

## **EZCORP (Q4 2025 Earnings)**

**November 14, 2025**

### **Corporate Speakers:**

- Sean Mansouri; Elevate IR; Investor Relations Advisor
- Lachlan Given; EZCORP; Chief Executive Officer
- Timothy Jugmans; EZCORP; Chief Financial Officer

### **Participants:**

- Brian McNamara; Canaccord Genuity; Analyst
- David Scharf; Citizens Capital Markets; Analyst
- Kyle Joseph; Stephens; Analyst
- Raj Sharma; Texas Capital; Analyst
- Andrew Scutt; ROTH Capital Markets; Analyst

## **PRESENTATION**

Operator^ Good morning, ladies and gentlemen. Welcome to the EZCORP Fiscal Fourth Quarter and Full Year 2025 Earnings Call. (Operator Instructions)

As a reminder, this call may be recorded.

I'd now like to turn the conference over to Sean Mansouri, the company's Investor Relations Advisor with Elevate IR.

Please go ahead, Sean.

Sean Mansouri^ Thank you, and good morning, everyone.

During our prepared remarks we will refer to slides which are available for viewing or download from our website at [investors.ezcorp.com](http://investors.ezcorp.com).

Before we begin, I'd like to remind everyone that this conference call, as well as the presentation slides, contain certain forward-looking statements regarding the company's expected operating and financial performance for future periods. These statements are based on the company's current expectations.

Actual results for future periods may differ materially from those expressed due to a number of risks or other factors that are discussed in our annual, quarterly and other reports filed with the Securities and Exchange Commission. And as noted in our presentation materials and unless otherwise identified, results are presented on an adjusted basis to remove the effect of foreign currency fluctuations and other discrete items.

Joining us today on the call are EZCORP's Chief Executive Officer, Lachie Given; and Tim Jugmans, Chief Financial Officer.

Now I'd like to turn the call over to Lachie.

Lachlan Given^ Thank you, Sean, and good morning, everyone.

Fiscal 2025 was a transformative year for EZCORP. Outstanding operating and financial results on the top and bottom line drove exceptional shareholder value creation. We materially grew the store base across the five countries in which we operate while retaining a highly liquid and lowly geared balance sheet.

We achieved record revenue of \$1.3 billion for 2025, up 12% year-over-year and adjusted EBITDA of \$191.2 million, up 26%. EBITDA margin also expanded to 14.7% from 13%. Net income surged 30% to \$110.7 million. Turning to Slide 3. EZCORP is a leading provider of pawn transactions in the United States and Latin America. Founded in 1989, we operate 1,360 stores across five countries with approximately 8,500 team members.

Our model expands access to financial services through neighborhood retail locations and promotes the circular economy by recycling preowned merchandise and jewelry. The fundamentals of our pawn product continue to resonate powerfully with customers who need immediate access to cash.

Our loans are nonrecourse, meaning customers have no obligation to repay. They can simply walk away and forfeit their collateral with no further consequences.

We don't check credit scores. We don't require bank accounts or employment verification.

We never engage in collection activities, and we don't report to credit bureaus. These small short-term transactions serve millions of Americans and Latin Americans who are underserved by traditional financial institutions that need immediate cash solutions delivered in a highly respectful and efficient way.

Moving to Slide 4.

We added 24 stores in the quarter, opening 17 de novo stores in Latin America, 11 in Mexico, four in Guatemala and two in Honduras. We also completed the acquisition of seven stores through our Monte Providencia and Tu Empeño Efectivo transaction in Mexico, plus acquired one store in the United States, offset by consolidation.

Our store count has grown from 1,148 stores in fiscal 2021 to 1,360 stores at fiscal 2025 year-end. Post fiscal year-end, we acquired 14 additional stores in Mexico and three in Texas and entered into a definitive agreement to acquire 12 more Texas locations.

We ended the quarter with earning assets of \$549.1 million, up 18%, comprised of record PLO of \$303.9 million and inventory of \$245.2 million. The PLO balance represents an 11% increase year-over-year, driven by strong consumer demand and increased average loan sizes.

Our PLO to inventory ratio remains healthy at 1.2x, demonstrating disciplined lending and inventory management. Our cash position of \$469.5 million increased materially from \$170.5 million at fiscal end 2024, reflecting the \$300 million senior notes offering completed in March 2025.

