms of the Credit Facility, the Company is required to maintain certain financial ratios and comply with certain financial covenants. The Credit Facility also contains customary restrictions on the Company's ability to incur additional debt, grant liens, make investments, consummate acquisitions and similar negative covenants with customary carve-outs and baskets. The Company was in compliance with the covenants of the Credit Facility as of March 31, 2024. During the three months ended March 31, 2024, the Company made net payments of $553.0 million pursuant to the Credit Facility.

Revolving Unsecured Uncommitted Credit Facility

As of March 31, 2024, the Company's primary subsidiary in Mexico, First Cash S.A. de C.V., maintained an unsecured and uncommitted line of credit guaranteed by FirstCash, Inc. with a bank in Mexico (the "Mexico Credit Facility") in the amount of $600.0 million Mexican pesos. The Mexico Credit Facility bears interest at TIIE plus a fixed spread of 2.25% and matures on August 24, 2027. Under the terms of the Mexico Credit Facility, the Company is required to maintain certain financial ratios and comply with certain financial covenants. The Company was in compliance with the covenants of the Mexico Credit Facility as of March 31, 2024. At March 31, 2024, the Company had no amount outstanding under the Mexico Credit Facility and $36.0 million ($600.0 million pesos) available for future borrowings.

Senior Unsecured Notes Due 2028

On August 26, 2020, the Company issued $500.0 million of 4.625% senior unsecured notes due on September 1, 2028 (the "2028 Notes"), all of which are currently outstanding. Interest on the 2028 Notes is payable semi-annually in arrears on March 1 and September 1. The 2028 Notes are fully and unconditionally guaranteed on a senior unsecured basis jointly and severally by all of the Company's existing and future domestic subsidiaries that guarantee its Credit Facility. The 2028 Notes will permit the Company to make restricted payments, such as purchasing shares of its stock and paying cash dividends, in an unlimited amount if, after giving pro forma effect to the incurrence of any indebtedness to make such payment, the Company's consolidated total debt ratio is less than 2.75 to 1. The consolidated total debt ratio is defined generally in the indenture governing the 2028 Notes as the ratio of (1) the total consolidated debt of the Company minus cash and cash equivalents of the Company to (2) the Company's consolidated trailing twelve months EBITDA, as adjusted to exclude certain non-recurring expenses and giving pro forma effect to operations acquired during the measurement period. As of March 31, 2024, the Company's consolidated total debt ratio was 2.5 to 1. While the 2028 Notes generally limit the Company's ability to make restricted payments if the consolidated total debt ratio is greater than 2.75 to 1, restricted payments are allowable within certain permitted baskets, which currently provide the Company with continued flexibility to make restricted payments when the Company's consolidated total debt ratio is greater than 2.75 to 1.

Senior Unsecured Notes Due 2030

On December 13, 2021, the Company issued $550.0 million of 5.625% senior unsecured notes due on January 1, 2030 (the "2030 Notes"), all of which are currently outstanding. Interest on the 2030 Notes is payable semi-annually in arrears on January 1 and July 1. The 2030 Notes are fully and unconditionally guaranteed on a senior unsecured basis jointly and severally by all of the Company's existing and future domestic subsidiaries that guarantee its Credit Facility. The 2030 Notes will permit the Company to make restricted payments, such as purchasing shares of its stock and paying cash dividends, in an unlimited amount if, after giving pro forma effect to the incurrence of any indebtedness to make such payment, the Company's consolidated total debt ratio is less than 3.0 to 1. The consolidated total debt ratio is defined generally in the indenture governing the 2030 Notes as the ratio of (1) the total consolidated debt of the Company minus cash and cash equivalents of the Company to (2) the Company's consolidated trailing twelve months EBITDA, as adjusted to exclude certain non-recurring expenses and giving pro forma effect to operations acquired during the measurement period. As of March 31, 2024, the Company's consolidated total debt ratio was 2.5 to 1. While the 2030 Notes generally limit the Company's ability to make restricted payments if the consolidated total debt ratio is greater than 3.0 to 1, restricted payments are allowable within certain permitted baskets, which currently provides the Company with continued flexibility to make restricted payments when the Company's consolidated total debt ratio is greater than 3.0 to 1.

Senior Unsecured Notes Due 2032

On February 21, 2024, the Company issued $500.0 million of 6.875% senior unsecured notes due on March 1, 2032 (the "2032 Notes"), all of which are currently outstanding. Interest on the 2032 Notes is payable semi-annually in arrears on March 1 and September 1, commencing on September 1, 2024. The 2032 Notes were sold in a private placement in reliance on Rule 144A and Regulation S under the Securities Act. The Company used the net proceeds from the offering to repay a portion of the outstanding balance on the Credit Facility, after payment of fees and expenses related to the offering. The Company capitalized $9.1 million in debt issuance costs, which consisted primarily of the initial purchaser's discount and fees and legal and other professional expenses. The debt issuance costs are being amortized over the life of the 2032 Notes as a component of interest expense and are carried as a direct deduction from the carrying amount of the 2032 Notes in the accompanying consolidated balance sheets.

The 2032 Notes are fully and unconditionally guaranteed on a senior unsecured basis jointly and severally by all of the Company's existing and future domestic subsidiaries that guarantee its Credit Facility. The 2032 Notes will permit the Company to make restricted payments, such as purchasing shares of its stock and paying cash dividends, in an unlimited amount if, after giving pro forma effect to the incurrence of any indebtedness to make such payment, the Company's consolidated total debt ratio is less than 3.0 to 1. The consolidated total debt ratio is defined generally in the indenture governing the 2032 Notes (the “2032 Notes Indenture”) as the ratio of (1) the total consolidated debt of the Company minus cash and cash equivalents of the Company to (2) the Company’s consolidated trailing twelve months EBITDA, as adjusted to exclude certain non-recurring expenses and giving pro forma effect to operations acquired during the measurement period. As of March 31, 2024, the Company’s consolidated total debt ratio was 2.5 to 1. While the 2032 Notes generally limit the Company’s ability to make restricted payments if the consolidated total debt ratio is greater than 3.0 to 1, restricted payments are allowable within certain permitted baskets, which currently provides the Company with continued flexibility to make restricted payments when the Company’s consolidated total debt ratio is greater than 3.0 to 1.

The Company may redeem some or all of the 2032 Notes at any time on or after March 1, 2027, at the redemption prices set forth in the 2032 Notes Indenture, plus accrued and unpaid interest, if any. In addition, prior to March 1, 2027, the Company may redeem some or all of the 2032 Notes at a price equal to 100% of the principal amount thereof, plus accrued and unpaid interest, if any, plus a “make-whole” premium set forth in the 2032 Notes Indenture. The Company may redeem up to 40% of the 2032 Notes on or prior to March 1, 2027 with the proceeds of certain equity offerings at the redemption prices set forth in the 2032 Notes Indenture. If the Company or any of its restricted subsidiaries sells certain assets or if the Company consummates certain change in control transactions, the Company will be required to make an offer to repurchase the 2032 Notes.

Note 8 - Commitments and Contingencies

Litigation

The Company, in the ordinary course of business, is a party to various legal and regulatory proceedings and other general claims. Although no assurances can be given, in management’s opinion, such outstanding proceedings are not expected to have a material adverse effect on the Company’s financial position, results of operations, or cash flows.

The Company believes it has meritorious defenses to all of the claims described below and intends to vigorously defend itself against such claims. However, legal and regulatory proceedings involve an inherent level of uncertainty and no assurances can be given regarding the ultimate outcome of any such matters or whether an adverse outcome would not have a material adverse impact on the Company’s financial position, results of operations, or cash flows. At this stage, the Company is unable to determine whether a future loss will be incurred for any of its material outstanding legal and regulatory proceedings or to estimate a range of loss with respect to such proceeding, if any, and accordingly, no material amounts have been accrued in the Company’s financial statements for legal and regulatory proceedings.

On November 12, 2021, the CFPB initiated a civil action in the United States District Court for the Northern District of Texas against FirstCash, Inc. and Cash America West, Inc., two of the Company’s subsidiaries, alleging violations of the Military Lending Act (“MLA”) in connection with pawn transactions. The CFPB also alleges that these same alleged violations of the MLA constitute breaches of a 2013 CFPB consent order entered into by its predecessor company that, among other things, allegedly required the company and its successors to cease and desist from further MLA violations. The CFPB is seeking an injunction, redress for affected borrowers and a civil monetary penalty. On March 28, 2022, the CFPB filed a motion to strike certain affirmative defenses of the Company. The Company responded by filing a motion for partial summary judgment. On October 24, 2022, the Company filed a motion to dismiss the lawsuit on the basis that the funding structure of the CFPB is unconstitutional. This motion to dismiss follows the decision in another case by the Fifth Circuit Court of Appeals which found that the CFPB is unconstitutionally structured. The Fifth Circuit’s decisions govern the law applied in the jurisdiction in which the CFPB action is pending against the Company. In light of the CFPB's stated intent to seek Supreme Court review of that decision, the parties stipulated to a stay of the action against the Company, which the Court entered on November 4, 2022. The Supreme Court is currently reviewing the Fifth Circuit's decision, with oral arguments having been completed on October 3, 2023. The stay of the CFPB’s action against the Company will remain in effect until the Supreme Court issues its decision with respect to the appeal. If the Supreme Court decides in favor of the CFPB, the stay will be lifted and the Company and the CFPB will continue to litigate the civil action brought against the Company by the CFPB.

Gold Forward Sales Contracts

As of March 31, 2024, the Company had contractual commitments to deliver a total of 83,000 gold ounces during the months of April 2024 and February 2026 at a weighted-average price of $2,110 per ounce. The ounces required to be delivered over this time period are within historical scrap gold volumes, and the Company expects to have the required gold ounces to meet the commitments as they come due.

Note 9 - Segment Information

The Company organizes its operations into three reportable segments as follows:

- U.S. pawn
- Latin America pawn
- Retail POS payment solutions (AFF)

Corporate expenses and income, which include administrative expenses, corporate depreciation and amortization, interest expense, interest income, gain on foreign exchange, merger and acquisition expenses, and other expenses (income), net, are presented on a consolidated basis and are not allocated between the U.S. pawn segment, Latin America pawn segment or retail POS payment solutions segment. Intersegment transactions relate to the Company offering AFF’s LTO payment solution in its U.S. pawn stores and are eliminated to arrive at consolidated totals.

The following tables present reportable segment information for the three month period ended March 31, 2024 and 2023 as well as segment earning assets (in thousands):

	Three Months Ended March 31, 2024				
	U.S. Pawn	Latin America Pawn	Retail POS Payment Solutions	Corporate/ Eliminations	Consolidated
Revenue:					
Retail merchandise sales	$ 236,990	$ 130,849	$ —	$ (1,018) [1]	$ 366,821
Pawn loan fees	122,974	56,561	—	—	179,535
Leased merchandise income	—	—	205,671	—	205,671
Interest and fees on finance receivables	—	—	57,387	—	57,387
Wholesale scrap jewelry sales	17,726	9,230	—	—	26,956
Total revenue	377,690	196,640	263,058	(1,018)	836,370
Cost of revenue:					
Cost of retail merchandise sold	139,914	84,183	—	(568) [1]	223,529
Depreciation of leased merchandise	—	—	120,774	(490) [1]	120,284
Provision for lease losses	—	—	43,180	(170) [1]	43,010
Provision for loan losses	—	—	30,418	—	30,418
Cost of wholesale scrap jewelry sold	15,266	8,023	—	—	23,289
Total cost of revenue	155,180	92,206	194,372	(1,228)	440,530
Net revenue	222,510	104,434	68,686	210	395,840
Expenses and other income:					
Operating expenses	118,895	67,425	34,816	—	221,136
Administrative expenses	—	—	—	43,057	43,057
Depreciation and amortization	7,013	5,105	721	13,188	26,027
Interest expense	—	—	—	25,418	25,418
Interest income	—	—	—	(743)	(743)
Gain on foreign exchange	—	—	—	(186)	(186)
Merger and acquisition expenses	—	—	—	597	597
Other expenses (income), net	—	—	—	(1,351)	(1,351)
Total expenses and other income	125,908	72,530	35,537	79,980	313,955
Income (loss) before income taxes	$ 96,602	$ 31,904	$ 33,149	$ (79,770)	$ 81,885

[1] Represents the elimination of intersegment transactions related to the Company offering AFF's LTO payment solution in its U.S. pawn stores.

	As of March 31, 2024				
	U.S. Pawn	Latin America Pawn	Retail POS Payment Solutions	Corporate/ Eliminations	Consolidated
Earning assets:					
Pawn loans	$ 315,792	$ 140,287	$ —	$ —	$ 456,079
Finance receivables, net	—	—	105,653	—	105,653
Inventories	216,762	85,623	—	—	302,385
Leased merchandise, net	—	—	158,090	(305) [1]	157,785

[1] Represents the elimination of intersegment transactions related to the Company offering AFF's LTO payment solution in its U.S. pawn stores.

	Three Months Ended March 31, 2023				
	U.S. Pawn	Latin America Pawn	Retail POS Payment Solutions	Corporate/ Eliminations	Consolidated
Revenue:					
Retail merchandise sales	$ 210,681	$ 118,937	$ —	$ (1,703) [1]	$ 327,915
Pawn loan fees	102,684	48,876	—	—	151,560
Leased merchandise income	—	—	183,438	—	183,438
Interest and fees on finance receivables	—	—	54,642	—	54,642
Wholesale scrap jewelry sales	26,316	18,868	—	—	45,184
Total revenue	339,681	186,681	238,080	(1,703)	762,739
Cost of revenue:					
Cost of retail merchandise sold	121,929	77,963	—	(891) [1]	199,001
Depreciation of leased merchandise	—	—	102,172	(567) [1]	101,605
Provision for lease losses	—	—	49,166	(101) [1]	49,065
Provision for loan losses	—	—	29,285	—	29,285
Cost of wholesale scrap jewelry sold	21,082	14,645	—	—	35,727
Total cost of revenue	143,011	92,608	180,623	(1,559)	414,683
Net revenue (loss)	196,670	94,073	57,457	(144)	348,056
Expenses and other income:					
Operating expenses	109,781	55,756	33,524	—	199,061
Administrative expenses	—	—	—	39,017	39,017
Depreciation and amortization	5,870	5,445	736	15,060	27,111
Interest expense	—	—	—	20,897	20,897
Interest income	—	—	—	(517)	(517)
Gain on foreign exchange	—	—	—	(802)	(802)
Merger and acquisition expenses	—	—	—	31	31
Other expenses (income), net	—	—	—	45	45
Total expenses and other income	115,651	61,201	34,260	73,731	284,843
Income (loss) before income taxes	$ 81,019	$ 32,872	$ 23,197	$ (73,875)	$ 63,213

[1] Represents the elimination of intersegment transactions related to the Company offering AFF's LTO payment solution in its U.S. pawn stores.

