

**EZCORP, Inc. (Q2 2026 Earnings)**  
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**Corporate Speakers:**

- Sean Mansouri; EZCORP, Inc.; Investor Relations Adviser
- Lachlan Given; EZCORP; Chief Executive Officer
- Timothy Jugmans; EZCORP; Chief Financial Officer

**Participants:**

- Brian McNamara; Canaccord Genuity; Analyst
- John Hecht; Jefferies; Analyst
- Vincent Caintic; BTIG; Analyst
- Kyle Joseph; Stephens; Analyst
- Andrew Scutt; ROTH Capital Partners; Analyst
- Raj Sharma; Texas Capital Bank; Analyst

**PRESENTATION**

Operator^ Good morning, ladies and gentlemen. Welcome to the EZCORP Second Quarter Fiscal 2026 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 adviser 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.

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 on the call today 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 P. Given^ Thank you, Sean, and good morning, everyone. EZCORP delivered an exceptional second quarter with record revenue, all-time high PLO and 76% growth in adjusted EBITDA. This was the largest year-over-year profit step-up in our recent history and it was driven by disciplined execution across all segments, sustained customer demand, strong scrap revenue and margin and the contribution from our first full quarter with Simple Management Group or SMG.

Adjusted EBITDA grew to \$76.9 million, meaningfully outpacing revenue growth of 42%, with EBITDA margin expanding 340 basis points to 18%, demonstrating the continued operating leverage inherent in our platform as we continue to scale. Diluted EPS also rose 76% to \$0.58. Demand for our core pawn products continues to be very strong across all of the markets in which we operate. Consumer credit conditions remain challenging, particularly for lower and middle-income households as many traditional lenders continue to tighten underwriting standards.

For consumers who need immediate no obligation access to cash, pawn remains a fast, transparent and trusted solution. At the same time, more consumers are seeking affordable, high-quality pre-owned goods, driven by value-conscious shopping and a focus on sustainability. Both sides of our business, pawn transactions and secondhand goods sales, supplemented by a very favorable gold market are benefiting significantly from these trends.

As I mentioned, core financial metrics were strong across the business. We saw continued momentum in PLO and PSC, merchandise sales and margin and a material increase in scrap. To give investors a clean read on underlying pawn performance, beginning this quarter, we are introducing core pawn revenue and core pawn gross profit, which excludes scrap.

Our core pawn revenue grew 11% in the U.S. and 18% in Latin America on a constant currency basis. And on a same-store basis, core pawn gross profit grew 12%, underscoring the durable non-scrap strength of our underlying business. We ended the quarter with net earning assets of \$613 million, up 30% and a healthy PLO to inventory ratio of 1.3x, reflecting disciplined lending and inventory management.

This was also our first consolidated quarter with SMG with the transaction closing on January 2. We are in the early stages of applying our operating playbook across the platform, and we are pleased with the integration progress to date. Also during the quarter, on January 12, we completed our previously announced acquisition of El Bufalo Pawn, adding 12 stores in Texas. Integration onto our platform is progressing well, and we're excited to deploy our

operating principles and capital to unlock additional value in one of our largest domestic markets.

Following the early January completions of SMG and El Bufalo, along with the continued de novo expansion across Latin America, we added 123 stores to our footprint during the quarter and ended the period operating 1,506 stores across 16 countries, supported by approximately 9,500 team members. Subsequent to quarter end in April, we further strengthened our market-leading position in Guatemala with the acquisition of 32 additional stores. We are focused on capitalizing on the scale advantages of our expanded global platform and the significant runway ahead in both existing and new pawn markets.

Turning to Slide 3. For those new to the story, the pawn business resonates strongly with customers because the transaction is fundamentally customer-friendly. Our loans are nonrecourse, meaning customers have no obligation to repay. With our core pawn product, we don't check credit, require bank accounts or verify employment, and we don't pursue collections or report to credit bureaus. These are small short-term transactions, typically \$200 to \$220 in the U.S. and \$70 to \$140 in Latin America, with terms ranging from 30 to 90 days.