We remain well-positioned financially to unlock further scale and accelerate organic and inorganic growth.

Slide 5 and 6 highlight our strong financial performance during the fourth quarter. Tim will walk through those in detail shortly.

On Slide 7, it provides an update on the strategic initiatives fueling our consistent growth across four of our fundamental operating metrics. Under the strength in the core, we delivered double-digit growth with record revenues and record high PLO, powered by our customer-centric approach and robust consumer demand. The team's ongoing commitment to operational excellence continues to support exceptional profitability. Adjusted EBITDA grew 33% to \$47.9 million, while margins expanded 210 basis points to 14.3%.

On team members, we implemented a targeted incentive compensation campaign in Q4 that successfully improved merchandise sales, results we plan to replicate periodically throughout fiscal 2026.

We've also completed enterprise-wide talent and succession planning and launched structured retention programs that are already enhancing early engagement and reducing workforce attrition.

Our customer focus initiatives are gaining significant traction.

Our strategy is delivering measurable results. Digital transformation continues to accelerate omnichannel engagement and operational efficiency. EZ+ Rewards membership is up 26% to 6.9 million members, driving loyalty in local neighborhoods we serve and repeat transactions.

We continue to broaden engagement across platforms with our website traffic increasing 49% to 2.6 million visits this quarter.

Importantly, Net Promoter Scores improved dramatically, rising to 61% in the U.S. and 62% in Mexico, while we maintained Google review ratings above 4.7 across all geographies.

Finally, our Innovate and Grow initiatives delivered tangible expansion this quarter.

In the U.S., we collected \$34 million in online payments, up \$10 million or 42% year-over-year growth, demonstrating strong customer adoption of digital platforms. We expanded our View online purchase in-store capability to all U.S. stores as of October 2025, seamlessly connecting digital discovery with in-store transactions.

Additionally, our instant quote tool, which provides real-time loan estimates for electronics is now operational in 66% of U.S. stores, driving both customer engagement and conversion.

In Mexico, we're seeing rapid digital adoption with 22% of extensions and layaway payments now processed online, creating convenience for customers while improving store productivity.

As we continue to scale these digital initiatives, we're unlocking meaningful operational leverage while enhancing the customer experience. This omnichannel approach positions us at the forefront of digital innovation in our industry, while digital engagement successfully translates into increased store transactions and reinforcing our market leadership position.

I'll now turn it over to Tim to walk through our detailed financial results. Tim?

Timothy Jugmans^ Thanks, Lachie.

As we transition into the detailed financial highlights section, I want to emphasize that fiscal 2025 represents not just a strong quarterly performance, but the culmination of multiple years of operational improvements, strategic investments and disciplined execution. The results demonstrate the significant earnings power of our platform and our ability to generate consistent profitable growth while maintaining strong financial discipline.

Turning to Slide 9. PLO of \$303.9 million increased 11% or 9% on a same-store basis, driven by an increase in average loan size, reflecting higher gold values and the increase in value of general merchandise.

Inventory increased 28% to \$245.2 million due to increase in PLO, layaways and purchases. Aged general merchandise increased 83 basis points to 2.6% of total general merchandise inventory, demonstrating disciplined inventory management. Merchandise sales of \$176 million

increased 9% with same-store sales up 7%. Merchandise margin remained steady at 35%. PSC of \$125.6 million grew 9%, primarily driven by same-store PLO growth.

EBITDA reached \$47.9 million, up 33% year-over-year with margins expanding 210 basis points to 14.3%. General and administrative expenses of \$23.4 million increased 13%, primarily due to higher incentive compensation.

On Slide 10, total revenues increased \$26.9 million or 13% to \$238.9 million for the U.S. Pawn segment. Approximately half of this is attributable to scrap sales benefiting from higher gold prices and increased jewelry purchases.

Earning assets increased \$66.5 million to \$419.4 million, driven by PLO growth of \$19.5 million to \$233.8 million and inventory growth of \$47 million to \$185.7 million. The 9% PLO growth on both a total and same-store basis reflects strong performance across our markets.

On Slide 11, our 545 stores across 19 states are concentrated in large urban markets. Texas remains our largest market with 247 stores, followed by Florida with 95 stores.