	As of March 31, 2023				
	U.S. Pawn	Latin America Pawn	Retail POS Payment Solutions	Corporate/ Eliminations	Consolidated
Earning assets:					
Pawn loans	$ 256,773	$ 120,924	$ —	$ —	$ 377,697
Finance receivables, net	—	—	102,093	—	102,093
Inventories	178,587	79,016	—	—	257,603
Leased merchandise, net	—	—	150,094	(1,240) [1]	148,854

[1] Represents the elimination of intersegment transactions related to the Company offering AFF's LTO payment solution in its U.S. pawn stores.

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

The following discussion of financial condition, results of operations, liquidity and capital resources of FirstCash Holdings, Inc. and its wholly-owned subsidiaries (together, the "Company") should be read in conjunction with the Company's consolidated financial statements and accompanying notes included under Part I, Item 1 of this quarterly report on Form 10-Q, as well as with the audited consolidated financial statements and accompanying notes and Management's Discussion and Analysis of Financial Condition and Results of Operations included in the Company's Annual Report on Form 10-K for the year ended December 31, 2023.

GENERAL

The Company's primary line of business is the operation of retail pawn stores, also known as "pawnshops," which focus on serving cash- and credit-constrained consumers. The Company is the leading operator of pawn stores in the U.S. and Latin America. Pawn stores help customers meet small short-term cash needs by providing non-recourse pawn loans and buying merchandise directly from customers. Personal property, such as jewelry, electronics, tools, appliances, sporting goods and musical instruments, is pledged and held as collateral for the pawn loans over the typical 30-day term of the loan. Pawn stores also generate retail sales primarily from the merchandise acquired through collateral forfeitures and over-the-counter purchases from customers.

The Company is also a leading provider of technology-driven, retail POS payment solutions focused on serving credit-constrained consumers. The Company's retail POS payment solutions business line consists solely of the operations of AFF, which focuses on LTO products and facilitating other retail financing payment options across a large network of traditional and e-commerce merchant partners in all 50 states in the U.S., the District of Columbia and Puerto Rico. AFF's retail partners provide consumer goods and services to their customers and use AFF's LTO and retail finance solutions to facilitate payments on such transactions.

The Company's two business lines are organized into three reportable segments. The U.S. pawn segment consists of pawn operations in the U.S., while the Latin America pawn segment consists of pawn operations in Mexico, Guatemala, Colombia and El Salvador. The retail POS payment solutions segment consists of the operations of AFF in the U.S. and Puerto Rico.

OPERATIONS AND LOCATIONS

Pawn Operations

As of March 31, 2024, the Company operated 2,997 pawn store locations composed of 1,179 stores in 29 U.S. states and the District of Columbia, 1,721 stores in 32 states in Mexico, 67 stores in Guatemala, 15 stores in Colombia and 15 stores in El Salvador.

The following table details pawn store count activity for the three months ended March 31, 2024:

	Three Months Ended March 31, 2024		
	U.S.	Latin America	Total
Total locations, beginning of period	1,183	1,814	2,997
New locations opened [1]	—	19	19
Locations acquired	1	—	1
Consolidation of existing pawn locations [2] [3]	(5)	(15)	(20)
Total locations, end of period	1,179	1,818	2,997

(1) In addition to new store openings, the Company strategically relocated two stores in the U.S. during the three months ended March 31, 2024.

(2) Store consolidations were primarily acquired locations over the past seven years which have been combined with overlapping stores and for which the Company expects to maintain a significant portion of the acquired customer base in the consolidated location.

(3) Includes 10 pawnshops located in Acapulco, Mexico that were severely damaged by a hurricane in the fall of 2023 which the Company elected to consolidate with other stores in this market. The Company expects to replace certain of these locations in this market over time as the city's infrastructure recovers.

POS Payment Solutions

As of March 31, 2024, AFF provided LTO and retail POS payment solutions for consumer goods and services through a network of approximately 12,200 active retail merchant partner locations located in all 50 U.S. states, the District of Columbia and Puerto Rico. This compares to the active door count of approximately 9,800 locations at March 31, 2023.

CRITICAL ACCOUNTING ESTIMATES

The financial statements have been prepared in accordance with GAAP. The significant accounting policies and estimates that the Company believes are the most critical to aid in fully understanding and evaluating its reported financial results have been reported in the Company's 2023 Annual Report on Form 10-K. There have been no changes to the Company's significant accounting policies for the three months ended March 31, 2024.

RESULTS OF OPERATIONS (unaudited)

Operating Results for the Three Months Ended March 31, 2024 Compared to the Three Months Ended March 31, 2023

U.S. Pawn Segment

The following table presents segment pre-tax operating income and other operating metrics of the U.S. pawn segment for the three months ended March 31, 2024 compared to the three months ended March 31, 2023 (dollars in thousands). Operating expenses include salary and benefit expenses of pawn store-level employees, occupancy costs, bank charges, security, insurance, utilities, supplies and other costs incurred by the pawn stores.

	Three Months Ended March 31,		Increase /
	2024	2023	(Decrease)
U.S. Pawn Segment			
Revenue:			
Retail merchandise sales [1]	**$ 236,990**	$ 210,681	12 %
Pawn loan fees	**122,974**	102,684	20 %
Wholesale scrap jewelry sales	**17,726**	26,316	(33)%
Total revenue	**377,690**	339,681	11 %
Cost of revenue:			
Cost of retail merchandise sold [2]	**139,914**	121,929	15 %
Cost of wholesale scrap jewelry sold	**15,266**	21,082	(28)%
Total cost of revenue	**155,180**	143,011	9 %
Net revenue	**222,510**	196,670	13 %
Segment expenses:			
Operating expenses	**118,895**	109,781	8 %
Depreciation and amortization	**7,013**	5,870	19 %
Total segment expenses	**125,908**	115,651	9 %
Segment pre-tax operating income	**$ 96,602**	$ 81,019	19 %
Operating metrics:			
Retail merchandise sales margin	**41 %**	42 %	
Net revenue margin	**59 %**	58 %	
Segment pre-tax operating margin	**26 %**	24 %	

(1) Includes $1.0 million and $1.7 million of retail merchandise sales from intersegment transactions for the three months ended March 31, 2024 and 2023, respectively, related to the Company offering AFF's LTO payment solution in its U.S. pawn stores that are eliminated upon consolidation. Excluding the intersegment transactions, consolidated U.S. retail merchandise sales for the three months ended March 31, 2024 and 2023 totaled $236.0 million and $209.0 million, respectively.

(2) Includes $0.6 million and $0.9 million of cost of retail merchandise sold from intersegment transactions for the three months ended March 31, 2024 and 2023, respectively, related to the Company offering AFF's LTO payment solution in its U.S. pawn stores that are eliminated upon consolidation. Excluding the intersegment transactions, consolidated U.S. cost of retail merchandise sold for the three months ended March 31, 2024 and 2023 totaled $139.3 million and $121.0 million, respectively.

The following table details earning assets, which consist of pawn loans and inventories as well as other earning asset metrics of the U.S. pawn segment, as of March 31, 2024 compared to March 31, 2023 (dollars in thousands, except as otherwise noted):

	As of March 31,		
	2024	2023	Increase
U.S. Pawn Segment			
Earning assets:			
Pawn loans	**$ 315,792**	$ 256,773	23 %
Inventories	**216,762**	178,587	21 %
	$ 532,554	$ 435,360	22 %
Average outstanding pawn loan amount (in ones)	**$ 261**	$ 248	5 %
Composition of pawn collateral:			
General merchandise	**29 %**	30 %	
Jewelry	**71 %**	70 %	
	100 %	100 %	
Composition of inventories:			
General merchandise	**41 %**	42 %	
Jewelry	**59 %**	58 %	
	100 %	100 %	
Percentage of inventory aged greater than one year	**1 %**	2 %	
Inventory turns (trailing twelve months cost of merchandise sales divided by average inventories)	**2.8 times**	2.8 times	

Retail Merchandise Sales Operations

U.S. retail merchandise sales increased 12%, totaling $237.0 million during the first quarter of 2024 compared to $210.7 million for the first quarter of 2023. Same-store retail sales increased 4% in the first quarter of 2024 compared to the first quarter of 2023. The increase in total retail sales was primarily due to incremental sales contributions from acquired stores. The gross profit margin on retail merchandise sales in the U.S. was 41% in the first quarter of 2024 and 42% in the first quarter of 2023, reflecting continued demand for value-priced, pre-owned merchandise and low levels of aged inventory.

U.S. inventories increased 21% from $178.6 million at March 31, 2023 to $216.8 million at March 31, 2024. The increase was primarily due to incremental inventories from acquired stores and an increase in same-store inventories as a result of the higher pawn loan balances noted below. Inventories aged greater than one year in the U.S. decreased to 1% at March 31, 2024 compared to 2% at March 31, 2023.

Pawn Lending Operations

U.S. pawn loan receivables as of March 31, 2024 increased 23% in total and 14% on a same-store basis compared to March 31, 2023. The increase in total pawn receivables was due to incremental pawn loans from acquired stores and an increase in same-store pawn receivables, which the Company believes was primarily due to continued inflationary pressures driving additional demand for pawn loans and tightened underwriting for other competing forms of consumer credit.

U.S. pawn loan fees increased 20% to $123.0 million during the first quarter of 2024 compared to $102.7 million for the first quarter of 2023. Same-store pawn fees in the first quarter of 2024 increased 12% compared to the first quarter of 2023. The increase in total and same-store pawn loan fees was primarily due to store growth and continued growth in demand for pawn loans.

Segment Expenses

U.S. operating expenses increased 8% to $118.9 million during the first quarter of 2024 compared to $109.8 million during the first quarter of 2023. The increase in operating expenses was primarily due to store growth.

Segment Pre-Tax Operating Income

The U.S. segment pre-tax operating income for the first quarter of 2024 was $96.6 million, which generated a pre-tax segment operating margin of 26% compared to $81.0 million and 24% in the prior year, respectively. The increase in the segment pre-tax operating income and margin reflected an improved net revenue margin partially offset by the increase in segment expenses.

Latin America Pawn Segment

Latin American segment pre-tax operating income for the three months ended March 31, 2024 compared to the three months ended March 31, 2023 benefited from a 9% favorable change in the average value of the Mexican peso compared to the U.S. dollar. The translated value of Latin American earning assets as of March 31, 2024 compared to March 31, 2023 also benefited from an 8% favorable change in the end-of-period Mexican peso compared to the U.S. dollar. Constant currency results are non-GAAP financial measures, which exclude the effects of foreign currency translation and are calculated by translating current-year results at prior-year average exchange rates. See the "Constant Currency Results" section in "Non-GAAP Financial Information" below for additional discussion of constant currency operating results.

The following table presents segment pre-tax operating income and other operating metrics of the Latin America pawn segment for the three months ended March 31, 2024 compared to the three months ended March 31, 2023 (dollars in thousands). Operating expenses include salary and benefit expenses of pawn store-level employees, occupancy costs, bank charges, security, insurance, utilities, supplies and other costs incurred by the pawn stores.

	Three Months Ended March 31,			Constant Currency Basis	
	2024	2023	Increase / (Decrease)	**Three Months Ended March 31, 2024 (Non-GAAP)**	Increase / (Decrease) (Non-GAAP)
Latin America Pawn Segment					
Revenue:					
Retail merchandise sales	**$ 130,849**	$ 118,937	10 %	**$ 119,466**	— %
Pawn loan fees	**56,561**	48,876	16 %	**51,626**	6 %
Wholesale scrap jewelry sales	**9,230**	18,868	(51)%	**9,230**	(51)%
Total revenue	**196,640**	186,681	5 %	**180,322**	(3)%
Cost of revenue:					
Cost of retail merchandise sold	**84,183**	77,963	8 %	**76,886**	(1)%
Cost of wholesale scrap jewelry sold	**8,023**	14,645	(45)%	**7,313**	(50)%
Total cost of revenue	**92,206**	92,608	— %	**84,199**	(9)%
Net revenue	**104,434**	94,073	11 %	**96,123**	2 %
Segment expenses:					
Operating expenses	**67,425**	55,756	21 %	**61,712**	11 %
Depreciation and amortization	**5,105**	5,445	(6)%	**4,670**	(14)%
Total segment expenses	**72,530**	61,201	19 %	**66,382**	8 %
Segment pre-tax operating income	**$ 31,904**	$ 32,872	(3)%	**$ 29,741**	(10)%
Operating metrics:					
Retail merchandise sales margin	**36 %**	34 %		**36 %**	
Net revenue margin	**53 %**	50 %		**53 %**	
Segment pre-tax operating margin	**16 %**	18 %		**16 %**	

The following table details earning assets, which consist of pawn loans and inventories as well as other earning asset metrics of the Latin America pawn segment, as of March 31, 2024 compared to March 31, 2023 (dollars in thousands, except as otherwise noted):

	As of March 31,			Constant Currency Basis	
	2024	2023	Increase	**As of March 31, 2024 (Non-GAAP)**	Increase (Non-GAAP)
Latin America Pawn Segment					
Earning assets:					
Pawn loans	**$ 140,287**	$ 120,924	16 %	**$ 129,667**	7 %
Inventories	**85,623**	79,016	8 %	**79,185**	— %
	$ 225,910	$ 199,940	13 %	**$ 208,852**	4 %
Average outstanding pawn loan amount (in ones)	**$ 97**	$ 85	14 %	**$ 90**	6 %
Composition of pawn collateral:					
General merchandise	**63 %**	67 %			
Jewelry	**37 %**	33 %			
	100 %	100 %			
Composition of inventories:					
General merchandise	**66 %**	72 %			
Jewelry	**34 %**	28 %			
	100 %	100 %			
Percentage of inventory aged greater than one year	**1 %**	1 %			
Inventory turns (trailing twelve months cost of merchandise sales divided by average inventories)	**4.4 times**	4.3 times			

Retail Merchandise Sales Operations

Latin America retail merchandise sales increased 10% (flat on a constant currency basis) to $130.8 million during the first quarter of 2024 compared to $118.9 million for the first quarter of 2023. Same-store retail sales increased 9% (flat on a constant currency basis) during the first quarter of 2024 compared to the first quarter of 2023. The flat total and same-store constant currency retail sales was primarily due to constrained inventory levels throughout the first quarter of 2024. The gross profit margin on retail merchandise sales improved to 36% during the first quarter of 2024 compared to 34% during the first quarter of 2023 as a result of reduced discounting given tighter inventory levels.

