



NEWS RELEASE

Atlanticus Reports Fourth Quarter 2025 Financial Results

2026-03-12

FOURTH QUARTER EARNINGS OF \$1.75 PER DILUTED COMMON SHARE CAPS 2025, ALONG WITH RECORD RECEIVABLES PURCHASES AND TRANSFORMATIONAL ACQUISITION

ATLANTA, March 12, 2026 (GLOBE NEWSWIRE) -- Atlanticus Holdings Corporation (NASDAQ: ATLC) (Atlanticus, the Company, we, our or us), a financial technology company that enables its bank, retail and healthcare partners to offer more inclusive financial services to millions of Everyday Americans, today announced its financial results for the fourth quarter ended December 31, 2025. An accompanying earnings presentation is available in the Investors section of the Company's website at www.atlanticus.com or by clicking [here](#).

Financial and Operating Highlights

Fourth Quarter 2025 Highlights (all comparisons to the Fourth Quarter 2024)

- Total operating revenue and other income increased 107.9% to \$734.4 million
- Managed receivables² increased 155.2% to \$7.0 billion
- Net income attributable to common shareholders of \$32.8 million, an increase of 24.9%, or \$1.753 per Diluted common share
- Return on average equity of 22.1%³
- Record purchase volume of \$1,808.6 million
- We serve over 5.9 million total accounts¹

- Over 600,000 new customers served during the quarter, and over 2.2 million for the year ended December 31, 2025

1) In our calculation of total accounts served, we include all accounts with account activity and accounts that have open lines of credit at the end of the referenced period.

2) Managed receivables is a non-GAAP financial measure and excludes the results of our Auto Finance receivables. See Calculation of Non-GAAP Financial Measures for important additional information.

3) Return on average equity is calculated using Net income attributable to common shareholders as the numerator and the average of Total equity as of December 31, 2025 and September 30, 2025 as the denominator, annualized.

Management Commentary

Jeff Howard, President and Chief Executive Officer of Atlanticus stated, “We are pleased to have achieved both our return on capital and earnings growth goals in the quarter and for the year. With quarterly Net income attributable to common shareholders increasing approximately 25%, annual Net income attributable to common shareholders growing approximately 28%, all while achieving a return on average equity in excess of 22%, we continue to demonstrate the earnings power of the Atlanticus platform. While our historical lines of business continue to perform within our expectations, we added a significant contributor to long-term earnings growth with the acquisition of Mercury Financial in the third quarter of 2025. I am especially proud of the way our team has come together to integrate the two businesses while continuing to remain focused on the most important driver of shareholder value creation – unit level profitability. The integration of Mercury is ahead of our plan and we are realizing many of the revenue and operating synergies faster and more materially than we had forecasted.

“The Atlanticus platform now serves almost 6 million consumers across multiple product offerings. Our long term focus is to be the financial service provider of choice for Everyday Americans and deliver attractive returns for our shareholders. We believe we are well positioned to serve an even larger number of Everyday Americans and realize the long term benefits of scale now available to us. While our asset rate of growth will likely slow, as will our revenue growth rate after 2026, we believe we will continue to achieve returns on shareholder capital of 20% or more and long term annual earnings growth in excess of 20%.”

Financial Results (Dollars in thousands, except per share data)	For the Three Months Ended December 31,		
	2025	2024	% Change
Total operating revenue and other income	\$734,375	\$353,186	107.9%
Other non-operating income	19	305	nm
Total revenue and other income	734,394	353,491	107.8%
Interest expense	(125,225)	(44,670)	180.3%
Provision for credit losses	(2,236)	(7,045)	nm
Changes in fair value of loans	(431,082)	(184,310)	133.9%
Net margin	\$175,851	\$117,466	49.7%
Total operating expenses	(\$129,631)	(\$77,599)	67.1%
Net income	\$34,609	\$30,971	11.7%
Net income attributable to controlling interests	\$35,134	\$31,303	12.2%
Preferred stock and preferred unit dividends and discount accretion	(2,305)	(5,012)	nm
Net income attributable to common shareholders	\$32,829	\$26,291	24.9%
Net income attributable to common shareholders per common share—basic	\$2.18	\$1.77	23.2%
Net income attributable to common shareholders per common share—diluted	\$1.75	\$1.42	23.2%