That core value proposition, together with offering great value for secondhand goods in an environmentally responsible way where it's fun to come and shop in a pawn store, have been critical in driving consistent outstanding operating and financial results for our shareholders.

With that, I'll turn it over to Tim to walk through the financial details. Tim?

Timothy K. Jugmans^ Thanks, Lachie. Turning to Slide 5 for the consolidated financial highlights. We delivered an exceptional quarter of earnings performance. Adjusted EBITDA rose 76% to \$76.9 million with margins expanding 340 basis points to 18%. Diluted EPS improved 76% to \$0.58. These results reflect the operating leverage of our platform at scale. Total revenues reached a record \$434.9 million, up 42%. Improvement was broad-based with meaningful contribution from PSC, merchandise sales and a significant increase in scrap gross profit resulting from elevated gold prices.

PLO increased 31% to \$342.1 million, an all-time high, fueled by sustained consumer demand, high average loan sizes across all geographies and the addition of SMG. PSC revenues rose 27% to \$147.3 million, supported by PLO growth and new stores. On the retail side, merchandise sales climbed 22% to \$207.2 million with same-store sales up 7%. Merchandise margin expanded 210 basis points to 36%, reflecting improved pricing, execution and product mix. Scrap margins also expanded significantly from 22% to 38% as we benefited from higher gold prices.

Gross profit of \$253.4 million improved 42%, supported by contributions across all 3 revenue streams. G&A rose 38%, primarily due to higher incentive compensation expenses associated with the SMG acquisition. With top and bottom line growth meaningfully outpacing operating expenses, we are demonstrating the scalability and operating leverage inherent in our platform.

On Slide 6, we have provided consolidated revenue and EBITDA bridges that depict the drivers of the growth this quarter. As Lachie mentioned, beginning this quarter, we are disclosing core pawn revenue, which excludes scrap sales and core pawn gross profit, which excludes scrap gross profit at both the consolidated and segment level. We think these give investors a cleaner read on underlying pawn performance, which importantly highlights that our business is significantly improving even without the benefit of elevated gold prices.

At the consolidated level, core pawn revenue grew 24% and core pawn gross profit grew 28% on a same-store basis. Core pawn revenues and gross profit grew 9% and 12%, respectively. Given the magnitude of the scrap tailwind this quarter, I want to address scrap attribution directly. Jewelry scrap sales nearly quadrupled year-over-year, driven by elevated gold prices and increased jewelry purchasing activity.

Clearly, this is a major strength inherent in the operating model during times of elevated gold prices where significantly higher cash flow can be redeployed into higher return activities such as into growing earning assets, building more de novo stores and executing on exciting acquisitions. Excluding scrap gross profit, consolidated EBITDA grew 17%, reflecting earnings improvement on top of the scrap tailwind. Same-store pawn gross profit grew 12%, evidencing underlying strength of the business independent of scrap and additional stores.

Moving to the U.S. Pawn segment on Slide 7 and 8. We ended the quarter with 559 stores across 19 states and an increase of 12 stores with the El Bufalo acquisition completed in January. Total revenues increased \$60.8 million or 27% to \$282.2 million. Approximately 2/3 of this improvement is attributable to the higher scrap sales, which benefited from elevated gold prices and increased jewelry purchasing activity. Core pawn revenue grew 11% to \$226.7 million and core pawn gross profit grew 13%, reflecting both strong lending activity and genuine merchandise margin expansion.

PLO expanded 16% to \$230.5 million with same-store PLO up 13%. Average loan size rose 16% to \$240, primarily due to higher prices on jewelry. Jewelry now represents 69% of U.S. PLO, up 460 basis points. Sequentially, PLO only dropped 4%, which is the lowest drop we have seen in many years. We can point to a combination of higher jewelry loans, lower-than-expected tax refunds and rise in gas prices in March, leading to this result. PSC improved 13% to \$98.8 million, generally in line with same-store PLO growth.