During the year, average loan increased 13% to \$209, supported by higher gold prices and increased value of general merchandise.

PLO composition continues to shift towards jewelry, now 68% of PLO, up 220 basis points. Jewelry inventory composition increased 310 basis points to 65%. This shift enhances our ability to capitalize on elevated gold prices through scrap sales, which contributed significantly to our 27% segment EBITDA growth.

Slide 12 details U.S. pawn financial performance.

Merchandise sales of \$117.3 million increased 6% overall and 5% same-store. Merchandise margin remained steady at 37%. Segment EBITDA of \$55.2 million increased 27% with margin expanding 250 basis points to 23%, driven by higher gross profit including incremental scrap gross profit of \$5.7 million and disciplined expense management with same-store expenses up just 3%.

Turning to Latin America on Slide 13. Fourth quarter revenues were \$96.9 million, up 17%. Earning assets of \$129.7 million increased 15% with PLO up 17% to \$70.1 million and inventory up 12% to \$59.6 million.

Slide 14 shows our 815-store footprint across four countries. Mexico remains our largest international market with 622 stores. We opened 17 de novo stores in the quarter and acquired seven stores in Mexico.

For the year, average loan size of \$88 decreased 4% as reported, but increased 3% when adjusted for foreign exchange.

Jewelry composition increased. PLO jewelry composition up 450 basis points to 41% inventory jewelry composition up 850 basis points to 39%.

Slide 15 provides detailed metrics. PLO grew 17% with same-store growth of 9%. Merchandise sales increased 16% with same-store up 10% and merchandise margin remained steady at 32%.

Segment EBITDA of \$14.2 million increased 18% with margins improving to 15%. Store expenses increased 19%, driven by new stores, while same-store expenses increased 11%.

Slide 17 and 18 capture the exceptional transformation we have driven over the past five years.

Since fiscal 2021, we fundamentally transformed EZCORP's earnings profile. Net income has increased more than 5x from \$21 million to \$110 million. EBITDA has grown nearly 3x from \$68 million to \$191 million. Revenue has grown from \$729 million to \$1.3 billion, while EBITDA margin expanded from 19% to 15%.

On Slide 18, PLO has grown from a pandemic low of \$176 million today's record \$304 million. The portfolio has shifted towards jewelry now represented 62% of PLO versus 54% in fiscal 2021, contributing to our high average loan size of \$145 compared to \$114 in fiscal 2021.

Slide 19 illustrates our inventory management evolution.

Inventory has grown to \$245 million with aged general merchandise up slightly to 2.6% of inventory. Inventory turns are 2.5x, partially reflecting higher jewelry balances.

While inventory as a percentage of PLO is growing, we remain comfortable with the metrics given our increase in purchasing and the impact of our 10-month layaway program.

Slide 20 illustrates our merchandise sales evolution over the past five years. Merchandise sales grew 69% from \$426 million in fiscal 2021 to a record \$721 million in fiscal 2025.

While merchandise margin normalized from 42% in fiscal 2021 to 35% in fiscal 2025, within our targeted range of 35% to 38%. Merchandise sales gross profit grew 36% from \$185 million to \$251 million.

On Slide 21, our strategic investments continue delivering strong returns. Cash Converters International has returned \$14.2 million in dividends over five years, of which we have used \$10.7 million to increase our ownership to 43.7%.

During quarter one FY '26, we committed to maintain our ownership percentage by investing an additional \$5.7 million through a rights offering, while also receiving an additional \$1.8 million dividend.

Our investment in Simple Management Group through founders is performing well.

SMG generated \$171 million in revenue for the 12 months ended September 30, 2025, up 23% with gross profit of \$88 million, up 18%. Our preferred equity structure provides a 20% cumulative preferred return plus 50% participation in distributions above certain thresholds.

Looking ahead to fiscal 2026, we remain focused on growing PLO, improving inventory efficiency and scaling operational best practices across all geographies.

We are very pleased with expense management to-date. However, we do expect a sequential increase in total expenses through the year. Based on the current gold prices remaining steady, we expect similar scrap sales gross profit as we have seen in the last two quarters to continue into

quarter one and then for scrap margins to decline sequentially during FY '26 back to normal levels.