Latin America inventories increased 8% (flat on a constant currency basis) from $79.0 million at March 31, 2023 to $85.6 million at March 31, 2024. The flat constant currency inventories were primarily due to lower pawn loan receivable balances throughout much of 2023 creating less forfeited inventory. Inventories aged greater than one year in Latin America were 1% at both March 31, 2024 and 2023.

Pawn Lending Operations

Latin America pawn loan receivables increased 16% (7% on a constant currency basis) as of March 31, 2024 compared to March 31, 2023. On a same-store basis, pawn loan receivables increased 16% (7% on a constant currency basis) as of March 31, 2024 compared to March 31, 2023. The increase in constant currency total and same-store pawn receivables is primarily due to larger loan sizes driven in part by a slightly increased mix of higher value jewelry loans.

Latin America pawn loan fees increased 16% (6% on a constant currency basis), totaling $56.6 million during the first quarter of 2024 compared to $48.9 million for the first quarter of 2023. Same-store pawn fees increased 16% (5% on a constant currency basis) in the first quarter of 2024 compared to the first quarter of 2023. The increase in total and same-store constant currency pawn loan fees was primarily due to increased pawn receivable balances.

Segment Expenses

Operating expenses increased 21% (11% on a constant currency basis) to $67.4 million during the first quarter of 2024 compared to $55.8 million during the first quarter of 2023. Same-store operating expenses increased 18% (8% on a constant currency basis) compared to the prior-year period. The increase in total and same-store constant currency operating expenses was primarily driven by general inflationary impacts and continued increases in the federally mandated minimum wage and increased costs associated with required employee benefit programs.

Segment Pre-Tax Operating Income

The segment pre-tax operating income for the first quarter of 2024 was $31.9 million, which generated a pre-tax segment operating margin of 16% compared to $32.9 million and 18% in the prior year, respectively. The decrease in the segment pre-tax operating income and margin reflected an increase in operating expenses, partially offset by an increase in net revenue.

Retail POS Payment Solutions Segment

Retail POS Payment Solutions Operating Results

The following table presents segment pre-tax operating income of the retail POS payment solutions segment for the three months ended March 31, 2024 as compared to the three months ended March 31, 2023 (dollars in thousands). Operating expenses include salary and benefit expenses of certain operations-focused departments, merchant partner incentives, bank and other payment processing charges, credit reporting costs, information technology costs, advertising costs and other operational costs incurred by AFF.

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023	Increase / (Decrease)
Retail POS Payment Solutions Segment			
Revenue:			
Leased merchandise income	**$ 205,671**	$ 183,438	12 %
Interest and fees on finance receivables	**57,387**	54,642	5 %
Total revenue	**263,058**	238,080	10 %
Cost of revenue:			
Depreciation of leased merchandise [1]	**120,774**	102,172	18 %
Provision for lease losses [2]	**43,180**	49,166	(12)%
Provision for loan losses	**30,418**	29,285	4 %
Total cost of revenue	**194,372**	180,623	8 %
Net revenue	**68,686**	57,457	20 %
Segment expenses:			
Operating expenses	**34,816**	33,524	4 %
Depreciation and amortization	**721**	736	(2)%
Total segment expenses	**35,537**	34,260	4 %
Segment pre-tax operating income	**$ 33,149**	$ 23,197	43 %

(1) Includes $0.5 million and $0.6 million of depreciation of leased merchandise from intersegment transactions for the three months ended March 31, 2024 and 2023, respectively, related to the Company offering AFF's LTO payment solution in its U.S. pawn stores that are eliminated upon consolidation. Excluding the intersegment transactions, consolidated depreciation of leased merchandise for the three months ended March 31, 2024 and 2023 totaled $120.3 million and $101.6 million, respectively.

(2) Includes $0.2 million and $0.1 million of provision for lease losses from intersegment transactions for the three months ended March 31, 2024 and 2023, respectively, related to the Company offering AFF's LTO payment solution in its U.S. pawn stores that are eliminated upon consolidation. Excluding the intersegment transactions, consolidated provision for lease losses for the three months ended March 31, 2024 and 2023 totaled $43.0 million and $49.1 million, respectively.

The following table provides a detail of gross transaction volumes originated during the three months ended March 31, 2024 as compared to the three months ended March 31, 2023 (in thousands):

	Three Months Ended March 31,		
	2024	2023	Increase
Leased merchandise	**$ 154,121**	$ 151,175	2 %
Finance receivables	**102,165**	98,440	4 %
Total gross transaction volume	**$ 256,286**	$ 249,615	3 %

The following table details retail POS payment solutions earning assets as of March 31, 2024 as compared to March 31, 2023 (in thousands):

	As of March 31,		
	2024	2023	Increase
Leased merchandise, net:			
Leased merchandise, before allowance for lease losses	**$ 253,876**	$ 243,363	4 %
Less allowance for lease losses	**(95,786)**	(93,269)	3 %
Leased merchandise, net [1]	**$ 158,090**	$ 150,094	5 %
Finance receivables, net:			
Finance receivables, before allowance for loan losses	**$ 201,673**	$ 190,703	6 %
Less allowance for loan losses	**(96,020)**	(88,610)	8 %
Finance receivables, net	**$ 105,653**	$ 102,093	3 %

(1) Includes $0.3 million and $1.2 million of intersegment transactions as of March 31, 2024 and 2023, respectively, related to the Company offering AFF's LTO payment solution in its U.S. pawn stores that are eliminated upon consolidation. Excluding the intersegment transactions, consolidated net leased merchandise as of March 31, 2024 and 2023 totaled $157.8 million and $148.9 million, respectively.

The following table details the changes in the allowance for lease and loan losses and other portfolio metrics for the three months ended March 31, 2024 as compared to the three months ended March 31, 2023 (in thousands):

	Three Months Ended March 31,		Increase /
	2024	2023	(Decrease)
Allowance for lease losses:			
Balance at beginning of period	**$ 95,752**	$ 79,576	20 %
Provision for lease losses [1]	**43,180**	49,166	(12)%
Charge-offs	**(45,149)**	(37,146)	22 %
Recoveries	**2,003**	1,673	20 %
Balance at end of period	**$ 95,786**	$ 93,269	3 %
Leased merchandise portfolio metrics:			
Provision rate [2]	**28 %**	33 %	
Average monthly net charge-off rate [3]	**5.5 %**	5.0 %	
Delinquency rate [4]	**20.5 %**	18.3 %	
Allowance for loan losses:			
Balance at beginning of period	**$ 96,454**	$ 84,833	14 %
Provision for loan losses	**30,418**	29,285	4 %
Charge-offs	**(33,279)**	(27,117)	23 %
Recoveries	**2,427**	1,609	51 %
Balance at end of period	**$ 96,020**	$ 88,610	8 %
Finance receivables portfolio metrics:			
Provision rate [2]	**30 %**	30 %	
Average monthly net charge-off rate [3]	**5.0 %**	4.3 %	
Delinquency rate [4]	**19.2 %**	17.2 %	

(1) Includes $0.2 million and $0.1 million of provision for lease losses from intersegment transactions for the three months ended March 31, 2024 and 2023, respectively, related to the Company offering AFF's LTO payment solution in its U.S. pawn stores that are eliminated upon consolidation. Excluding the intersegment transactions, consolidated provision for lease losses for the three months ended March 31, 2024 and 2023 totaled $43.0 million and $49.1 million, respectively.

(2) Calculated as provision for lease or loan losses as a percentage of the respective gross transaction volume originated.

(3) Calculated as charge-offs, net of recoveries, as a percentage of the respective average earning asset balance before allowance for lease or loan losses.

(4) Calculated as the percentage of the respective contractual earning asset balance owed that is 1 to 89 days past due (the Company charges off leases and finance receivables when they are 90 days or more contractually past due).

LTO Operations

Leased merchandise, before allowance for lease losses, increased 4% as of March 31, 2024 compared to March 31, 2023. This increase was primarily due to increased transaction volumes.

The allowance for lease losses increased 3% to $95.8 million as of March 31, 2024 compared to $93.3 million as of March 31, 2023, which was primarily due to the increase in leased merchandise. As a percentage of lease merchandise, the allowance was 38% at both March 31, 2024 and 2023.

Leased merchandise income increased 12% to $205.7 million during the first quarter of 2024 compared to $183.4 million during the first quarter of 2023, which was primarily due to the higher leased merchandise balances and an increase in customers taking advantage of the early buyout option during the first quarter of 2024 compared to the first quarter of 2023.

Depreciation of leased merchandise increased 18% to $120.8 million during the first quarter of 2024 compared to $102.2 million during the first quarter of 2023. The increase was primarily due to higher leased merchandise balances and an increase in customers taking advantage of the early buyout option during the first quarter of 2024 compared to the first quarter of 2023. As a percentage of leased merchandise income, depreciation of leased merchandise increased from 56% during the first quarter of 2023 to 59% during the first quarter of 2024.

Provision for lease losses decreased 12% to $43.2 million during the first quarter of 2024 compared to $49.2 million during the first quarter of 2023, which was primarily due to a decrease in lease loss provisioning rates used during the first quarter of 2024 compared to the first quarter of 2023, partially offset by the 2% increase in gross transaction volumes. As a percentage of gross transaction volume, the provision for lease losses decreased from 33% during the first quarter of 2023 to 28% during the first quarter of 2024. The lease loss provisioning rates during the first half of 2023 were elevated as a result of expected higher charge-offs. Actual charge-offs from 2023 vintages came in lower than expected, resulting in the release of certain lease loss reserves in the first quarter of 2024.

Retail Finance Operations

Finance receivables, before allowance for loan losses, increased 6% as of March 31, 2024 compared to March 31, 2023. This increase was primarily due to increased transaction volumes.

The allowance for loan losses increased 8% to $96.0 million as of March 31, 2024 compared to $88.6 million as of March 31, 2023, which was primarily due to the increase in finance receivables. As a percentage of finance receivables, the allowance increased from 46% at March 31, 2023 to 48% at March 31, 2024.

Interest and fees on finance receivables increased 5% to $57.4 million during the first quarter of 2024 compared to $54.6 million during the first quarter of 2023. This increase was primarily due to the higher year-over-year finance receivable balances, partially offset by a slight decline in portfolio yield primarily as a result of AFF expanding its offerings and merchant relationships in certain services sector verticals in the first quarter of 2024, some of which provide slightly lower interest rates.

Provision for loan losses increased 4% to $30.4 million during the first quarter of 2024 compared to $29.3 million during the first quarter of 2023, which was primarily due to the 4% increase in gross transaction volumes. As a percentage of gross transaction volume, the provision for loan losses was 30% during both the first quarter of 2023 and the first quarter of 2024.

Segment Expenses

Operating expenses increased 4% to $34.8 million during the first quarter of 2024 compared to $33.5 million during the first quarter of 2023, which was primarily due to the 3% increase in gross transaction volumes. As a percentage of segment revenues, operating expenses decreased slightly from 14% during the first quarter of 2023 to 13% during the first quarter of 2024.

Segment Pre-Tax Operating Income

The retail POS payment solutions segment pre-tax operating income for the first quarter of 2024 was $33.1 million compared to $23.2 million in the first quarter of 2023. The increase was primarily the result of increased segment income resulting from an increase in net revenue, partially offset by the increase in segment expenses.

Consolidated Results of Operations

The following table reconciles pre-tax operating income of the Company's U.S. pawn segment, Latin America pawn segment and retail POS payment solutions segment, discussed above, to consolidated net income for the three months ended March 31, 2024 compared to the three months ended March 31, 2023 (dollars in thousands):

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023	Increase / (Decrease)
Consolidated Results of Operations			
Segment pre-tax operating income:			
U.S. pawn	**$ 96,602**	$ 81,019	19 %
Latin America pawn	**31,904**	32,872	(3)%
Retail POS payment solutions	**33,149**	23,197	43 %
Intersegment elimination [1]	**210**	(144)	(246)%
Consolidated segment pre-tax operating income	**161,865**	136,944	18 %
Corporate expenses and other income:			
Administrative expenses	**43,057**	39,017	10 %
Depreciation and amortization	**13,188**	15,060	(12)%
Interest expense	**25,418**	20,897	22 %
Interest income	**(743)**	(517)	44 %
Gain on foreign exchange	**(186)**	(802)	(77)%
Merger and acquisition expenses	**597**	31	1,826 %
Other expenses (income), net	**(1,351)**	45	(3,102)%
Total corporate expenses and other income	**79,980**	73,731	8 %
Income before income taxes	**81,885**	63,213	30 %
Provision for income taxes	**20,517**	15,825	30 %
Net income	**$ 61,368**	$ 47,388	30 %

[1] Represents the elimination of intersegment transactions related to the Company offering AFF's LTO payment solution in its U.S. pawn stores. For further detail, see Note 9 of Notes to Consolidated Financial Statements.

Corporate Expenses and Taxes

Administrative expenses increased 10% to $43.1 million during the first quarter of 2024 compared to $39.0 million in the first quarter of 2023, primarily due to increased incentive compensation expense, the increase in pawn store count and a 9% change in the average value of the Mexican peso resulting in higher U.S. dollar translated administrative expenses in Latin America. As a percentage of revenue, administrative expenses were 5% during both the first quarter of 2023 and the first quarter of 2024.

Depreciation and amortization decreased 12% to $13.2 million during the first quarter of 2024 compared to $15.1 million in the first quarter of 2023, primarily due to a $2.0 million decrease in amortization of acquired AFF intangible assets.

Interest expense increased 22% to $25.4 million during the first quarter of 2024 compared to $20.9 million in the first quarter of 2023, primarily due to higher floating interest rates on the Company's unsecured bank credit facilities and higher average total long-term debt balances outstanding. See Note 7 of Notes to Consolidated Financial Statements and "Liquidity and Capital Resources."

Consolidated effective income tax rates for the first quarter of 2024 and 2023 were 25.1% and 25.0%, respectively.

LIQUIDITY AND CAPITAL RESOURCES

Material Capital Requirements

The Company’s primary capital requirements include:

- Expand pawn operations through growth of pawn receivables and inventories in existing stores, new store openings, strategic acquisitions of pawn stores and purchases of underlying real estate at existing locations;
- Expand retail POS payment solutions operations through growth of the business generated from new and existing merchant partners; and
- Return capital to shareholders through dividends and stock repurchases.