On the retail side, merchandise sales climbed 9% with same-store sales up 7%. Merchandise margin improved 170 basis points to 38%. Jewelry scrap gross profit rose approximately \$19 million, reflecting our ability to efficiently monetize aged jewelry inventory in the current gold price environment. Inventory increased 20% to \$188.2 million, fueled by PLO expansion and layaways, while turnover remained steady at 2.3x. Aged general merchandise decreased 95 basis points to 2.3% of total GM inventory or \$0.9 million, reflecting disciplined inventory management. Segment EBITDA improved 57% to \$80.9 million with margin expanding 540 basis points to 29%, supported by robust gross profit performance and same-store expenses up just 6%.

Turning to Latin America on Slide 9 and 10. We ended the quarter with 840 stores across 4 countries. During the period, we opened 4 de novo stores, 2 in Guatemala, 1 in Mexico and 1 in Honduras. Total revenues rose \$16.5 million or 19% to \$101.4 million. It was another very strong quarter for Latin America with the majority of EBITDA growth driven by core pawn performance rather than scrap.

Core pawn revenue grew 18% to \$95.6 million and core pawn gross profit grew 25%, reflecting PLO growth, new store contributions and a 410 basis point expansion in merchandise margin. PLO expanded 27% to \$79 million with same-store PLO up 15%. GAAP average loan size improved 23% to \$107, largely reflecting higher jewelry prices. Jewelry now represents 48% of Latin American PLO, up 860 basis points.

PSC rose 21% to \$34.2 million, supported by same-store PLO gains and contributions from new stores. Merchandise sales climbed 17% with same-store sales up 8%. Merchandise margin improved 410 basis points to 34%, reflecting disciplined pricing execution and product mix. Inventory finished at \$56.2 million with inventory of 3.2x. Aged general merchandise declined to below 1% of total GM inventory, reflecting strong inventory discipline across the region. Segment EBITDA improved 24% to \$19.6 million, with margin expanding 70 basis points to 19% despite a 19% increase in same-store expenses driven primarily by labor costs. As we noted last quarter, Mexico's January minimum wage increase of approximately 13% is now flowing through our Latin American run rate on top of prior year increases.

Turning to SMG on Slide 11. As Lachie mentioned, the SMG transaction closed on January 2 and contributed approximately 89 of the 90 days in the quarter. Because there are no comparable prior year comparisons, we are presenting absolute figures only, and we do so for the next several quarters until a clean year-over-year comparison is available. PLO for SMG was \$32.6 million at quarter end, contributing \$51.3 million of revenue comprised of \$14.4 million of PSC, \$17.8 million of merchandise sales and \$19.1 million of jewelry scrap sales.

Core pawn revenue was \$32.2 million with core pawn gross profit of \$20.3 million. Segment EBITDA was \$9.5 million at a margin of 18.5%. As disclosed in our 10-Q, we own approximately 87.7% of Founders One, which in turn owns approximately 85.1% of SMG, giving us an effective 74.6% ownership. Segment store count finished at 107 across 12 countries with 2 de novo openings in the quarter.

From a balance sheet perspective, we remain highly liquid with no short- or medium-term debt maturities, ending the quarter with \$354.2 million in unrestricted cash. During the quarter, under the \$50 million share repurchase program authorized by our Board in November 2025, we repurchased approximately 156,000 shares of our Class A common stock for \$4 million. We will continue to balance organic growth investment, disciplined M&A and opportunistic capital return to shareholders within the framework of a fiscally conservative balance sheet.

Looking ahead, we remain focused on expanding PLO, improving industry efficiency and scaling operational best practices across all geographies. With respect to scrap, we're not in the business of predicting gold prices, but we can say gold is only marginally up since the beginning of calendar 2026. If gold continues to stabilize, we would expect scrap and scrap gross profit margins to begin to normalize towards historical levels next quarter.

On expenses, we remain disciplined. That said, we do expect a sequential increase through the year as we continue integrating recent acquisitions and building de novos and scale operational best practices across all geographies. Our M&A pipeline remains active in both the U.S. and Latin America, and we continue to approach each opportunity with rigorous financial discipline. At 1,506 stores across 16 countries and a strong balance sheet, we are well positioned to capitalize on further consolidation opportunities.

Now I'd like to turn it back to Lachie for his closing remarks.