Our M&A pipeline remains very active with multiple opportunities in various stages of due diligence. The fragmentation in our industry continues to create attractive acquisition opportunities where we can leverage our operational expertise and robust balance sheet. Each opportunity is evaluated through our rigorous framework focusing on strategic integration complexity and return on invested capital.

Back to you, Lachie, for closing remarks.

Lachlan Given^ Thanks, Tim.

Fiscal 2025 was a defining year for EZCORP. We delivered record financial performance, improved our scale, continued our relentless focus on operational discipline by focusing on our people and our customers and enhanced our balance sheet with the largest financing in our history.

Thank you to our 8,500 team members, their dedication to serving our customers with respect has driven these exceptional results. We are very well-positioned with a highly resilient, exciting growth platform to capitalize on organic and inorganic opportunities to drive further superior returns for our shareholders.

With that, we'll open the call to questions. Operator?

## QUESTIONS AND ANSWERS

Operator^ (Operator Instructions) Our first question or comment comes from the line of Brian McNamara from Canaccord Genuity.

Brian McNamara^ Congrats on another strong year here.

So we get a lot of questions on gold prices. I'm sure you guys do. How -- what's your message to investors and prospective investors maybe assuming that a lot of this benefit is maybe short-lived. Obviously nobody can predict what the price of gold will do.

But from a managing the business function, should investors worry about a potential decline in gold price?

How should we -- can you frame that for us?

Lachlan Given^ Yes. Look, I think -- Tim, you can comment as well. But I think we run this business over, obviously many, many years in very different gold environments.

I think a rising gold price is clearly helpful. I think we had some real tailwind in this year's numbers clearly from scrap gross profit.

But ignoring gold, we still had a phenomenal year. I think the core business across all that we're doing, whether it's lending, sales, the business is doing extremely well. I think the rising gold price just added to that performance.

I think we've spoken to you a lot in the past about the fact that these are short-term loans that we offer, and so we're able to adjust very quickly no matter what gold does.

So I think when we speak to investors, we obviously say that a large part of our PLO and inventory is gold and a rising gold price is helpful. But that said, a change in that, clearly, a very significant change quickly, you would have some short-term issues.

But I think in the long term here, no matter what gold is doing, we have a very resilient business model that we can adapt very quickly to a change in price in gold. Tim, I don't know if you'd add any more to that.

Timothy Jugmans^ I think we have to remember that this business is driven from a PLO perspective. You're saying, well the customer is a need for cash.

So that need for cash ignores gold price.

So just because the gold price is up or down, doesn't change the customer's need for cash. It just changes what they're bringing in.

And so I think that's just an important part of the business to remember that just because gold price has doubled, it doesn't mean our average loan size has doubled in the past year.

So the average loan size is where the demand is for the product. It's not in the gold price.

Brian McNamara^ Got it. That's really helpful.

Secondly, on LatAm, obviously a really significantly improved performance there over the last couple of years. What inning are we in there in terms of improving that business?

It seems like a lot has been done over the last couple of years.

Lachlan Given^ Remember, I'm a cricket, not a baseball player, Brian. So I'll take my best crack at that.

Look, I think we have built really fantastic momentum, particularly in Mexico in the last, call it, 1.5 years. But it's still early down there. When Blair walks into a store, there's opportunity every single time. And so I think down in Latin America, it is still early in the innings.

We have got a lot to do in gold and jewelry generally. I think historically, we've been a GM business down there, particularly in Mexico.

So our teams are learning how to lend a lot better on jewelry.

So I think there's some real upside around that. I think digital adoption down there is early.

So we're seeing some real momentum now in online payments and extensions, but I think we can do more there.

So I think you're right to point out the momentum because it's every quarter, we're seeming to deliver just fantastic results. It's not just the key metrics down there. I think what's really important is you're seeing a truly balanced business.

So you're seeing the metrics move strongly, but you're seeing them move in the right way.

For example, PLO is growing faster than inventory. Its age looks good and so turns look good.

So I think it's growing well. It's in a balanced way.

So -- and I think there's still plenty to do down there. I think we've got a big M&A runway down there. I think we're well capitalized to take advantage of that.

So there's plenty to do on that front as well as you've seen us build 40 stores last year.

I think we would -- while we don't commit to a number, our intention is to grow our de novo business down there at a similar rate, pending what happens on the M&A front.

So I think on all fronts in Latin America, we have got a lot more to do.