**nm = not meaningful*

Managed Receivables

Managed receivables increased 155.2% to \$7.0 billion, including \$3.2 billion in receivables associated with our Mercury brand. Excluding receivables associated with Mercury, managed receivables grew by \$1.0 billion from December 31, 2024 (an increase of 37.2%) driven by growth in both private label credit and general purpose credit card products offered by our bank partners. Total accounts served increased 59.9% to 5.9 million (inclusive of 1.3 million accounts serviced associated with our Mercury brand). The increased purchases of receivables arising in accounts issued by our bank partners to customers of our existing retail partners helped grow our private label credit receivables by \$625.1 million in the twelve months ended December 31, 2025. Our general purpose credit card receivables grew by \$3.6 billion during the twelve months ended December 31, 2025, including \$3.2 billion of credit card receivables (as of December 31, 2025) associated with our acquisition of Mercury. Absent our Mercury transaction, our general purpose credit card receivables grew 26.1%. One of our larger merchant partners recently expanded their relationships with us, primarily driving growth in our private label receivables. The seasonal expansion with this retail partner tends to peak in the second and third quarters and declines in the fourth quarter of each year. While we currently expect continued period-over-period quarterly growth in our general purpose

credit card receivables, we expect purchases associated with the above mentioned retail partner to moderate, resulting in modest increases in expected period over period retail receivables.

Total Operating Revenue and Other Income

Total operating revenue and other income consists of: 1) interest income, finance charges and late fees on consumer loans, 2) other fees on credit products including annual and merchant fees and 3) interchange and servicing income on loan portfolios and other customer related fees.

We are currently experiencing continued period-over-period increases in private label credit and general purpose credit card receivables. Growth in these receivables includes general purpose credit card receivables associated with our acquisition, and subsequent growth of Mercury, which added \$3,214.0 million in receivables as of December 31, 2025. Growth in our general purpose credit card receivables is expected to continue throughout 2026 and to outpace growth in our private label credit receivables as we continue to expand our marketing efforts. We currently expect our private label credit receivable balance to modestly increase in 2026 as volumes of receivables acquisitions for which we have limited loss exposure due to agreements with retail partners, are expected to slow, offsetting general growth from other retail partners. Additionally, as part of our acquisition of Mercury, we are currently enacting a number of product, policy and pricing changes on the newly acquired portfolio of general purpose credit card receivables. These changes should result in increased yield for this portfolio and result in additions to our Total operating revenue and other income in 2026 and beyond. Certain of the product, policy and pricing changes, and their impact on the acquisition of new receivables, will take several quarters to be fully realized.

During the quarter ended December 31, 2025, total operating revenue and other income increased 107.9% to \$734.4 million. This increase was primarily due to our acquisition of Mercury which contributed \$309.0 million to Total operating revenue and other income in the period. Adding to this was quarterly growth in both new credit card and private label customers serviced, the total accounts of which increased over 900,000 for the quarter ended December 31, 2025 (excluding those serviced accounts added as part of our acquisition of Mercury) compared to the same period in 2024. As part of our acquisition of Mercury, we are currently enacting a number of product, policy and pricing changes on the newly acquired portfolio of general purpose credit card receivables. These changes should result in meaningful additions to our Total operating revenue and other income in 2026 and beyond, although certain of the changes will take several quarters to be fully realized.

Interest Expense

Interest expense was \$125.2 million for the quarter ended December 31, 2025, compared to \$44.7 million for the quarter ended December 31, 2024. The higher expenses were primarily driven by increases in outstanding debt, in

proportion to growth in our receivables coupled with increases in the cost of borrowing.

Outstanding notes payable, net of unamortized debt issuance costs and discounts, associated with our private label credit and general purpose credit card platform (including those associated with the Mercury acquisition) increased to \$5,788.6 million as of December 31, 2025, from \$2,157.8 million as of December 31, 2024. This growth, period over period, included notes payable associated with our Mercury acquisition of \$2,847.9 million as of December 31, 2025. Interest expense increased \$141.7 million for the year ended December 31, 2025, when compared to the year ended December 31, 2024. The majority of this increase in interest expense relates to the addition of multiple credit facilities in 2024 and 2025 associated with growth in our card and loan receivables, coupled with the issuances of 9.25% Senior Notes due 2029 and our issuance of \$400.0 million aggregate principal amount of 9.750% Senior Notes due 2030. Recent increases in the effective interest rates on debt have increased our interest expense as we have raised additional capital (or replaced existing facilities) over the last two years. We anticipate additional debt financing over the next few quarters as we continue to grow our receivables. As such, and when coupled with the interest expense associated with the acquired Mercury debt facilities, we expect our quarterly interest expense to increase compared to prior periods throughout 2026.