Lachlan Given^ Thanks, Tim. Q2 was an exceptionally strong quarter for EZCORP with record PLO, record revenue and meaningful margin expansion in both pawn segments. Year-over-year EBITDA growth of 76% was the highest in our recent history. It was also a fantastic quarter for M&A, where we bought SMG, one of the largest pawn chains in the North American region and an exciting 12-store chain in Texas. Post quarter end, we bought 32 more stores in Guatemala, where we are expanding our clear market leadership. Importantly, we are producing these results with a conservative, highly liquid balance sheet and a strong, stable and tenured team.

Our focus for the balance of the fiscal year is straightforward: to continue to execute against the operating priorities we have outlined with rigorous discipline, to integrate recent exciting acquisitions onto our platform and continue to deepen the core pawn unit economics that makes this business compound significantly over time.

I want to extend my sincere appreciation to our approximately 9,500 team members across all of our markets. Your dedication to our mission, being the first and best choice of our customers' short-term cash needs and quality preowned goods is the foundation of these clearly outstanding results. Guided by our core values of people, pawn and passion, we remain confident in our ability to scale with discipline, invest with purpose and deliver sustained long-term value for our shareholders.

And with that, operator, we'll open the line for questions.

## QUESTIONS AND ANSWERS

Operator^ At this time we will conduct a question-and-answer session. [Operator Instructions] Our first question comes from the line of Brian McNamara of Canaccord Genuity.

Brian McNamara^ Congrats on the impressive results. How would you guys characterize the tax refund season relative to your expectations going into the quarter? Obviously, loan paydowns appear very small relative to historical standards. And what's driving that? Is it the higher prices at the pump? Is it just obviously the low-income consumer feeling the incremental pressures elsewhere? How would you kind of characterize the state of your tried and true low-income consumer?

Lachlan Given^ I think you're on the right track there. But Tim, you want to take this one versus our expectations. But from a macro perspective, Brian, I think you're bang on. I think it's alternative lenders are tightening credit. I think the gas pump has been really challenging in recent weeks. And I think those 2 things have certainly impacted the number. But Tim, do you want to add anything to that?

Timothy Jugmans^ Yes, definitely. At the end of last quarter, we did talk about the fact that we did think that there would be slightly higher tax refunds in dollars going out, but it wouldn't affect our customers that much. Also, we did see that the average tax refund was slightly higher than last year, but lower than estimates that have been provided in the market. So definitely was more muted than we thought. But on top of that, you did have an increase in the gold price through the quarter. So the average loan size that was being taken, especially on the jewelry side through the quarter was larger than we expected as well. And then as Lachie said, we had these gas prices at the end of the March, which drove a lot of people to our stores to ask for extra cash.

Brian McNamara^ Lachie, you mentioned applying your playbook to SMG. What are the areas of low-hanging fruit to improve store productivity and profitability in those stores? And how much did SMG add to EBITDA in the quarter? I know EBITDA was up big like 76%. I'm just trying to figure out what that is organically.

Lachlan Given^ Yes, I think it's the numbers -- it's Tim, while I talked, I think the numbers in the deck of what it contributed. But look, it's -- SMG is a well-run business. We just bring, I think, various -- through various groups, particularly Blair's operations groups, I think, just added expertise to what they're doing. I think we've got really strong lending practices. We're using a lot of AI now around our pricing and around our LTVs and lending grids. I think our sales programs are really strong. But if you start there in Blair's group, I think we can make some real meaningful difference there.

I think starting with people, compensation recognition, career paths, all of this stuff that we've been doing for the last 3, 4, 5 years that I think has been so critical in driving earnings. I think you start there on the operations side and then we bring Tim's financial function, which I think just elevates the ability to help our store managers and help our district managers with better financial analysis just because we're bigger, we're better funded, more expertise. So I think, look, it's a well-run business. We've always said that, but I think EZ just brings this added element where I think in the next 12 months, we should be able to drive some meaningful impact.

Timothy Jugmans^ Definitely, the scale that EZ brings just has a lot of people that SMG folks can go talk to and ask questions. And so that scale brings a lot more to a smaller organization. The number there on the SMG for the quarter EBITDA was \$9.5 million for the SMG segment. SMG did have some corporate costs that go into our G&A, which totaled \$3.9 million.