So very pleased with the momentum.

Brian McNamara^ Got it. Then just finally, on the M&A pipeline. Last quarter, it sounded like you had a pretty robust pipeline. You did some -- you acquired some stores in Q4.

It sounds like you acquired some stores subsequent to the end of the quarter. How does that look?

How does -- how should investors be thinking about M&A as it relates to 2026?

Lachlan Given^ As you pointed out, it was super pleasing to see the momentum there. As everyone knows, M&A by nature is opportunistic.

So you can never plan for when it comes together. But across the board, Latin America, we did a really good acquisition down there in the quarter. Then subsequent to that, we've done some really exciting stuff in Texas in October.

So I think things are coming together there. But as I said, we have a lot more to do. The pipeline remains extremely robust.

But I think as we say every quarter, we do this in a disciplined way. Even though we've got plenty of cash, we look at this on a return on invested capital basis and whatever is best for our shareholders.

So while the pipeline is robust, I think you're going to see more of the same from us. It's going to be done in a disciplined way. And -- but we are excited about what we've managed to do in the last three or four months.

Operator^ Our next question or comment comes from the line of David Scharf from Citizens Capital Markets.

David Scharf^ Just a couple here. First, focusing on LatAm.

I know there's always a lot of questions about just minimum wage inflation, other dynamics within Mexico. I'm wondering if you're seeing any impact on the ground in terms of pawn loan demand based on what's going on in the U.S. remittance industry.

I mean we've seen a clear slowdown in money transfer volume based on immigration enforcement actions here. Are you able to ascertain whether or not that's actually increasing demand in store in Mexico and throughout LatAm?

Lachlan Given^ Well I think it's a good question. We get asked this quite a bit.

Our evidence is more anecdotal because we're not doing any money transfer. But you're seeing very robust lending in our Latin America business, whether that's as a result of the money transfer business or other factors. I think the good news for us is that lending across all regions in that part of the world are very strong.

Tim, I don't know if you'd add any more to that?

Timothy Jugmans^ And it also is -- some of this is short term. When these money things change, some months is a little bit higher than others.

So it does move over the place, and it does move between different countries that we've seen.

So just because in Mexico, it's slightly lower, it doesn't mean the other Latin American countries we are operating in are lower as well. It is something we do look at, but there's not an immediate correlation there.

But we know that the demand for the loan product has been strong in Latin America, especially over the last 18 months, but a lot of that is really to do with operational changes that we've made.

David Scharf^ Got it. No, I appreciate the color. Just quickly shifting to the U.S.

I appreciate the previous comments about gold prices and ultimately the impact on borrowing demand.

But given that half the U.S. revenue growth is obviously as you noted, related to scrap sales this past quarter, is there any benchmark for U.S. top line growth you'd be willing to offer up for fiscal '26, just given the scrap and underlying?

Lachlan Given^ We don't guide. All I can tell you is that our intention and our objective is to continue with robust revenue growth.

I think your point is well made that scrap gross profit was a significant part of particularly the last couple of quarters. But we still see real opportunity in our business outside of just that.

So I'd say to you, we're not going to guide specifically, but our objective is to continue this relatively robust revenue growth and particularly profit growth.

Operator^ Our next question or comment comes from the line of Kyle Joseph from Stephens.

Kyle Joseph^ Congrats on a nice quarter and year.

I just wanted to -- most of my questions have been taken, but if you don't mind, walk us through your -- the loyalty program and some of the marketing efforts and walk us through some of the results you're seeing in those in terms of whether it's increased foot traffic or increased transactions per consumer?

Lachlan Given^ Yes, look, I think this 2026 is a big year for our marketing effort.

I think it's the culmination in a couple of years of real focus on what we're doing there, particularly digitally.

So you pointed out the rewards program. As we said in our opening remarks, we are now across all stores, offering all of our inventory online, so consumers can see all what we're doing online and come into the stores and buy it.

I think we're leading the industry in that area. We are now doing instant quotes online.

So if you've got an electronic good, we can give you a quote online for a loan or for a purchase. I think that's leading the industry. I think you're going to see us very, very active across social channels.

We're already active across YouTube and Facebook and TikTok and Instagram. But I think you'll see some more focus, some more spend, particularly around video in those areas. We're having a lot of success with SEO in our digital marketing program.