Other material capital requirements include operating expenses (see Note 3 of Notes to Consolidated Financial Statements regarding operating lease commitments), maintenance capital expenditures related to its facilities, technology platforms, general corporate operating activities, income tax payments and debt service, among others. Net interest expense is expected to increase in 2024 compared to 2023 due to (i) increased borrowings primarily undertaken to fund recent acquisitions and (ii) anticipated higher floating interest rates on the borrowings under the revolving credit facilities. The Company believes that net cash provided by operating activities and available and unused funds under its revolving unsecured credit facilities will be adequate to meet its liquidity and capital needs for these items over the next 12 months and also in the longer-term beyond the next 12 months.

Expand Pawn Operations

The Company intends to continue expansion of its pawn operations through growth of pawn receivables and inventories in existing stores along with new store openings and acquisitions.

During the three months ended March 31, 2024, the Company acquired one pawn store in the U.S. for a purchase price of $1.3 million, net of cash acquired and subject to future post-closing adjustments. The Company evaluates potential acquisitions based upon growth potential, purchase price, available liquidity, strategic fit and quality of management personnel, among other factors.

For 2024, the Company has opened 19 new (“de novo”) stores in total through March 31, 2024 and for the full year of 2024 expects to add approximately 90 to 100 total new locations through new store openings and acquisitions. Future store openings are subject to the Company’s ability to identify locations in markets with attractive demographics, available real estate with favorable leases and limited competition.

Although viewed by management as a discretionary expenditure not required to operate its pawn stores, the Company may continue to strategically purchase real estate from its landlords at existing stores or in conjunction with pawn store acquisitions as opportunities arise at reasonable valuations. The Company purchased the real estate at nine store locations, primarily from landlords at existing stores, for a cumulative purchase price of $11.3 million during the three months ended March 31, 2024.

Expand Retail POS Payment Solutions Operations

AFF expects to expand its business primarily by promoting and expanding relationships with both new and existing customers and retail merchant partners. In addition, AFF has made, and intends to continue to make, investments in its customer and merchant support operations and facilities, its technology platforms and its proprietary decisioning platforms and processes. In addition to utilizing cash flows generated from its own operations to fund expected 2024 growth, AFF has access to the additional sources of liquidity described below if needed to fund further expansion activities.

Return of Capital to Shareholders

In April 2024, the Company’s Board of Directors declared a $0.35 per share second quarter cash dividend on common shares outstanding, or an aggregate of $15.8 million based on the March 31, 2024 share count, to be paid on May 31, 2024 to stockholders of record as of May 15, 2024. While the Company currently expects to continue the payment of quarterly cash dividends, the amount, declaration and payment of cash dividends in the future (quarterly or otherwise) will be made by the Board of Directors, from time to time, subject to the Company’s financial condition, results of operations, business requirements, compliance with legal requirements, debt covenant restrictions and other relevant factors.

During the three months ended March 31, 2024, the Company did not repurchase any shares of common stock. During the three months ended March 31, 2023, the Company repurchased 782,000 shares of common stock at an aggregate cost of $70.7 million and an average cost per share of $90.37. The aggregate cost and average cost per share does not include the effect of the 1% excise tax on certain share repurchases enacted under the Inflation Reduction Act of 2022. The Company incurred $0.7 million of excise taxes during the three months ended March 31, 2023.

In July 2023, the Company's Board of Directors authorized a common stock repurchase program for up to $200.0 million of the Company's outstanding common stock, of which the entire $200.0 million is currently remaining. The Company intends to continue repurchases under its active share repurchase program, including through open market transactions under trading plans in accordance with Rule 10b5-1 and Rule 10b-18 under the Exchange Act of 1934, as amended, subject to a variety of factors, including, but not limited to, the level of cash balances, liquidity needs, credit availability, debt covenant restrictions, general business and economic conditions, regulatory requirements, the market price of the Company's stock, the Company's dividend policy and the availability of alternative investment opportunities.

Sources of Liquidity

The Company regularly evaluates opportunities to optimize its capital structure, including through consideration of the issuance of debt or equity, to refinance existing debt and to enter into interest rate hedge transactions, such as interest rate swap agreements. As of March 31, 2024, the Company's primary sources of liquidity were $135.1 million in cash and cash equivalents and $658.2 million of available and unused funds under the Company's revolving unsecured credit facilities, subject to certain financial covenants (see Note 7 of Notes to Consolidated Financial Statements). The Company had working capital of $942.0 million as of March 31, 2024.

The Company's cash and cash equivalents as of March 31, 2024 included $33.2 million held by its foreign subsidiaries. These cash balances, which are primarily held in Mexican pesos, are associated with foreign earnings the Company has asserted are indefinitely reinvested and which the Company primarily plans to use to support its continued growth plans outside the U.S. through funding of capital expenditures, acquisitions, operating expenses or other similar cash needs of the Company's foreign operations.

The Company's liquidity is affected by a number of factors, including changes in general customer traffic and demand, pawn loan balances, loan-to-value ratios, collection of pawn fees, merchandise sales, inventory levels, LTO merchandise, finance receivable balances, collection of lease and finance receivable payments, seasonality, operating expenses, administrative expenses, expenses related to merger and acquisition activities, litigation-related expenses, tax rates, gold prices, foreign currency exchange rates and the pace of new pawn store expansion and acquisitions. Additionally, a prolonged reduction in earnings and EBITDA could limit the Company's future ability to fully borrow on its credit facilities under current leverage covenants. Regulatory developments affecting the Company's operations may also impact profitability and liquidity. See "Governmental Regulation."

If needed, the Company could seek to raise additional funds from a variety of sources, including, but not limited to, repatriation of excess cash held in Latin America, the sale of assets, reductions in operating expenses, capital expenditures and dividends, the forbearance or deferral of operating expenses, the issuance of debt or equity securities, utilizing other structured financing arrangements, the leveraging of currently unencumbered real estate owned by the Company and/or changes to its management of current assets. The characteristics of the Company's current assets, specifically the ability to rapidly liquidate gold jewelry inventory, which accounts for 52% of total inventory, give the Company flexibility to quickly increase cash flow if necessary.

Cash Flows and Liquidity Metrics

The following tables set forth certain historical information with respect to the Company's sources and uses of cash and other key indicators of liquidity (dollars in thousands):

	Three Months Ended March 31,	
	2024	2023
Cash flow provided by operating activities	**$ 122,532**	$ 110,594
Cash flow used in investing activities	**$ (29,634)**	$ (13,239)
Cash flow used in financing activities	**$ (84,934)**	$ (115,984)

	As of March 31,	
	2024	2023
Working capital	**$ 942,026**	$ 766,232
Current ratio	**4.0:1**	3.5:1

Cash Flow Provided by Operating Activities

Net cash provided by operating activities increased $11.9 million, or 11%, from $110.6 million for the three months ended March 31, 2023 to $122.5 million for the three months ended March 31, 2024, as an increase in net income of $14.0 million was partially offset by net changes in certain non-cash adjustments to reconcile net income to operating cash flow and net changes in other operating assets and liabilities (as detailed in the consolidated statements of cash flows).

Cash Flow Used in Investing Activities

Net cash used in investing activities increased $16.4 million, or 124%, from $13.2 million for the three months ended March 31, 2023 to $29.6 million for the three months ended March 31, 2024. Cash flows from investing activities are utilized primarily to fund acquisitions, purchase furniture, fixtures, equipment and improvements, which includes capital expenditures for improvements to existing stores and for new pawn store openings and other corporate assets, and discretionary purchases of store real property. In addition, cash flows related to the funding of new pawn loans, net of cash repayments and recovery of principal through the sale of inventories acquired from forfeiture of pawn collateral and changes in net finance receivables, are included in investing activities. The Company paid $26.4 million for furniture, fixtures, equipment and improvements and $11.3 million for discretionary pawn store real property purchases during the three months ended March 31, 2024 compared to $13.8 million and $17.5 million in the prior-year period, respectively. The Company paid $1.7 million in cash related to pawn store acquisitions during both the three months ended March 31, 2024 and 2023. The Company received funds from a net decrease in pawn loans of $25.1 million during the three months ended March 31, 2024 and $44.4 million during the three months ended March 31, 2023. The Company funded a net increase in finance receivables of $15.3 million during the three months ended March 31, 2024 and $24.5 million during the three months ended March 31, 2023.

Cash Flow Used in Financing Activities

Net cash used in financing activities decreased $31.1 million, or 27%, from $116.0 million for the three months ended March 31, 2023 to $84.9 million for the three months ended March 31, 2024. Net payments on the credit facilities were $553.0 million during the three months ended March 31, 2024 compared to $31.0 million during the three months ended March 31, 2023. During the three months ended March 31, 2024, the Company received $500.0 million in proceeds from the private offering of senior unsecured notes and paid $9.1 million in debt issuance costs which was used to repay a portion of the outstanding balance on the Credit Facility, after payment of fees and expenses related to the offering. The Company did not repurchase any shares during the three months ended March 31, 2024 while it funded $67.2 million of share repurchases during the three months ended March 31, 2023. The Company paid dividends of $15.8 million during the three months ended March 31, 2024, compared to $15.3 million during the three months ended March 31, 2023. In addition, the Company paid withholding taxes on net share settlements of restricted stock awards during the three months ended March 31, 2024 of $7.0 million compared to $2.5 million during the three months ended March 31, 2023.

GOVERNMENTAL REGULATION

The Company's pawn and retail POS payments solutions businesses are subject to significant regulation in all of the jurisdictions in which it operates. Existing regulations and regulatory developments are further and more completely described under "Governmental Regulation" in Part I, Item 1 of the Company's 2023 Annual Report on Form 10-K filed with the SEC on February 5, 2024 and in subsequent documents filed with the SEC.

NON-GAAP FINANCIAL INFORMATION

The Company uses certain financial calculations such as adjusted net income, adjusted diluted earnings per share, EBITDA, adjusted EBITDA, free cash flow, adjusted free cash flow and constant currency results as factors in the measurement and evaluation of the Company's operating performance and period-over-period growth. The Company derives these financial calculations on the basis of methodologies other than GAAP, primarily by excluding from a comparable GAAP measure certain items the Company does not consider to be representative of its actual operating performance. These financial calculations are "non-GAAP financial measures" as defined under the SEC rules. The Company uses these non-GAAP financial measures in operating its business because management believes they are less susceptible to variances in actual operating performance that can result from the excluded items, other infrequent charges and currency fluctuations. The Company presents these financial measures to investors because management believes they are useful to investors in evaluating the primary factors that drive the Company's core operating performance and provide greater transparency into the Company's results of operations. However, items that are excluded and other adjustments and assumptions that are made in calculating these non-GAAP financial measures are significant components in understanding and assessing the Company's financial performance. These non-GAAP financial measures should be evaluated in conjunction with, and are not a substitute for, the Company's GAAP financial measures. Further, because these non-GAAP financial measures are not determined in accordance with GAAP and are thus susceptible to varying calculations, the non-GAAP financial measures, as presented, may not be comparable to other similarly-titled measures of other companies.

While acquisitions are an important part of the Company's overall strategy, the Company has adjusted the applicable financial calculations to exclude merger and acquisition expenses in order to allow more accurate comparisons of the financial results to prior periods. In addition, the Company does not consider these merger and acquisition expenses to be related to the organic operations of the acquired businesses or its continuing operations, and such expenses are generally not relevant to assessing or estimating the long-term performance of the acquired businesses. Merger and acquisition expenses include incremental costs directly associated with merger and acquisition activities, including professional fees, legal expenses, severance, retention and other employee-related costs, contract breakage costs and costs related to the consolidation of technology systems and corporate facilities, among others.

The Company has certain leases in Mexico which are denominated in U.S. dollars. The lease liability of these U.S. dollar-denominated leases, which is considered a monetary liability, is remeasured into Mexican pesos using current period exchange rates, resulting in the recognition of foreign currency exchange gains or losses. The Company has adjusted the applicable financial measures to exclude these remeasurement gains or losses (i) because they are non-cash, non-operating items that could create volatility in the Company's consolidated results of operations due to the magnitude of the end of period lease liability being remeasured and (ii) to improve comparability of current periods presented with prior periods.

In conjunction with the Cash America merger in 2016, the Company recorded certain lease intangibles related to above- or below-market lease liabilities of Cash America, which are included in the operating lease right of use asset on the consolidated balance sheets. As the Company continues to opportunistically purchase real estate from landlords at certain Cash America stores, the associated lease intangible, if any, is written off and gain or loss is recognized. The Company has adjusted the applicable financial measures to exclude these gains or losses given the variability in size and timing of these transactions and because they are non-cash, non-operating gains or losses. The Company believes this improves comparability of operating results for current periods presented with prior periods.

Adjusted Net Income and Adjusted Diluted Earnings Per Share

Management believes the presentation of adjusted net income and adjusted diluted earnings per share provides investors with greater transparency and provides a more complete understanding of the Company's financial performance and prospects for the future by excluding items that management believes are non-operating in nature and are not representative of the Company's core operating performance. In addition, management believes the adjustments shown below are useful to investors in order to allow them to compare the Company's financial results for the current periods presented with the prior periods presented.