Brian McNamara^ Great. And then last one for me before I pass it on. Gold is off its recent highs. It's a decent amount here. Can you remind us in the market, your approach to pricing your gold loan book, any risk involved there if we have more of a significant sell-off here?

Lachlan Given^ Tim, do you want to take that?

Timothy Jugmans^ Yes. We run pretty conservatively. We're not changing the price that we lend on a daily basis. So we're looking at more of an average view. As I said on the call, the gold price really hasn't moved that much. If you look at the beginning of January, we're at the \$4.5, \$4.6 kind of range. We're at the \$4.6 kind of \$4.7 kind of range right now. So not much movement if you're looking at the more -- if you're taking out all the big ups and downs through the last couple of months. And so from our point of view, gold is rather stable and how we've been lending is rather stable at the moment.

On top of that, I would say that retail price of gold doesn't -- also it doesn't move in line with the scrap price of gold. So that's obviously gone up. You go to an average jewelry store now,

you'll see that, that is quite elevated, which means that people coming to our stores to buy secondhand jewelry are getting amazing deals. So definitely, Mother's Day coming up, definitely come to our store.

Operator^ (Operator Instructions) Our next question comes from the line of John Hecht of Jefferies.

John Hect^ Thanks very much for the Mother's Day reminder. The first question I have is, I mean, obviously, business is very buoyant right now. But I'm wondering like can you assess like customer -- is there anything like at the customer level, loan sizes are moving up. I know that's partly in tandem with gold. But it seemed like in the U.S., there was also a bigger shift to jewelry-based lending. Any kind of just characteristics you can tell us about the subtle changes in customer behavior, new customer activity and things like that?

Lachlan Given^ Yes. Thanks for the question, John. Look, I think we are building a marketing capability at the moment, not a big spend, but a really dedicated targeted marketing effort, mainly digitally to attract -- re-attract existing customers, target new customers. And we've had a pretty targeted approach on increasing our jewelry business across all that we do. So I think it's been quite deliberate. We're really targeting that customer and targeting that vertical.

I think on the various categories, I just truly believe that customers, more and more customers are keen to buy secondhand because I think it's value for money. I think markets are getting tougher out there. And as we build much better presented, better staffed, fun places to shop, I think we're seeing -- I think we're building a much more attractive business for this customer.

So look, it's I think it's across all that we're doing. Certainly, jewelry is leading the charge. I think customers are getting much more excited but clearly because of the gold price and what they can do. But this is quite a deliberate effort of marketing programs to bring people into our stores to look at jewelry.

Timothy Jugmans^ I would add as well, the average loan size is up. Obviously, that's related to the gold price, but it's up because demand for that amount of money is up. And so that's definitely a reflection of the things costing more. And gas prices is definitely one that's very easy to see. But the average loan size reflects what people are asking for to borrow to deal with short-term needs, and that's up.

John Hect^ That's helpful. And then maybe just a related follow-on is you talked about digital marketing campaigns and so forth. You guys have prioritized, call it, technological investments, broadly speaking, over the past several years, some loyalty programs and so

forth. Maybe can you just give us an update on, call it, adoption and any responses that or, call it, impacts you could see from those investments?

Lachlan Given^ Yes. Look, it's a good question. I think on the loyalty side, we've done the really heavy lift over the last few years and got 75-odd percent of our customers onto the program. Most importantly, our teams love it. It gives them the ability to reengage their customer all the time to talk about their points balance, come back in, you come and buy this. So I think on the rewards program, it's really led by our teams who really find it to be a strong differentiator in the local neighborhoods in which they work.

On the digital initiative side, look, we've got a bunch going. We're still testing. We're piloting. I'm convinced that online just has to be a bigger channel, particularly in the luxury segment. But we're pretty early in that -- we're still pretty early in that journey. But for example, SEO, SEM, [ all up, big, store near me ], SEO is performing really well. So we just think it's -- it all starts with customer service in the stores, of course, but we're trying to supplement that with better digital initiatives that -- for example, we've got all of our inventory now online across the whole of the U.S.