So I think for the first time we are now entering a year where we're firing on all cylinders from a marketing perspective built on all of these initiatives we've been talking about the last couple of years, but they're finally launched and we're ready to see the impact.

So look, we're really excited about those things. We think it's both going to drive, as you say traffic, but it's also what the customer wants. You can't pick where you're going to meet your customer, they pick where they want to meet you.

So we want to be able to meet them, whether it's on the phone, online, in-store.

So we're providing all of these channels for the first time across all that we're doing. I think we genuinely lead the industry in that area.

So I think this is the first year that you're going to -- that we're going to really be able to measure those benefits.

In terms of the rewards program, it continues to build quite nicely. We are almost seven million members now I think. It's getting a bit more mature. But I think we are now running really exciting targeted marketing programs to those members.

So we're learning much more about each member. We're using data to target them better to increase sales, increase turns, increase margin.

So I think it's a really good question, and we're -- we're quite excited about that part of the business this year because I think this industry generally including us, have ignored that part of the business for decades.

I think customers have become much more savvy, particularly younger customers.

I think EZ has -- we've taken a real position here to focus on this part of the business, hire a great team. And I'm hoping that this year, we're going to see some pretty strong results come out of those efforts.

Kyle Joseph^ Got it. Really helpful.

Then just one follow-up for me. Going back to the M&A pipeline. You guys recently made an acquisition in the auto pond space.

Just want to get a sense for how that's performing and if you have more appetite there?

Then in terms of geographies, should we think about your M&A pipeline in existing geographies or willing to expand beyond those?

Lachlan Given^ Both good questions. So let me start with the second one on the M&A side.

Look, there's a lot to do in our existing markets. So I think we're certainly focused there.

That said, we are always open to new markets, new geographies. But with that, obviously comes risk. We've got great existing teams in our existing markets.

So my own bias is to those markets. I just think it's less risk. We've got a better chance of strong execution.

So I think our bias is definitely to our existing markets, and we've got plenty to do there. But that said, I think there are some new exciting markets that we can open up, but we're going to do that in a disciplined, not a casual way.

So I think really the answer to your question is, first, the existing markets and then maybe some new ones.

Then on the car lending business in Mexico, it started well.

So we are really firming up our processes around that product, whether it's underwriting, whether it's collections, in the pawn lending business down in Mexico.

I think we are now assessing how we're going to roll that out into our existing stores. I think it's becoming quite a large pawn product in the Mexican market around our competition.

So I think we bought a really good solid business to start with that's performing well. And now our team is assessing how quickly we roll that out in which stores, in which markets in Mexico.

So I think 2026 should be a really interesting year for that business.

Operator^ Our next question or comment comes from the line of Raj Sharma from Texas Capital.

Raj Sharma^ Solid results. Congratulations. My question was, are you -- all the digital initiatives that you have made to the business, are you seeing -- what changes are you observing in your business on these digital initiatives?

Does it serve -- is it serving a younger cohort that's more stressed?

Or are you doing more layaways as a result of all these initiatives?

And my question really is around do you need to track economic indicators like delinquencies and credit card balances?

Or do you just see it clearly in your store traffic online flow?

And then I have some follow-on questions.

Lachlan Given^ Look, on the second question, on the tracking of metrics, look, Tim certainly looks at macro metrics. But I think our focus is really what we're doing. That means our operating initiatives in the stores. That's where we focus.

We look at the macro at times when we're asked, but I think we can't control that. What we can control is what we're doing for our customers in the stores.

So that's really our focus.

On the digital initiatives, you're seeing genuine change as a result of those initiatives. If you look at extensions and paying loans online, it's just phenomenal growth as to our customers who are wanting to do that.

So that's not only exemplary customer service, but it's making our stores more efficient so that our people in our stores are actually looking after customers on the lending and the sales side rather than just extending loans.

So I think you can see very, very high growth in those metrics where people are taking that option to pay or extend online. That's one of the digital initiatives that's really changed significantly in the last couple of years.

Then on the other digital initiatives, obviously you've got the loyalty program, and we think that, that's very, very helpful in us growing market share.

So I think that digital initiative has been super important.

Then really just your core website, social marketing, paid search marketing. I think we're just -- we're gathering more and more customers across the regions in which we're operating the new way.