The following table provides reconciliation between net income and diluted earnings per share calculated in accordance with GAAP to adjusted net income and adjusted diluted earnings per share, which are shown net of tax (in thousands, except per share amounts):

	Three Months Ended March 31,			
	2024	2023	**2024**	2023
	In Thousands	In Thousands	Per Share	Per Share
Net income and diluted earnings per share, as reported	**$ 61,368**	$ 47,388	**$ 1.35**	$ 1.02
Adjustments, net of tax:				
Merger and acquisition expenses	**457**	22	**0.01**	—
Non-cash foreign currency gain related to lease liability	**(169)**	(847)	**—**	(0.01)
Amortization of acquired AFF intangible assets	**9,573**	11,102	**0.21**	0.24
Other expenses (income), net	**(1,040)**	35	**(0.02)**	—
Adjusted net income and diluted earnings per share	**$ 70,189**	$ 57,700	**$ 1.55**	$ 1.25

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) and Adjusted EBITDA

The Company defines EBITDA as net income before income taxes, depreciation and amortization, interest expense and interest income and adjusted EBITDA as EBITDA adjusted for certain items, as listed below, that management considers to be non-operating in nature and not representative of its actual operating performance. The Company believes EBITDA and adjusted EBITDA are commonly used by investors to assess a company's financial performance, and adjusted EBITDA is used as a starting point in the calculation of the consolidated total debt ratio as defined in the Company's senior unsecured notes. The following table provides a reconciliation of net income to EBITDA and adjusted EBITDA (in thousands):

	Three Months Ended March 31,		Trailing Twelve Months Ended March 31,	
	2024	2023	**2024**	2023
Net income	**$ 61,368**	$ 47,388	**$ 233,281**	$ 272,878
Income taxes	**20,517**	15,825	**78,240**	76,959
Depreciation and amortization	**26,027**	27,111	**108,077**	105,401
Interest expense	**25,418**	20,897	**97,764**	75,384
Interest income	**(743)**	(517)	**(1,695)**	(1,154)
EBITDA	**132,587**	110,704	**515,667**	529,468
Adjustments:				
Merger and acquisition expenses	**597**	31	**8,488**	3,105
Non-cash foreign currency gain related to lease liability	**(241)**	(1,210)	**(1,571)**	(1,847)
AFF purchase accounting and other adjustments [1]	**—**	—	**13,968**	29,822
Gain on revaluation of contingent acquisition consideration	**—**	—	**—**	(112,119)
Other expenses (income), net	**(1,351)**	45	**(2,798)**	(2,863)
Adjusted EBITDA	**$ 131,592**	$ 109,570	**$ 533,754**	$ 445,566

[1] The following table details AFF purchase accounting and other adjustments (in thousands):

	Three Months Ended March 31,		Trailing Twelve Months Ended March 31,	
	2024	2023	**2024**	2023
Amortization of fair value adjustment on acquired finance receivables included in interest and fees on finance receivables	**$ —**	$ —	**$ —**	$ 26,484
Amortization of fair value adjustment on acquired leased merchandise included in depreciation of leased merchandise	**—**	—	**—**	3,338
Other non-recurring costs included in administrative expenses related to a discontinued finance product	**—**	—	**13,968**	—
	$ —	$ —	**$ 13,968**	$ 29,822

Free Cash Flow and Adjusted Free Cash Flow

For purposes of its internal liquidity assessments, the Company considers free cash flow and adjusted free cash flow. The Company defines free cash flow as cash flow from operating activities less purchases of furniture, fixtures, equipment and improvements and net fundings/repayments of pawn loan and finance receivables, which are considered to be operating in nature by the Company but are included in cash flow from investing activities. Adjusted free cash flow is defined as free cash flow adjusted for merger and acquisition expenses paid that management considers to be non-operating in nature.

Free cash flow and adjusted free cash flow are commonly used by investors as additional measures of cash generated by business operations that may be used to repay scheduled debt maturities and debt service or, following payment of such debt obligations and other non-discretionary items, that may be available to invest in future growth through new business development activities or acquisitions, repurchase stock, pay cash dividends or repay debt obligations prior to their maturities. These metrics can also be used to evaluate the Company's ability to generate cash flow from business operations and the impact that this cash flow has on the Company's liquidity. However, free cash flow and adjusted free cash flow have limitations as analytical tools and should not be considered in isolation or as a substitute for cash flow from operating activities or other income statement data prepared in accordance with GAAP. The following table reconciles cash flow from operating activities to free cash flow and adjusted free cash flow (in thousands):

	Three Months Ended March 31,		Trailing Twelve Months Ended March 31,	
	2024	2023	**2024**	2023
Cash flow from operating activities	**$ 122,532**	$ 110,594	**$ 428,080**	$ 459,754
Cash flow from certain investing activities:				
Pawn loans, net [(1)]	**25,149**	44,358	**(54,187)**	(8,842)
Finance receivables, net	**(15,311)**	(24,540)	**(106,213)**	(109,954)
Purchases of furniture, fixtures, equipment and improvements	**(26,427)**	(13,828)	**(72,747)**	(42,386)
Free cash flow	**105,943**	116,584	**194,933**	298,572
Merger and acquisition expenses paid, net of tax benefit	**457**	22	**6,524**	2,389
Adjusted free cash flow	**$ 106,400**	$ 116,606	**$ 201,457**	$ 300,961

(1) Includes the funding of new loans net of cash repayments and recovery of principal through the sale of inventories acquired from forfeiture of pawn collateral.

Constant Currency Results

The Company's reporting currency is the U.S. dollar, however, certain performance metrics discussed in this report are presented on a "constant currency" basis, which is considered a non-GAAP financial measure. The Company's management uses constant currency results to evaluate operating results of business operations in Latin America, which are transacted in local currencies in Mexico, Guatemala and Colombia. The Company also has operations in El Salvador, where the reporting and functional currency is the U.S. dollar.

The Company believes constant currency results provide valuable supplemental information regarding the underlying performance of its business operations in Latin America, consistent with how the Company's management evaluates such performance and operating results. Constant currency results reported herein are calculated by translating certain balance sheet and income statement items denominated in local currencies using the exchange rate from the prior-year comparable period, as opposed to the current comparable period, in order to exclude the effects of foreign currency rate fluctuations for purposes of evaluating period-over-period comparisons. See the Latin America pawn segment tables in "Results of Operations" above for additional reconciliation of certain constant currency amounts to as reported GAAP amounts.

The following table provides exchange rates for the Mexican peso, Guatemalan quetzal and Colombian peso for the current and prior-year periods:

	March 31,		Favorable /
	2024	2023	(Unfavorable)
Mexican peso / U.S. dollar exchange rate:			
End-of-period	**16.7**	18.1	8 %
Three months ended	**17.0**	18.7	9 %
Guatemalan quetzal / U.S. dollar exchange rate:			
End-of-period	**7.8**	7.8	— %
Three months ended	**7.8**	7.8	— %
Colombian peso / U.S. dollar exchange rate:			
End-of-period	**3,842**	4,627	17 %
Three months ended	**3,915**	4,762	18 %

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market risks relating to the Company's operations result primarily from changes in interest rates, gold prices and foreign currency exchange rates and are described in detail in the Company's 2023 Annual Report on Form 10-K. The impact of current-year fluctuations in foreign currency exchange rates, in particular, are further discussed in Part I, Item 2 herein. The Company does not engage in speculative or leveraged transactions, nor does it hold or issue financial instruments for trading purposes. There have been no material changes to the Company's exposure to market risks since December 31, 2023.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

The Company's management, under the supervision and with the participation of the Company's Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934) as of March 31, 2024 (the "Evaluation Date"). Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that, as of the Evaluation Date, the Company's disclosure controls and procedures were effective.

Changes in Internal Control Over Financial Reporting

There have been no changes in the Company's internal control over financial reporting during the quarter ended March 31, 2024 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Limitations on Effectiveness of Controls and Procedures

The Company's management, including its Chief Executive Officer and Chief Financial Officer, does not expect that the Company's disclosure controls and procedures or internal controls will prevent all possible error and fraud. The Company's disclosure controls and procedures are, however, designed to provide reasonable assurance of achieving their objectives, and the Company's Chief Executive Officer and Chief Financial Officer have concluded that the Company's disclosure controls and procedures are effective at that reasonable assurance level.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

See Note 8 - Commitments and Contingencies of Notes to Consolidated Financial Statements contained in Part I, Item 1 of this report which is incorporated to this Part II, Item 1 by reference.

ITEM 1A. RISK FACTORS

Important risk factors that could materially affect the Company's business, financial condition or results of operations in future periods are described in Part I, Item 1A, "Risk Factors" of the Company's 2023 Annual Report on Form 10-K. These factors are supplemented by those discussed under "Management's Discussion And Analysis Of Financial Condition And Results Of Operations" and "Governmental Regulation" in Part I, Item 2 of this quarterly report and in "Governmental Regulation" in Part I, Item 1 of the Company's 2023 Annual Report on Form 10-K. There have been no material changes in the Company's risk factors from those in Part I, Item 1A, "Risk Factors" of the Company's 2023 Annual Report on Form 10-K.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

The following table provides information about purchases made by the Company of shares of its common stock during the three months ended March 31, 2024 (dollars in thousands, except per share amounts):

	Total Number Of Shares Purchased (1)	Average Price Paid Per Share (1)	Total Number Of Shares Purchased As Part Of Publicly Announced Plans (2)	Approximate Dollar Value Of Shares That May Yet Be Purchased Under The Plans (2)
January 1 through January 31, 2024	58,747	$ 119.27	—	$ 200,000
February 1 through February 29, 2024	—	—	—	200,000
March 1 through March 31, 2024	—	—	—	200,000
Total	58,747	119.27	—	

(1) In January 2024, 58,747 shares of the Company's common stock were withheld by the Company to satisfy tax obligations that arose upon vesting of certain restricted stock granted pursuant to shareholder approved plans. These shares were not acquired pursuant to a publicly announced repurchase plan.

(2) In July 2023, the Company's Board of Directors authorized an additional common stock repurchase program for up to $200.0 million of the Company's outstanding common stock, of which the entire $200.0 million is currently remaining.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

Not Applicable.

ITEM 4. MINE SAFETY DISCLOSURES

Not Applicable.

ITEM 5. OTHER INFORMATION

Rule 10b5-1 Trading Plans

None of the Company's directors or officers adopted, modified or terminated a Rule 10b5-1 trading arrangement or a non-Rule 10b5-1 trading arrangement, as such terms are defined under Item 408(a) of Regulation S-K, during the first quarter of 2024, except as follows:

On March 12, 2024, Rick L. Wessel, Vice Chairman of the Board and Chief Executive Officer, adopted a written plan for the sale of up to 120,000 shares of the Company's common stock that is intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Exchange Act of 1934. The plan will expire on November 21, 2025, or on any earlier date on which all of the shares have been sold.

On February 5, 2024, AFF Services, Inc., adopted a non-Rule 10b5-1 trading plan as defined in Item 408(c) of Regulation S-K. The arrangement provided for the sale of up to 881,567 shares of the Company's common stock and it terminated on March 15, 2024. The trading arrangement was adopted during an open trading window and satisfied the Company's policies regarding insider transactions. AFF Services, Inc. is partially owned and 100% controlled by the Douglas R. Rippel Revocable Trust (the "Trust"). Douglas R. Rippel, a member of the Company's board of directors, is a co-trustee of the Trust and an indirect beneficial owner of the shares held by AFF Services, Inc.

ITEM 6. EXHIBITS

		Incorporated by Reference				
Exhibit No.	Exhibit Description	Form	File No.	Exhibit	Filing Date	Filed Herewith
3.1	Amended and Restated Certificate of Incorporation of FirstCash Holdings, Inc., dated December 16, 2021	8-K12B	001-10960	3.1	12/16/2021	
3.2	Amended and Restated Bylaws of FirstCash Holdings, Inc., dated December 16, 2021	8-K12B	001-10960	3.2	12/16/2021	
4.1	Indenture, dated as of February 21, 2024, by and among FirstCash, Inc., the guarantors listed therein and BOKF, NA (including the form of Note attached as an exhibit thereto).	8-K	001-10960	4.1	02/21/2024	
10.1	Employment Agreement, dated April 2, 2024, between Daniel R. Feehan and FirstCash Holdings, Inc. *					X
31.1	Certification Pursuant to Exchange Act Section 13(a)-14(a)/15d-14(a), as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act, provided by Rick L. Wessel, Chief Executive Officer					X
31.2	Certification Pursuant to Exchange Act Section 13(a)-14(a)/15d-14(a), as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act, provided by R. Douglas Orr, Chief Financial Officer					X
32.1	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, provided by Rick L. Wessel, Chief Executive Officer					X
32.2	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, provided by R. Douglas Orr, Chief Financial Officer					X
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document					X
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 Label Linkbase Document					X
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document					X
104	Cover Page Interactive Data File (embedded within the Inline XBRL document contained in Exhibit 101)					X

* Indicates management contract or compensatory plan, contract or arrangement.

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.

Dated: April 29, 2024	FIRSTCASH HOLDINGS, INC. (Registrant)
	/s/ RICK L. WESSEL Rick L. Wessel Chief Executive Officer (On behalf of the Registrant)
	/s/ R. DOUGLAS ORR R. Douglas Orr Executive Vice President and Chief Financial Officer (As Principal Financial and Accounting Officer)

EMPLOYMENT AGREEMENT

BETWEEN

DANIEL R. FEEHAN

AND

FIRSTCASH HOLDINGS, INC.

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (this "Agreement") is made and entered into this 2ND day of April 2024 by and between FirstCash Holdings, Inc., a Delaware corporation (the "Company") and Daniel R. Feehan (the "Feehan"), to be effective as of January 1, 2024 (the "Effective Date"). This Agreement supersedes and replaces that certain Employment Agreement between the Company and Feehan dated as of January 28, 2020 (the "Previous Employment Agreement") as of the Effective Date.

BACKGROUND

WHEREAS, the Company currently employs Feehan under the terms and conditions as set forth in the Previous Employment Agreement; and

WHEREAS, the Company and Feehan desire to enter into this Agreement, which shall supersede and replace the Previous Employment Agreement, and agree that the Previous Employment Agreement shall have no further force or effect as of the Effective Date of this Agreement.

NOW THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Employment. Feehan is hereby employed by the Company as of the Effective Date pursuant to this Agreement. Feehan shall have the duties, responsibilities and authority as shall be assigned by the Board of Directors of the Company (the "Board").

2. Term. Unless earlier terminated herein in accordance with Section 6 hereof, Feehan's employment with the Company shall be governed by the terms and conditions of this Agreement for a period beginning on the Effective Date and ending on December 31, 2026 (the "Term").

3. Extent of Service. During the Term, Feehan agrees to use his best efforts to perform faithfully and efficiently his job responsibilities. Nothing in this Agreement shall prohibit Feehan from (i) serving on the boards of directors of trade associations or charitable/educational/non-profit organizations; (ii) engaging in charitable activities and community affairs; (iii) serving on the boards of directors of other public and/or private companies with the prior written approval of the Board, which shall not be unreasonably withheld (provided that, for avoidance of doubt, such service does not violate any of the restrictive covenants in Section 8 of this Agreement); or (iv) managing his personal investments and affairs, provided that the activities described in the preceding clauses (i) through (iv) do not materially interfere with the proper performance of his duties and responsibilities hereunder.

4. Compensation and Benefits.

(a) Base Salary. During the Term, the Company will pay to Feehan base salary at the rate of U.S. Four Hundred and Fifty Thousand Dollars ($450,000) per year ("Base Salary"), less normal withholdings, payable in approximately equal bi-weekly or other installments as are or become customary under the Company's payroll practices for its employees from time to time.

(b) Savings and Retirement Plans. During the Term, Feehan shall be entitled to participate in all savings and retirement plans, practices, policies and programs generally available to the other employees of the Company.

(c) Welfare Benefit Plans. Feehan and his eligible dependents shall be eligible for participation in the welfare benefit plans, practices, policies and programs provided by the Company, if any, to the extent generally available to other employees and subject to eligibility requirements and terms and conditions of each such plan; provided, however, that nothing herein shall limit the ability of the Company to amend, modify or terminate any such benefit plans, policies or programs at any time and from time to time.