You can get an online quote across all of the U.S. for a product now. We need to improve those products. They're still pretty early. But I think they can potentially drive some real customer traffic and some revenue in the next 12 months or so. So I would say pleased with our progress, but it's still early. But we're trying to meet our customers anywhere they are, whether it's in the street, in the store, online, on the phone, on the text because they choose where they want to see us, and I think EZCORP needs to be in all of those places. So it's been a pretty deliberate strategy over the last year or 2, and I think the next 12 months is going to hopefully produce some real benefit.

Operator^ (Operator Instructions) Our next question comes from the line of Vincent Caintic of BTIG.

Vincent^ Congratulations on the results. I did want to go back to talking about the sensitivity to gold prices. It's just been the biggest investor question I've been getting last night and this morning. So I do appreciate the core pawn metrics you provided. So when you think about gold prices, I guess, first, how much of an impact is it having not just on jewelry scrap sales and margins, but also when we think about the core pawn balance growth and then the retail margin expansion? And then if I maybe kind of take the other side of it, if maybe we can talk about how sensitive earnings are to say, if gold prices were to normalize from here.

Lachlan Given^ Tim, you want to take this one first.

Timothy Jugmans^ The -- I think it goes back to the other question earlier here where the average loan size is going up, but it's because of demand for cash. It's not because gold is

going up that people need more money. And so they need more money and they're using gold to get that. And so I think those 2 things need to be separated out to understand this business. If a customer doesn't need the extra money, they don't just try and get the maximum loan amount, right?

The customer is trying to get a certain amount of money by bringing goods to the store, and we provide them cash to deal with their short-term needs. They are not trying to maximize the loan they get. They want to solve their problem of cash. And so I think if you separate those 2 things out, it changes how you see the business. And -- so I just -- yes, it is gold that is driving it. So if gold prices drop, then instead of bringing the item they're bringing in now, they start bringing in 2 items, which is what they used to do when gold wasn't not this far. And so I think that the business from a core perspective is well protected.

Vincent Caintic^ Okay. That's very helpful. And then separately, if we could talk about acquisition and other store growth opportunities. So first, congratulations on closing the SMG deal this past quarter. It sounds like there's a lot of opportunity there. Could you talk about how you see the pipeline for other acquisitions that might be out there in different geographies? And then also how you're thinking about de novo store growth in your geographies?

Lachlan Given^ Thanks, Vince. Yes. Look, SMG is obviously a big transaction. I think it's the biggest pawn transaction we've ever done. So I've certainly got the U.S. team focused on integration there because it's big, it's exciting, we can make a meaningful difference. And so I think that was the most attractive deal to do in the North American market. We've now done it. But as you know, the easy part of the deal, we've now got to make it really hum.

So I think when you're thinking about M&A and new acquisitions and de novos right for now, I think the core objective is to make these couple of very large acquisitions that we've just done, whether it's SMG, whether it's the one in Laredo, EL Bufalo, whether it's [indiscernible] in Guatemala, which is another 32 stores, I really getting the teams to focus on integrating those to extract as much value and benefit from those acquisitions as we can. We got to build these teams, build the culture and maximize earnings. So I think that's kind of priority one. In terms of new stuff, there's absolutely plenty of deals, plenty of stuff to do out there. I think in the U.S., as I've said in the last couple of quarters outside of SMG, it's probably onesies and twosies, the odds 3 and 4 if you're lucky and then maybe something bigger comes up now and then. But I think it's really a market where we've just got to continue with the small acquisitions and make sure we're doing them well and efficiently. And then in Latin America, there is -- it's an enormous opportunity, whether it's M&A or de novo. I think both are enormous opportunities.

Mexico still has many, many, many areas that we could build new stores in. I think the customer demand is insatiable down there because of the lack of access to traditional

credit. It's really our challenge is how do we staff these stores in a really strong way. So we're working through AI models to be able to lift our capability there to be able to train people much faster, more efficiently in a deeper way. So I think we've got some strategies around de novos that we're going to employ to further -- to really quicken the pace of those.