It used to be that you would just put up a big sign that said pawn and you had good customer service. They were the two ways you'd market in a pawn shop.

I think now you've just got to be a lot more diverse than that because that's where you're going to meet your customers, whether it's through social, whether it's paid search, whether it's SEO, I think you've got to be doing all these things to ensure that your customer base is growing.

So look, I think there's -- customer growth is an obvious outcome from these digital initiatives, I think making our stores more efficient, so giving our people more time to serve our customers instead of doing the brand loan extensions or loan payments.

I think customer loyalty and retention through the rewards program is the other major outcome here from concentrating on these digital initiatives.

Raj Sharma^ Got it. Got it. That's very helpful, very descriptive.

Then just one other question is in the U.S. PON side, the PLOs were up 9%. The inventory was up more. Inventory turnover was down. Is that -- can you explain the inventory was up more than the PLO growth?

And is that layaways? Is that --

Lachlan Given^ Yes. It's a good question, that one. I would say to you that we're still happy with these metrics.

What's driving that is partly doing more purchases. It's partly doing more longer-term layaways. But I would say it's an opportunity for us is to increase turn.

So we've got various operating initiatives in place, which we started towards the end of the year and going into the new year where we are designing bigger, better incentive programs for our store staff to sell more.

We are putting more talent into this function, which is the selling function. I think EZ has always been a fantastic lender, first.

I think our current team has taken a more balanced approach to that. It always starts with the loan clearly, but you have to flush that inventory and flush it quickly.

So look, I think you point out, it is a metric that is an opportunity for us. I think there's good reason for inventory growing the way it's been growing. But I think we have got initiatives in place for 2026 where we want to improve those turns.

Timothy Jugmans^ I think also remember that, that inventory increase, a majority of that is jewelry.

So if we wanted to tomorrow, go scrap a whole lot and improve that turnover, we could. But we see that selling that gold in the stores is an important part of the long-term growth of the stores.

So you're selling it back to the neighborhood.

So that -- our focus is on the long term and not a short-term gain. And so you'll see that inventory growing a little bit more just because we have more jewelry and that jewelry -- gold price has obviously significantly increased.,, Yes.

Raj Sharma^ So it's not necessarily a concern for you, more of an opportunity. It reflects more of a gold price rise and increased gold jewelry being taken in.

Timothy Jugmans^ Correct. So jewelry obviously sells at a little bit slower rate. That's why the inventory turnover is down.

Obviously with the gold quickly gold rising price, lots of people come in and sell their gold more than in the usual period.

So that drives the inventory as well.

Then we've also talked about our 10-month layaway program that is just for the first time this -- in quarter four lapped from last year.

So it's not quite apples-to-apples yet. But over the year, we'll start seeing a more like-for-like comparison.

Operator^ Our next question or comment comes from the line of Andrew Scutt from ROTH Capital Markets.

Andrew Scutt^ Strong results. Most of my questions have been answered. So just one quick one for me.

In recent months and weeks, we've heard that the U.S. consumer has been a little bit constrained. We're also going through a long government shutdown.

Have your store managers in the U.S. seen any change in consumer behavior or maybe a different profile of customer coming in store?

Lachlan Given^ Look, Andrew, I think -- look, we are certainly seeing, as you can see from the results, strong demand for the line product in our U.S. stores.

What that is a result of, I can't really comment whether it's government shutdown, whether it's difficulty in getting loans from alternative providers. But we are seeing the customer continue to be under pressure. And I think you can see that in the U.S. in our really strong lending profile.

We're also doing a good job on the sales side.

So I think the business is firing on all cylinders. But to your specific question on government shutdown, all I can point you to is our lending results and they're robust.

So maybe it is part of the situation.

Operator^ I'm showing no additional questions in the queue at this time.

I'd like to turn the conference back over to Mr. Lachie -- given for any closing remarks.

Lachlan Given^ Thank you, everyone, for joining.

It was obviously a phenomenal year for us. We're very proud of the results. We're very grateful to our 8,500 staff members for delivering these results. We're also very grateful for everyone's support here on the call.

So look forward to talking to you all more through the course of the next day and week. Thanks for joining.

Operator^ Ladies and gentlemen, thank you for participating in today's conference. This concludes the program.

You may now disconnect.

Everyone have a wonderful day.