(d) Expenses. During the Term, Feehan shall be entitled to receive prompt reimbursement from the Company for all reasonable and customary expenses incurred by Feehan in the course of performing his duties and responsibilities under this Agreement, in accordance with the policies, practices and procedures of the Company with respect to travel, entertainment and other business expenses ("Business Expenses").

Notwithstanding the foregoing, (i) the reimbursements for Business Expenses provided in any one calendar year shall not affect the amount of such reimbursements provided in any other calendar year; (ii) the reimbursement of an eligible Business Expense shall be made within thirty (30) days following Feehan's submission of evidence, satisfactory to the Company, of the incurrence of such Business Expense, but in no event later than December 31 of the year following the year in which the expense was incurred; (iii) Feehan' s rights pursuant to this Section 4(f) shall not be subject to liquidation or exchange for another benefit; and (iv) the reimbursements for Business Expenses shall be provided in accordance with the policies, practices and procedures of the Company.

5. Change in Control. For purposes of this Agreement, "Change in Control" shall mean the consummation of a reorganization, merger, consolidation, statutory share exchange or similar form of corporate transaction involving the Company or a subsidiary of the Company (a "Reorganization"), or the sale or other disposition of all or substantially all of the Company's assets (a "Sale") or the acquisition of assets or stock of another corporation or other entity (an "Acquisition"), unless immediately following such Reorganization, Sale or Acquisition: (A) all or substantially all of the individuals and entities who were the beneficial owners (as defined in Rule 13d-3 of the General Rules and Regulations under the Securities Exchange Act of 1934 Act, as amended ("Beneficial Owners")), respectively, of the outstanding Company Stock and the Company's then outstanding securities eligible to vote for the election of directors ("Company Voting Securities") immediately prior to such Reorganization, Sale or Acquisition beneficially own, directly or indirectly, more than 50% of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the entity resulting from or surviving such Reorganization, Sale or Acquisition (including, without limitation, an entity which as a result of such transaction owns the Company or all or substantially all of the Company's assets or stock either directly or through one or more subsidiaries, the "Surviving Entity") in substantially the same proportions as their ownership, immediately prior to such Reorganization, Sale or Acquisition, of the outstanding Company Stock and the outstanding Company Voting Securities, as the case may be, and (B) no person (other than (x) the Company or any subsidiary of the Company, (y) the Surviving Entity or its ultimate parent entity, or (z) any employee benefit plan (or related trust) sponsored or maintained by any of the foregoing) is the Beneficial Owner, directly or indirectly, of 50% or more of the total common stock or 50% or more of the total voting power of the outstanding voting securities eligible to elect directors of the Surviving Entity. A Change in Control shall not include a public offering of any class or series of the Company's equity securities pursuant to a registration statement filed by the Company under the Securities and Exchange Act of 1933, as amended.

6. Termination of Employment.

(a) Death. Feehan's employment shall terminate automatically upon Feehan's death during the Term.

(b) Disability. If the Company determines in good faith that Feehan has become Disabled (as defined below) during the Term, then it may give to Feehan written notice of its intention to terminate Feehan's employment. In such event, Feehan's employment with the Company shall terminate effective on the thirtieth (30^{th}) day after receipt of such written notice by Feehan (the "Disability Effective Date"), provided that, within the thirty (30) days after such receipt, Feehan shall not have returned to full-time performance of Feehan's duties. For purposes of this Agreement, "Disability" shall mean the inability of Feehan, as reasonably determined by the Company, to perform the essential functions of his regular duties and responsibilities, with or without reasonable accommodation, due to a medically determinable physical or mental illness which has lasted (or can reasonably be expected to last) for a period of six (6) consecutive months. At the request of Feehan or his personal representative, the Company's determination that the Disability of Feehan has occurred shall be certified by a physician mutually agreed upon by Feehan, or his personal representative, and the Company.

(c) Termination by the Company. The Company may terminate Feehan's employment during the Term with or without Cause. For purposes of this Agreement, a termination shall be considered to be for "Cause" if it occurs in conjunction with a good faith determination by the Board that any of the following have occurred:

(i) Feehan's material or habitual failure to meet performance standards agreed to upon by Feehan and the Board, or to follow the reasonable and lawful directions of the Board, or perform his duties with the Company (other than any such failure resulting from Feehan's Disability) which failure is not cured within ten (10) days after a written demand for performance is delivered to Feehan by the Company which specifically identifies the manner in which the Company believes that Feehan has materially or habitually failed to perform Feehan's duties;

(ii) Feehan's engaging in any illegal conduct, gross misconduct or gross negligence in connection with the performance of his duties hereunder, which is, or is likely to be, injurious to the Company, its financial condition, or its reputation, with the understanding that, without limiting the generality of the foregoing, any circumstances with respect to Feehan that, in the discretion of the Board or the FDIC, are deemed to be violation of Section 19 of the Federal Deposit Insurance Act (12 U.S.C. § 1829(a)) shall constitute illegal conduct in connection with the performance of his duties hereunder that is injurious to the Company, its financial condition, or its reputation;

(iii) Feehan's commission of or engagement in any act of fraud, misappropriation, dishonesty or embezzlement, whether or not such act was committed in connection with the business of the Company;

(iv) Feehan's breach of fiduciary duty, breach of any of the covenants set forth in Section 8 or 9 of this Agreement, or material breach of any other provisions of this Agreement;

(v) Feehan's conviction of, pleading guilty to, or confession to a felony or any crime involving moral turpitude (including pleading guilty or nolo contendere to a felony or lesser charge which results from plea bargaining), whether or not such felony, crime or lesser offense is connected with the business of the Company;

(vi) Feehan's indictment or conviction of, pleading guilty to, or confession to a felony or any crime (including pleading guilty or nolo contendere to a felony or lesser charge which results from plea bargaining), which felony, crime or lesser offense is connected with the business of the Company; or

(vii) Feehan's violation of the Company's policy against harassment or its equal employment opportunity policy or a material violation of any other policy or procedure of the Company (including, but not limited to, the Company's code of business conduct).

(d) Termination by Feehan. Feehan's employment may be terminated by Feehan for any reason or for Good Reason by providing thirty (30) days prior written notice to the Company. For purposes of this Agreement, "Good Reason" shall mean the occurrence of any of the following, without Feehan's consent:

(i) a material diminution in Feehan's Base Salary;

(ii) the relocation of Feehan's principal office to a facility or location more than fifty (50) miles away from Feehan's principal place of work immediately prior to the relocation; provided, however, that Good Reason shall not include (A) any relocation of Feehan's principal office which is proposed or initiated by Feehan; or (B) any relocation that results in Feehan's principal place office being closer to Feehan's then-principal residence;

(iii) any material breach by the Company of this Agreement;

Feehan's termination for Good Reason must occur within a period of ninety (90) days after the occurrence of an event of Good Reason. A termination by Feehan shall not constitute termination for Good Reason unless Feehan shall first have delivered to the Company written notice setting forth with specificity the occurrence deemed to give rise to a right to terminate for Good Reason (which notice must be given no later than thirty (30) days after the initial occurrence of such event), and there shall have passed a reasonable time (not less than thirty (30) days) within which the Company may take action to correct, rescind or otherwise substantially reverse the occurrence supporting termination for Good Reason as identified by Feehan. Good Reason shall not include Feehan's death or Disability. The parties intend, believe and take the position that a resignation by Feehan for Good Reason as defined above effectively constitutes an involuntary separation from service within the meaning of Section 409A of the Code and Treas. Reg. Section 1.409A-1(n)(2).

(e) Notice of Termination. Any termination by the Company or Feehan shall be communicated by Notice of Termination to the other party hereto given in accordance with Section 17(d) of this Agreement. For purposes of this Agreement, a "Notice of Termination" means a written notice which (i) indicates the specific termination provision in this Agreement relied upon, (ii) to the extent applicable, sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of Feehan's employment under the provision so indicated, and (iii) if the Date of Termination (as defined below) is other than the date of receipt of such notice, specifies the termination date. The failure by Feehan or the Company to set forth in the Notice of Termination any fact or circumstance which contributes to a showing of Good Reason or Cause shall not waive any right of Feehan or the

Company, respectively, hereunder or preclude Feehan or the Company, respectively, from asserting such fact or circumstance in enforcing Feehan's or the Company's rights hereunder.

(f) Date of Termination. "Date of Termination" means (i) if Feehan's employment is terminated other than by reason of death or Disability, the date of receipt of the Notice of Termination or, subject to any cure period, any later date specified therein within sixty (60) days after receipt of the Notice of Termination, as the case may be, or (ii) if Feehan's employment is terminated by reason of death or Disability, the Date of Termination shall be the date of death of Feehan or the Disability Effective Date, as the case may be.

7. Obligations of the Company upon Termination.

(a) Termination by the Company Other Than for Cause or Disability; Termination by Feehan for Good Reason. If, during the Term, (A) the Company shall terminate Feehan's employment other than for Cause or Disability, or (B) Feehan shall terminate employment for Good Reason, then, and with respect to the payments and benefits described in clauses (ii) and (iii) below, only if within sixty (60) days after the Date of Termination Feehan shall have executed a separation agreement containing a full general release of claims and covenant not to sue in a form satisfactory to the Company (the "Release") and such Release shall not have been revoked within the time period specified therein:

(i) the Company shall pay to Feehan his's Base Salary through the Date of Termination to the extent not theretofore paid ("Accrued Obligations"); and

(ii) the Company shall pay to Feehan in a lump sum in cash within sixty (60) days after the Date of Termination, the exact payment date to be determined by the Company, a severance payment equal to one times (or two times, if such termination occurs within twelve (12) months following a Change in Control) Feehan's Base Salary in effect as of the Date of Termination; and

(iii) if Feehan elects to continue participation in any group medical, dental, vision and/or prescription drug plan benefits to which Feehan and/or Feehan's eligible dependents would be entitled under Section 4980B of the Code (COBRA), then during the period that Feehan is entitled to such coverage under COBRA (the "Welfare Benefits Continuation Period"), the Company shall pay the excess of (1) the COBRA cost of such coverage over (2) the amount that Feehan would have had to pay for such coverage if Feehan had remained employed during the Welfare Benefits Continuation Period and paid the active employee rate for such coverage (the "COBRA Subsidy"); provided, however, that (A) that if Feehan becomes eligible to receive group health benefits under a program of a subsequent employer or otherwise (including coverage available to Feehan's spouse), the Company's obligation to pay any portion of the cost of health coverage as described herein shall cease, except as otherwise provided by law; and (B) the Welfare Benefits Continuation Period shall run concurrently with any period for which Feehan is eligible to elect health coverage under COBRA; provided, however, that if such termination occurs within twelve (12) months following a Change in Control, then, in lieu of the COBRA Subsidy described above, Company shall pay to Feehan in a lump sum in cash within sixty (60) days after the Date of Termination, the exact payment date to be determined by the Company, an amount equal to the full monthly COBRA cost of the coverage multiplied by twenty-four (24); and

(iv) to the extent not theretofore paid or provided, the Company shall timely pay or provide to Feehan any other amounts or benefits required to be paid or provided or which Feehan is eligible to receive under any plan, program, policy or practice or contract or agreement of the Company and its affiliated companies (such other amounts and benefits shall be hereinafter referred to as the "Other Benefits").

For the avoidance of doubt, the parties acknowledge that, in the event that Feehan terminates his employment for Good Reason as a result of the decrease in his Base Salary as contemplated in Section 6(d)(i) hereof, then the Base Salary used for purposes of the calculation of the Accrued Obligations and severance payment under subsection (ii) above, shall be the Base Salary in effect immediately prior to such reduction.

(b) Death or Disability. If Feehan's employment is terminated by reason of Feehan's death or Disability during the Term, this Agreement shall terminate without further obligations to Feehan or Feehan's legal representatives under this Agreement, other than for payment of Accrued Obligations and the timely payment or provision of Other Benefits. Accrued Obligations shall be paid by the Company to Feehan or Feehan's estate or beneficiary, as applicable, in a lump sum in cash within thirty (30) days after the Date of Termination. With respect to the provision of Other Benefits, the term Other Benefits as used in this Section 7(b) shall include without limitation, and Feehan or Feehan's estate and/or beneficiaries shall be entitled to receive, benefits under such plans, programs, practices and policies relating to death or disability benefits, if any, as are applicable to Feehan on the Date of Termination.

(c) Termination by the Company for Cause; Feehan's Resignation without Good Reason. If, during the Term, the Company shall terminate Feehan's employment for Cause or Feehan shall resign for any reason other than for Good Reason, this Agreement shall terminate without further obligations to Feehan, other than for payment of Accrued Obligations and the timely payment or provision of Other Benefits. Accrued Obligations shall be paid by the Company to Feehan in a lump sum in cash within thirty (30) days after the Date of Termination.

(d) Resignations. Termination of Feehan's employment for any reason whatsoever shall constitute Feehan's resignation as an officer of the Company, its subsidiaries and affiliates.

8. Restrictive Covenants.

(a) Acknowledgments.

(i) Condition of Employment and Other Consideration. Feehan acknowledges and agrees that he has received good and valuable consideration for entering into this Agreement and further acknowledges that the Company would not continue to employ Feehan in the absence of his execution of and compliance with this Section 8.

(ii) Access to Confidential Information, Relationships, and Goodwill. Feehan acknowledges and agrees that he is being provided and entrusted with Confidential Information (as that term is defined in Section 8(b) hereof), including highly confidential customer information that is subject to extensive measures to maintain its secrecy within the Company, is not known in the trade or disclosed to the public, and would materially harm the Company's legitimate business interests if it was disclosed or used in violation of this Agreement. Feehan also acknowledges and agrees that he is being provided and entrusted with access to the Company's customer and employee relationships and goodwill. Feehan further acknowledges and agrees that the Company would not provide access to the Confidential Information, customer and employee relationships, and goodwill in the absence of Feehan's execution of and compliance with this Agreement. Feehan further acknowledges and agrees that the Company's

Confidential Information, customer and employee relationships, and goodwill are valuable assets of the Company and are legitimate business interests that are properly subject to protection through the covenants contained in this Agreement.

(iii) Potential Unfair Competition. Feehan acknowledges and agrees that as a result of his employment with the Company, his knowledge of and access to Confidential Information, and his relationships with the Company's customers and employees, Feehan would have an unfair competitive advantage if Feehan were to engage in activities in violation of this Section 8.

(iv) No Undue Hardship. Feehan acknowledges and agrees that, in the event that his employment with the Company terminates, Feehan possesses marketable skills and abilities that will enable him to find suitable employment without violating the covenants set forth in this Section 8.