I think not right now, I think let us get through this current year on the pretty traditional cadence that we've been doing for de novos. But certainly for next year, I'm going to be pushing our teams to see if we can really accelerate that de novo business because truly, they are -- our team has gotten much, much better at this, both from a site acquisition or site leasing perspective right through to our operating culture, our people, our training. So that's become a really important part of our growth engine. And I think we can accelerate it.

So that's -- hopefully, my team is listening, and we're about to come into budget time, and that's what I'm going to be pushing. But I think that is -- it's a great call out that you've made. It's a really strong opportunity. And on the acquisition front, absolutely hasn't changed. There's still many big independently owned chains in Mexico and Latin America that at the right price or if we can come together on a transaction, we'd love to do them. But I think we've shown now after about 5 years of doing this as the leadership team or nearly 5 years, we're only going to do it in a disciplined way.

We're going to buy these with our shareholders front of mind that we've got to build returns. We're not just dots on maps people. We're trying to buy good stores that we think we can improve. And I think there's plenty of those out there. So that's my long-winded way of saying integration right now is a big focus, but de novos and acquisition pipeline is absolutely a big strength that we've got for our growth engine going forward.

Operator^ (Operator Instructions) Our next question comes from the line of Kyle Joseph of Stephens.

Kyle Joseph^ Congrats on a good quarter. And yes, I appreciate the disclosure on pawn and you guys breaking that out for us. I just wanted to touch on LatAm. It looks like you guys have been seeing really strong retail trends there, both in terms of margins. And then it looks like PLO is up well ahead of inventory growth this year. Just kind of comment anything you guys are seeing specifically down south versus what you're seeing in the U.S.

Lachlan Given^ Thanks, Kyle. I think it starts with the people. I think we're building Blair particularly is building an outstanding culture across Latin America. The leadership group down there is very tenured and just outstanding operators. And I think with the playbook that he -- that Blair designed in the U.S., we're now 2-plus years into that down in Latin America, and you can see the results are just absolutely fantastic.

So I think it's -- I think it is the culture training, our jewelry focus. We were pretty light in our jewelry business in Latin America 2 years ago. But with the strategy and then an execution culture of how to build that business, I think that's been part of the big change down there. So look, I think -- is it different to the U.S.? Yes, but a lot of the techniques that we used in the U.S. to drive such significant earnings momentum, we're using down there. And what I'd tell you is they are now coming to fruition.

I still think there is a huge amount of opportunity down there. I was down there last week in stores and every store you walk into, whether it's a good one, bad one, you just -- you see the opportunity. So look, I think it is incredibly pleasing to see how well that business is doing even without scrap. You can see that I think Tim said in his comments, we're sort of almost 30% EBITDA growth, something like that, which is absolutely phenomenal. So we're very proud of the team down there and what we're doing.

Operator^ (Operator Instructions) Our next question comes from the line of Andrew Scutt with ROTH Capital Partners.

Andrew Scutt^ Congrats on the strong results. Most of my questions have been answered here. So a quick one on a smaller part of your business, but you guys have been building out Max Pawn kind of your luxury pawn side of the business. You guys added a store recently in Miami. Can you just kind of talk about kind of the long-term plans with Max Pawn and the luxury pawn opportunity?

Lachlan Given^ Yes. Thank you, Andrew. Yes. So I think about luxury in 2 buckets. One is the Max Pawn business. So as you said, that's 4 stores. We've got 3 in Vegas and a new one in Miami. The focus in that business is just to maximize the potential of those 4 stores. Miami is our first breakout from Vegas. So I think it's a really important one to make this concept work. But Vegas business is doing very, very well, exactly as we had hoped for it. But Miami is very early. And so our focus is to make that work so that we can see if that happens, then we can expand across the U.S. So we're excited by that business.

But what we're also doing is we're seeding significantly more luxury across the store base. We had a -- we made a store in Austin. We called it EZPawn Lux. And we kind of -- not the full Max Pawn experience, but an elevated pawn broking experience. And the results have just been fantastic. We're only, I think, about a month into it. But with that elevated Lux product experience, brand, I think luxury is a pretty exciting potential growth opportunity. It's still small, but it is opening up much different new customer segments and particularly in stores that are in areas that are gentrifying, I think, could potentially be a really interesting growth driver. So think about Lux just in 2 ways. It's Max Pawn itself as well as Lux in the rest of the EZPawn business.

Andrew Scutt^ Congrats again on the results.

Operator^ (Operator Instructions) Our next question comes from the line of Raj Sharma of Texas Capital Bank.

Raj Sharma^ You've addressed quite a few of the questions, but then, the big question is where -- what do you think PLO growth would be if gold prices were to plateau. And I think you talked quite a lot about it. Maybe you cannot -- maybe it's hard to kind of delineate that. But just given your performance is stellar across all fronts and once SMG anniversaries, where do you think the same-store trends would be? Can you give a sense, are these great results, the organic trends and acceleration, is that to be expected? Sort of what should we assume going forward once SMG anniversaries?

Lachlan Given^ Thanks, Raj. Look, we obviously don't guide. But if you exclude scrap, our intention is clearly to keep building these metrics. So whether it's PLO, PSC, sales, turns, we are in this business to keep growing these metrics. This has been probably the best quarter that I've ever seen at EZCORP. So I understand your point that things are firing at the moment. But we believe that even in the existing organic same-store business, our job is to continue to drive these results.

We're going to add a bunch of de novo stores to that. We're going to add a bunch of acquisitions to that. But we think that without guiding here, we think that this business is capable of much more. And so we still believe that it's trading very cheaply with the growth, with the liquidity on our balance sheet, with the tenured team, with the no real net debt, it is -- potentially, it's an enormous opportunity for shareholders and for investors, I think. And we're looking forward to continuing these growth initiatives.

Timothy Jugmans^ I would call out 2 numbers on the same-store stuff that we produced in the quarter. So loans for the U.S. were 13% up on a same-store basis. And in Latin America, PLO was up 15% on a same-store basis. So it gives you an idea of what we're producing today and PLO is the leading indicator of how the business is going to perform.

Raj Sharma^ Yes. Obviously, the business is doing incredibly well. Just on how are you prioritizing you're building up significant incremental capital. How are you prioritizing? Should we expect more de novo -- between de novo stores, LatAm, M&A and shareholder returns?

Lachlan Given^ Yes. Look, I think it's all of those things around investing in the business. I think you start with your earning assets. If we're building PLO and inventory, that takes significant capital across 1,600 stores. There's -- then there's de novos, as you mentioned. I think there's plenty of really interesting acquisitions to do out there. Plus we just like to be liquid and conservative. It's a dangerous world out there at the moment. And I think

companies that are highly liquid with low debt is certainly where I'd like to have my money. So I think it's a mix of putting those -- investing into the business.

I think with respect to shareholder returns, yes, we've got the buyback program. And you saw we bought \$4 million worth during the quarter. So that's active. We believe the stock is, as I said, very cheap, and that represents a good return on capital for shareholders. But I think, as I've always said, our priority is scale. And I think the market is seeing that we are very serious about that, and we have very executable M&A and de novo opportunities that we're putting our capital to. And I think that, that is the way to drive the best shareholder returns. And I think we've got more ahead.

Raj Sharma^ Got it. And just lastly, the store expenses growth decelerated in LatAm despite, I believe, wage inflation there. Is that -- how sustainable is that trend?

Timothy Jugmans^ So the -- on those costs, they were still up in Latin America, 19% on a same-store basis. So still up. That's 13% minimum wage increases in Mexico driving a lot of that. But it's also -- you see the performance, the amount of -- the amount that's going through those stores actually requires a few more people. So that's driving some of that as well.

Raj Sharma^ Great. I'll end it there. Congratulations. Fantastic results.

Operator^ I am showing no further questions at this time. I would now like to turn it back to Lachie for closing remarks.

Lachlan Given^ Thank you, operator. And look, thanks, everyone, for joining. We've said that this has been an enormous quarter for us. So I'm very thankful to our teams. The business is on almost all metrics operating at a very high level, and we're very pleased with the M&A during the quarter. So we'll speak to a bunch of you in the next couple of days, but thank you for joining, and thank you to all of our shareholders for your support. Thanks.

Operator^ Thank you for your participation in today's conference. This does conclude the program. You may now disconnect.