(v) Voluntary Execution. Feehan acknowledges and affirms that he is executing this Agreement voluntarily, that he has read this Agreement carefully and had a full and reasonable opportunity to consider this Agreement (including an opportunity to consult with legal counsel), and that he has not been pressured or in any way coerced, threatened or intimidated into signing this Agreement.

(vi) Geographic Scope of Service. Feehan acknowledges and agrees that, by virtue of his senior executive status with the Company and his substantial access to Confidential Information, customer and employee relationships, and goodwill described above, he will engage in business on behalf of the Company throughout the entire geographic area in which the Company conducts business, including but not limited to the Restricted Territory (as that term is defined in Section 8(b) hereof).

(b) Definitions. The following capitalized terms used in this Section 8 shall have the meanings assigned to them below, which definitions shall apply to both the singular and the plural forms of such terms:

(i) "Competitive Services" means owning and/or operating retail-based pawn stores or retail-based short-term consumer loan stores, as well as the business of providing any other activities, products, or services of the type conducted, authorized, offered, or provided by the Company and comprising more than 5% of the Company's total revenues as of Feehan's Termination Date, or during the two (2) years immediately prior to Feehan's Termination Date.

(ii) "Confidential Information" means any and all data and information relating to the Company, its activities, business, or clients that (A) is or has been disclosed to Feehan or of which Feehan becomes or has become aware as a consequence of his employment with the Company; (B) has value to the Company; and (C) is not generally known outside of the Company. "Confidential Information" shall include, but is not limited to the following types of information regarding, related to, or concerning the Company: trade secrets (as defined by O.C.G.A. § 10-1-761); financial plans and data; management planning information; business plans; operational methods; market studies; marketing plans or strategies; pricing information; product development techniques or plans; customer lists; customer files, data and financial information; details of customer contracts; current and anticipated customer requirements; identifying and other information pertaining to business referral sources; past, current and planned research and development; computer aided systems, software, strategies and programs; business acquisition plans; management organization and related information (including, without limitation, data and other information concerning the compensation and benefits paid to officers, directors, employees and management); personnel and compensation policies; new personnel acquisition plans; and other similar information. “Confidential Information” also includes combinations of information or materials which individually may be generally known outside of the Company, but for which the nature, method, or procedure for combining such information or materials is not generally known outside of the Company. In addition to data and information relating to the Company, “Confidential Information” also includes any and all data and information relating to or concerning a third party that otherwise meets the definition set forth above, that was provided or made available to the Company by such third party, and that the Company has a duty or obligation to keep confidential. This definition shall not limit any definition of “confidential information” or any equivalent term under state or federal law. “Confidential Information” shall not include information that has become generally available to the public by the act of one who has the right to disclose such information without violating any right or privilege of the Company.

(iii) “Material Contact” means contact between Feehan and a customer or potential customer of the Company (A) with whom or which Feehan has or had dealings on behalf of the Company; (B) whose dealings with the Company are or were coordinated or supervised by Feehan; (C) about whom Feehan obtains Confidential Information in the ordinary course of business as a result of his employment with the Company; or (D) who receives products or services of the Company, the sale or provision of which results or resulted in compensation, commissions, or earnings for Feehan within the two (2) years prior to Feehan’s Termination Date.

(iv) “Person” means any individual or any corporation, partnership, joint venture, limited liability company, association or other entity or enterprise.

(v) “Principal or Representative” means a principal, owner, partner, shareholder, joint venturer, investor, member, trustee, director, officer, manager, employee, agent, representative or consultant.

(vi) “Protected Customer” means any Person to whom the Company has sold its products or services or actively solicited to sell its products or services, and with whom Feehan has had Material Contact on behalf of the Company during his employment with the Company.

(vii) “Protected Work” means any and all ideas, inventions, formulas, Confidential Information, source codes, object codes, techniques, processes, concepts, systems, programs, software, software integration techniques, hardware systems, schematics, flow charts, computer data bases, client lists, trademarks, service marks, brand names, trade names, compilations, documents, data, notes, designs, drawings, technical data and/or training materials, including improvements thereto or derivatives therefrom, whether or not patentable, and whether or not subject to copyright or trademark or trade secret protection, conceived, developed or produced by Feehan, or by others working with Feehan or under his direction, during the period of his employment or service, or conceived, produced or used or intended for use by or on behalf of the Company or its customers.

(viii) “Restricted Period” means any time during Feehan’s employment with the Company, and if Feehan’s employment is terminated for any reason during the Term, the Restricted Period shall mean during Feehan’s employment plus twenty-four (24) months following the Termination Date.

(ix) "Restricted Territory" means the U.S. states and foreign countries in which the Company maintains one or more retail pawn stores or is actively planning to open one or more stores at the time of the conduct in question (if the conduct occurs while Feehan is still employed by the Company) or the Termination Date (if the conduct occurs after Feehan's Termination), as applicable.

(x) "Restrictive Covenants" means the restrictive covenants contained in subsections (c) through (h) of this Section 8.

(xi) "Termination" means the termination of Feehan's employment with the Company, for any reason, whether with or without cause, upon the initiative of either party.

(xii) "Termination Date" means the date of Feehan's Termination.

(c) Restriction on Disclosure and Use of Confidential Information. Feehan agrees that he shall not, directly or indirectly, use any Confidential Information on his own behalf or on behalf of any Person other than Company, or reveal, divulge, or disclose any Confidential Information to any Person not expressly authorized by the Company to receive such Confidential Information. This obligation shall remain in effect for as long as the information or materials in question retain their status as Confidential Information. Feehan further agrees that he shall fully cooperate with the Company in maintaining the Confidential Information to the extent permitted by law. The parties acknowledge and agree that this Agreement is not intended to, and does not, alter either the Company's rights or Feehan's obligations under any state or federal statutory or common law regarding trade secrets and unfair trade practices. Anything herein to the contrary notwithstanding, Feehan shall not be restricted from disclosing information that is required to be disclosed by law, court order or other valid and appropriate legal process; provided, however, that in the event such disclosure is required by law, Feehan shall provide the Company with prompt notice of such requirement so that the Company may seek an appropriate protective order prior to any such required disclosure by Feehan.

(d) Non-Competition. Feehan agrees that during the Restricted Period, he will not, without prior written consent of the Company, directly or indirectly (i) carry on or engage in Competitive Services within the Restricted Territory on his own or on behalf of any Person or any Principal or Representative of any Person, or (ii) own, manage, operate, join, control or participate in the ownership, management, operation or control, of any business, whether in corporate, proprietorship or partnership form or otherwise where such business is engaged in the provision of Competitive Services within the Restricted Territory. Feehan acknowledges that the Restricted Territory is reasonable. Notwithstanding the foregoing, Feehan may maintain or undertake purely passive investments on behalf of himself, his immediate family or any trust on behalf of himself or his immediate family in companies engaged in a Competitive Services so long as the aggregate interest represented by such investments does not exceed 1% of any class of the outstanding publicly traded debt or equity securities of any company engaged in a Competitive Services.

(e) Non-Solicitation of Protected Customers. Feehan agrees that during the Restricted Period, he shall not, without the prior written consent of the Company, directly or indirectly, on his own behalf or as a Principal or Representative of any Person, solicit, divert, take away, or attempt to solicit, divert, or take away a Protected Customer for the purpose of engaging in, providing, or selling Competitive Services.

(f) Non-Recruitment of Employees. Feehan agrees that during the Restricted Period, he shall not, directly or indirectly, whether on his own behalf or as a Principal or Representative of any Person, solicit or induce or attempt to solicit or induce any employee of the Company to terminate his employment relationship with the Company or to enter into employment with Feehan or any other Person.

(g) Proprietary Rights.

(i) Ownership and Assignment of Protected Works. Feehan agrees that any and all Confidential Information and Protected Works are the sole property of the Company, and that no compensation in addition to Feehan's base salary is due to Feehan for development or transfer of such Protected Works. Feehan agrees that he shall promptly disclose in writing to the Company the existence of any Protected Works. Feehan hereby assigns all of his rights, title and interest in any and all Protected Works, including all patents or patent applications, and all copyrights therein, to the Company. Feehan shall not be entitled to use Protected Works for his own benefit or the benefit of anyone except the Company without written permission from the Company and then only subject to the terms of such permission. Feehan further agrees that he will communicate to the Company any facts known to him and testify in any legal proceedings, sign all lawful papers, make all rightful oaths, execute all divisionals, continuations, continuations-in-part, foreign counterparts, or reissue applications, all assignments, all registration applications, and all other instruments or papers to carry into full force and effect the assignment, transfer, and conveyance hereby made or to be made and generally do everything possible for title to the Protected Works and all patents or copyrights or trademarks or service marks therein to be clearly and exclusively held by the Company. Feehan agrees that he will not oppose or object in any way to applications for registration of Protected Works by the Company or others designated by the Company. Feehan agrees to exercise reasonable care to avoid making Protected Works available to any third party and shall be liable to the Company for all damages and expenses, including reasonable attorneys' fees, if Protected Works are made available to third parties by him without the express written consent of the Company.

Anything herein to the contrary notwithstanding, Feehan will not be obligated to assign to the Company any Protected Work for which no equipment, supplies, facilities, or Confidential Information of the Company was used and which was developed entirely on Feehan's own time, unless (a) the invention relates (i) directly to the business of the Company, or (ii) to the Company's actual or demonstrably anticipated research or development; or (b) the invention results from any work performed by Feehan for the Company. Feehan likewise will not be obligated to assign to the Company any Protected Work that is conceived by Feehan after the he leaves the employ or service of the Company, except that Feehan is so obligated if the same relates to or is based on Confidential Information to which Feehan had access by virtue of his employment with the Company. Similarly, Feehan will not be obligated to assign any Protected Work to the Company that was conceived and reduced to practice prior to his employment, regardless of whether such Protected Work relates to or would be useful in the business of the Company. Feehan acknowledges and agrees that there are no Protected Works conceived and reduced to practice by him prior to his employment with the Company.

(ii) No Other Duties. Feehan acknowledges and agrees that there is no other contract or duty on his part now in existence to assign Protected Works to anyone other than the Company.

(iii) Works Made for Hire. The Company and Feehan acknowledge that in the course of his employment with the Company, Feehan may from time to time create for the Company copyrightable works. Such works may consist of manuals, pamphlets, instructional materials, computer programs, software, software integration techniques, software codes, and data, technical data, photographs, drawings, logos, designs, artwork or other copyrightable material, or portions thereof, and may be created within or without the Company's facilities and before, during or after normal business hours. All such works related to or useful in the business of the Company are specifically intended to be works made for hire by Feehan, and Feehan shall cooperate with the Company in the protection of the Company's copyrights in such works and, to the extent deemed desirable by the Company, the registration of such copyrights.

(h) Return of Materials. Feehan agrees that he will not retain or destroy (except as set forth below), and will immediately return to the Company on or prior to the Termination Date, or at any other time the Company requests such return, any and all property of the Company that is in his possession or subject to his control, including, but not limited to, keys, credit and identification cards, personal items or equipment, customer files and information, papers, drawings, notes, manuals, specifications, designs, devices, code, email, documents, diskettes, CDs, tapes, keys, access cards, credit cards, identification cards, computers, mobile devices, other electronic media, all other files and documents relating to the Company and its business (regardless of form, but specifically including all electronic files and data of the Company), together with all Protected Works and Confidential Information belonging to the Company or that Feehan received from or through his employment or service with the Company. Feehan will not make, distribute, or retain copies of any such information or property. To the extent that Feehan has electronic files or information in his possession or control that belong to the Company, contain Confidential Information, or constitute Protected Works (specifically including but not limited to electronic files or information stored on personal computers, mobile devices, electronic media, or in cloud storage), on or prior to the Termination Date, or at any other time the Company requests, Feehan shall (A) provide the Company with an electronic copy of all of such files or information (in an electronic format that readily accessible by the Company); (B) after doing so, delete all such files and information, including all copies and derivatives thereof, from all non-Company-owned computers, mobile devices, electronic media, cloud storage, or other media, devices, or equipment, such that such files and information are permanently deleted and irretrievable; and (C) provide a written certification to the Company that the required deletions have been completed and specifying the files and information deleted and the media source from which they were deleted. Feehan agrees that he will reimburse the Company for all of its costs, including reasonable attorneys' fees, of recovering the above materials and otherwise enforcing compliance with this provision if he does not return the materials to the Company or take the required steps with respect to electronic information or files on or prior to the Termination Date or at any other time the materials and/or electronic file actions are requested by the Company or if Feehan otherwise fails to comply with this provision.

(i) Enforcement of Restrictive Covenants.

(i) Rights and Remedies Upon Breach. The parties specifically acknowledge and agree that the remedy at law for any breach of the Restrictive Covenants will be inadequate, and that in the event Feehan breaches, or threatens to breach, any of the Restrictive Covenants, the Company shall have the right and remedy, without the necessity of proving actual damage or posting any bond, to enjoin, preliminarily and permanently, Feehan from violating or threatening to violate the Restrictive Covenants and to have the Restrictive Covenants specifically enforced by any court of competent jurisdiction, it being agreed that any breach or threatened breach of the Restrictive Covenants would cause irreparable injury to the Company and that money damages would not provide an adequate remedy to the Company. Feehan understands and agrees that if he violates any of the obligations set forth in the Restrictive Covenants, the period of restriction applicable to each obligation violated shall cease to run during the pendency of any litigation over such violation, provided that such litigation was initiated during the period of restriction. Such rights and remedies shall be in addition to, and not in lieu of, any other rights and remedies available to the Company at law or in equity. Feehan understands and agrees that, if the Parties become involved in legal action regarding the enforcement of the Restrictive Covenants and if the Company prevails in such legal action, the Company will be entitled, in addition to any other remedy, to recover from Feehan its reasonable costs and attorneys' fees incurred in enforcing such covenants. The Company's ability to enforce its rights under the Restrictive Covenants or applicable law against Feehan shall not be impaired in any way by the existence of a claim or cause of action on the part of Feehan based on, or arising out of, this Agreement or any other event or transaction.

(ii) Severability and Modification of Covenants. Feehan acknowledges and agrees that each of the Restrictive Covenants is reasonable and valid in time and scope and in all other respects. The parties agree that it is their intention that the Restrictive Covenants be enforced in accordance with their terms to the maximum extent permitted by law. Each of the Restrictive Covenants shall be considered and construed as a separate and independent covenant. Should any part or provision of any of the Restrictive Covenants be held invalid, void, or unenforceable, such invalidity, voidness, or unenforceability shall not render invalid, void, or unenforceable any other part or provision of this Agreement or such Restrictive Covenant. If any of the provisions of the Restrictive Covenants should ever be held by a court of competent jurisdiction to exceed the scope permitted by the applicable law, such provision or provisions shall be automatically modified to such lesser scope as such court may deem just and proper for the reasonable protection of the Company's legitimate business interests and may be enforced by the Company to that extent in the manner described above and all other provisions of this Agreement shall be valid and enforceable.

(j) Disclosure of Agreement. Feehan acknowledges and agrees that, during Restricted Period, he will disclose the existence and terms of this Agreement to any prospective employer, business partner, investor or lender prior to entering into an employment, partnership or other business relationship with such prospective employer, business partner, investor or lender. Feehan further agrees that the Company shall have the right to make any such prospective employer, business partner, investor or lender of Feehan aware of the existence and terms of this Agreement.

9. Agreement Not to Disparage. Feehan hereby agrees that at all times after the date hereof he will not make any statement, whether verbally or in written form, or otherwise take any action that may reasonably be considered to disparage or impugn the Company or any of its subsidiaries or affiliates; the management, practices, services, or reputation of the Company or any of its subsidiaries or affiliates; or any of the Company's or any of its subsidiaries' or affiliates' employees, officers, directors, agents, or affiliates. Notwithstanding the foregoing, this Section 9 shall not limit the rights of Feehan to provide truthful testimony or make truthful statements which are compelled by a court of competent jurisdiction, arbitrator, regulatory agency or other tribunal or investigative body in accordance with any applicable statute, rule or regulation.

10. Non-exclusivity of Rights. Nothing in this Agreement shall prevent or limit Feehan's continuing or future participation in any employee benefit plan, program, policy or practice provided by the Company or its affiliated companies and for which Feehan may qualify, except as specifically provided herein. Amounts that are vested benefits or which Feehan is otherwise entitled to receive under any plan, policy, practice or program of the Company or any of its affiliated companies at or subsequent to the Date of Termination shall be payable in accordance with such plan, policy, practice or program except as explicitly modified by this Agreement.

11. Full Settlement; No Mitigation. The Company's obligation to make the payments provided for in this Agreement and otherwise to perform its obligations hereunder shall not be affected by any set-off, counterclaim, recoupment, defense or other claim, right or action which the Company may have against Feehan or others. In no event shall Feehan be obligated to seek other employment or take any other action by way of mitigation of the amounts payable to Feehan under any of the provisions of this Agreement and such amounts shall not be reduced whether or not Feehan obtains other employment.

12. Mandatory Reduction of Payments in Certain Events .

(a) Notwithstanding anything in this Agreement to the contrary, in the event it shall be determined that any payment or distribution by the Company to or for the benefit of Feehan (whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise) (such benefits, payments or distributions are hereinafter referred to as "Payments") would, if paid, be subject to the excise tax imposed by Section 4999 of the Code (the "Excise Tax"), then, prior to the making of any Payments to Feehan, a calculation shall be made comparing (i) the net after-tax benefit to Feehan of the Payments after payment by Feehan of the Excise Tax, to (ii) the net after-tax benefit to Feehan if the Payments had been limited to the extent necessary to avoid being subject to the Excise Tax. If the amount calculated under (i) above is less than the amount calculated under (ii) above, then the Payments shall be limited to the extent necessary to avoid being subject to the Excise Tax (the "Reduced Amount"). The reduction of the Payments due hereunder, if applicable, shall be made by first reducing cash Payments and then, to the extent necessary, reducing those Payments having the next highest ratio of Parachute Value to actual present value of such Payments as of the date of the Change in Control, as determined by the Determination Firm (as defined in Section 9(b) below). For purposes of this Section 12, present value shall be determined in accordance with Section 280G(d)(4) of the Code. For purposes of this Section 12, the "Parachute Value" of a Payment means the present value as of the date of the Change in Control of the portion of such Payment that constitutes a "parachute payment" under Section 280G(b)(2) of the Code, as determined by the Determination Firm for purposes of determining whether and to what extent the Excise Tax will apply to such Payment.

(b) All determinations required to be made under this Section 12, including whether an Excise Tax would otherwise be imposed, whether the Payments shall be reduced, the amount of the Reduced Amount, and the assumptions to be utilized in arriving at such determinations, shall be made by a nationally recognized accounting firm or compensation consulting firm mutually acceptable to the Company and Feehan (the "Determination Firm") which shall provide detailed supporting calculations to the Company and Feehan within 15 business days after the receipt of notice from Feehan that a Payment is due to be made, or such earlier time as is requested by the Company. All fees and expenses of the Determination Firm shall be borne solely by the Company. Any determination by the Determination Firm shall be binding upon the Company and Feehan. As a result of the uncertainty in the application of Section 4999 of the Code at the time of the initial determination by the Determination Firm hereunder, it is possible that Payments which Feehan was entitled to, but did not receive pursuant to Section 12(a), could have been made without the imposition of the Excise Tax ("Underpayment"), consistent with the calculations required to be made hereunder. In such event, the Determination Firm shall determine the amount of the Underpayment that has occurred and any such Underpayment shall be promptly paid by the Company to or for the benefit of Feehan but no later than March 15 of the year after the year in which the Underpayment is determined to exist, which is when the legally binding right to such Underpayment arises.

(c) In the event that the provisions of Code Section 280G and 4999 or any successor provisions are repealed without succession, this Section 12 shall be of no further force or effect.

13. Arbitration. Any claim or dispute arising under or relating to this Agreement or the breach, termination, or validity of any term of this Agreement shall be subject to arbitration, and prior to commencing any court action, the parties agree that they shall arbitrate all controversies; provided, however, that nothing in this Section 13 shall prohibit the Company from exercising its right under Section 8 to pursue injunctive remedies with respect to a breach or threatened breach of the Restrictive Covenants. The arbitration shall be conducted in Tarrant County, Texas, in accordance with the Employment Dispute Rules of the American Arbitration Association and the Federal Arbitration Act, 9 U.S.C. §1, *et. seq.* The arbitrator(s) shall be authorized to award both liquidated and actual damages, in addition to injunctive relief, but no punitive damages. The arbitrator(s) may also award attorney's fees and costs, without regard to any restriction on the amount of such award under Texas or other applicable law. Such an award shall be binding and conclusive upon the parties hereto, subject to 9 U.S.C. §10. Each party shall have the right to have the award made the judgment of a court of competent jurisdiction.

14. Successors.

(a) This Agreement is personal to Feehan and without the prior written consent of the Company shall not be assignable by Feehan otherwise than by will or the laws of descent and distribution. Notwithstanding the foregoing, the Company may, without Feehan's consent, assign, whether by assignment agreement, merger, operation of law or otherwise, this Agreement to the Company or to any successor or affiliate of the Company, subject to such assignee's express assumption of all obligations of the Company hereunder. This Agreement shall inure to the benefit of and be enforceable by Feehan's legal representatives.

(b) This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns.

(c) The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to assume expressly and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. As used in this Agreement, "Company" shall mean the Company as hereinbefore defined and any successor to its business and/or assets as aforesaid which assumes and agrees to perform this Agreement by operation of law, or otherwise.

15. Cooperation. Feehan shall provide his reasonable cooperation in connection with any action or proceeding (or any appeal from any action or proceeding) which relates to events occurring during Feehan's employment hereunder. This provision shall survive any termination of this Agreement. The Company shall reimburse Feehan for any reasonable out-of-pocket expenses incurred in connection with Feehan's performance of obligations under this Section 15 at the request of the Company. If Feehan is entitled to be paid or reimbursed for any expenses under this Section 15, the amount reimbursable in

any one calendar year shall not affect the amount reimbursable in any other calendar year, and the reimbursement of an eligible expense must be made no later than December 31 of the year after the year in which the expense was incurred. Feehan's obligations under this Section 15, and Feehan's rights to payment or reimbursement of expenses pursuant to this Section 15, shall expire at the end of ten (10) years after the Date of Termination and such rights shall not be subject to liquidation or exchange for another benefit.

16. Code Section 409A.

(a) General. This Agreement shall be interpreted and administered in a manner so that any amount or benefit payable hereunder shall be paid or provided in a manner that is either exempt from or compliant with the requirements Section 409A of the Code and applicable Internal Revenue Service guidance and Treasury Regulations issued thereunder (and any applicable transition relief under Section 409A of the Code). Nevertheless, the tax treatment of the benefits provided under the Agreement is not warranted or guaranteed. Neither the Company nor its directors, officers, employees or advisers shall be held liable for any taxes, interest, penalties or other monetary amounts owed by Feehan as a result of the application of Section 409A of the Code.

(b) Definitional Restrictions. Notwithstanding anything in this Agreement to the contrary, to the extent that any amount or benefit that would constitute non-exempt "deferred compensation" for purposes of Section 409A of the Code ("Non-Exempt Deferred Compensation") would otherwise be payable or distributable hereunder by reason of Feehan's termination of employment, such Non-Exempt Deferred Compensation will not be payable or distributable to Feehan by reason of such circumstance unless the circumstances giving rise to such termination of employment meet any description or definition of "separation from service" in Section 409A of the Code and applicable regulations (without giving effect to any elective provisions that may be available under such definition). This provision does not prohibit the *vesting* of any Non-Exempt Deferred Compensation upon a termination of employment, however defined. If this provision prevents the payment or distribution of any Non-Exempt Deferred Compensation, such payment or distribution shall be made on the date, if any, on which an event occurs that constitutes a Section 409A-compliant "separation from service."

(c) Timing of Release of Claims. Whenever in this Agreement a payment or benefit is conditioned on Feehan's execution of a release of claims, such release must be executed and all revocation periods shall have expired within sixty (60) days after the Date of Termination; failing which such payment or benefit shall be forfeited. If such payment or benefit constitutes Non-Exempt Deferred Compensation, then such payment or benefit (including any installment payments) that would have otherwise been payable during such 60-day period shall be accumulated and paid on the 60^{th} day after the Date of Termination provided such release shall have been executed and such revocation periods shall have expired. If such payment or benefit is exempt from Section 409A of the Code, the Company may elect to make or commence payment at any time during such period.

(d) Permitted Acceleration. The Company shall have the sole authority to make any accelerated distribution permissible under Treas. Reg. Section 1.409A-3(j)(4) to Feehan of deferred amounts, provided that such distribution meets the requirements of Treas. Reg. Section 1.409A-3(j)(4).

17. Miscellaneous.

(a) Governing Law; Forum Selection; Consent to Jurisdiction. The Company and Feehan agree that this Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of Texas without giving effect to its conflicts of law principles. Feehan agrees that the exclusive forum for any action to enforce this Agreement, as well as any action relating to or arising out of this Agreement, shall be the state or federal court of the State of Texas. With respect to any such court action, Feehan hereby (a) irrevocably submits to the personal jurisdiction of such courts; (b) consents to service of process; (c) consents to venue; and (d) waives any other requirement (whether imposed by statute, rule of court, or otherwise) with respect to personal jurisdiction, service of process, or venue. Both parties hereto further agree that such courts are convenient forums for any dispute that may arise herefrom and that neither party shall raise as a defense that such courts are not convenient forums.

(b) Captions. The captions of this Agreement are not part of the provisions hereof and shall have no force or effect.

(c) Amendments. This Agreement may not be amended or modified otherwise than-by a written agreement executed by the parties hereto or their respective successors and legal representatives.

(d) Notices. All notices and other communications hereunder shall be in writing and shall be given by hand delivery to the other party or by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to Feehan: Daniel R. Feehan
Address on file with the Company

If to the Company: FirstCash Holdings, Inc.
1600 West 7th Street
Fort Worth, Texas 76102
Attention: CEO

or to such other address as either party shall have furnished to the other in writing in accordance herewith. Notice and communications shall be effective when actually received by the addressee.

(e) Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

(f) Withholding. The Company may withhold from any amounts payable under this Agreement such Federal, state, local or foreign taxes as shall be required to be withheld pursuant to any applicable law or regulation.

(g) Waivers. Feehan's or the Company's failure to insist upon strict compliance with any provision of this Agreement or the failure to assert any right Feehan or the Company may have hereunder, shall not be deemed to be a waiver of such provision or right or any other provision or right of this Agreement.

(h) Entire Agreement. Except as provided herein, this Agreement contains the entire agreement between the Company and Feehan with respect to the subject matter hereof and, from and after the Effective Date, this Agreement shall supersede any other agreement (including the Previous Employment Agreement) between the parties with respect to the subject matter hereof.

(i) Construction. The Company and Feehan understand and agree that because they both have been given the opportunity to have counsel review and revise this Agreement, the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement. Instead, the language of all parts of this Agreement shall be construed as a whole, and according to its fair meaning, and not strictly for or against either of the parties.

(j) Counterparts. This Agreement may be executed in two or more counterparts, and it shall not be necessary that the signatures of the parties hereto be contained on any one counterpart hereof. Each counterpart shall be deemed an original but all counterparts together shall constitute one and the same instrument. Any signature page of any such counterpart, or any electronic facsimile thereof, may be attached or appended to any other counterpart to complete a fully executed counterpart of this Agreement, and any telecopy or other electronic transmission of any signature shall be deemed an original and shall bind such party.

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Agreement as of the date first above written.

____
Daniel R. Feehan

FIRSTCASH HOLDINGS, INC.

By:__________________________
Rick L. Wessel
Chief Executive Officer

EXHIBIT 31.1

CERTIFICATION PURSUANT TO EXCHANGE ACT SECTION 13(a)-14(a)/15d-14(a), AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT

I, Rick L. Wessel, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of FirstCash Holdings, Inc. (the "Registrant");

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(s) 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(s) 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: April 29, 2024

/s/ Rick L. Wessel
Rick L. Wessel
Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION PURSUANT TO EXCHANGE ACT SECTION 13(a)-14(a)/15d-14(a), AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT

I, R. Douglas Orr, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of FirstCash Holdings, Inc. (the “Registrant”);

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(s) 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(s) 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: April 29, 2024

/s/ R. Douglas Orr
R. Douglas Orr
Chief Financial Officer

EXHIBIT 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of FirstCash Holdings, Inc. (the “Company”) on Form 10-Q for the quarterly period ended March 31, 2024, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Rick L. Wessel, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Act of 1934, as amended; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 29, 2024

/s/ Rick L. Wessel
Rick L. Wessel
Chief Executive Officer

EXHIBIT 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of FirstCash Holdings, Inc. (the "Company") on Form 10-Q for the quarterly period ended March 31, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, R. Douglas Orr, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Act of 1934, as amended; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 29, 2024

/s/ R. Douglas Orr
R. Douglas Orr
Chief Financial Officer