Changes in Fair Value of Loans

Changes in fair value of loans increased to \$(431.1) million for the quarter ended December 31, 2025 compared to \$(184.3) million for the quarter ended December 31, 2024. This increase was largely driven by growth in our acquisition and relative mix of receivables and significant increases in new customers served in the third and fourth quarters of 2025, which tend to have lower initial fair values until the associated receivables have seasoned through peak charge off periods. Receivables acquired as part of our acquisition of Mercury were initially valued at a lower fair value than our existing portfolio of credit card receivables (as a percentage of the gross outstanding receivable). We are currently enacting a number of product, policy and pricing changes on the Mercury portfolio of general purpose credit card receivables. Once implemented, we would expect to see continued improvement in the fair value of these receivables.

We include asset performance degradation in our forecasts to reflect both changes in assumed asset level economics and the possibility of delinquency rates increasing in the near term (and the corresponding increase in charge-offs and decrease in payments) above the level that current trends would suggest. Based on observed asset stabilization, and general improvements in U.S. economic expectations due to the improved inflation environment, some expected degradation has been removed in recent periods.

Total Operating Expenses

Total operating expenses increased 67.1% in the quarter when compared to the same period in 2024, driven

primarily, in all expense categories, by our acquisition of Mercury. Additional increases were noted due to marketing and solicitation costs associated with assisting our bank partners to acquire new customers and variable servicing costs associated with growth in our receivables. We also experienced growth in the number of employees and related compensation expenses. Certain other expenditures related to occupancy and other third-party expenses, which are largely fixed in nature, also contributed to the increase for the quarter as compared to the fourth quarter of 2024.

We expect some continued increase in year over year salaries and benefits in 2026 compared to corresponding periods in 2025 resulting from the acquisition of Mercury and its associated employee base.

As many of our expenses associated with our card and loan servicing efforts are now variable based on the amount of underlying receivables, we would expect certain expenses to continue to grow in 2026 commensurate with growth in our receivables balances. These expenses will primarily relate to the variable costs card and loan servicing expenses associated with new receivable acquisitions.

In addition, as we continue to adjust our underwriting standards to reflect changes in fee and finance assumptions on new receivables, and allow for overall increases in the cost to successfully market to consumers, we expect period over period marketing costs for 2026 to increase relative to those experienced in 2025. The frequency and timing of increased marketing efforts could vary and are dependent on macroeconomic factors such as national unemployment rates and federal funds rates.

Net Income Attributable to Common Shareholders

Net income attributable to common shareholders increased 24.9% to \$32.8 million, or \$1.75 per diluted share for the quarter ended December 31, 2025.

Share Repurchases

We repurchased and retired 294,320 shares of our common in the quarter ended December 31, 2025.

About Atlanticus Holdings Corporation

Empowering Better Financial Outcomes for Everyday Americans

Atlanticus Holdings Corporation empowers better financial outcomes for Everyday Americans by enabling bank, retail, healthcare, and automotive partners to offer more inclusive financial solutions to consumers. Leveraging proprietary technology and advanced analytics, Atlanticus applies more than 30 years of operating experience,

servicing over 20 million customers and more than \$50 billion in consumer loans, to support lenders across a broad range of consumer credit products. These offerings span retail and healthcare private-label credit and general purpose credit cards, through an omnichannel platform, including strategic partnerships. Additionally, through its Auto Finance subsidiary, Atlanticus helps address the specific needs of automotive dealerships and non-prime automotive finance organizations with a range of financing and service programs.

Atlanticus is guided by the principles of responsible lending, smart innovation, and expanding access to credit for consumers working toward a stronger financial future.

Forward-Looking Statements

This press release contains forward-looking statements that reflect the Company's current views with respect to, among other things, expectations for future growth in return on shareholder capital and earnings; the benefits of the acquisition of Mercury, including expected synergies and future financial and operating results; the Company's plans, objectives, expectations and intentions for Mercury including the product, policy and pricing changes to the acquired portfolio and the timing and results related thereto; long-term growth plans and opportunities; operations; financial performance; revenue and other income; amount and pace of growth of managed receivables; mix of receivables; fair value of receivables; debt financing; interest expense; operating expense; and marketing efforts. You generally can identify these statements by the use of words such as outlook, potential, continue, may, seek, approximately, predict, believe, expect, plan, intend, estimate or anticipate and similar expressions or the negative versions of these words or comparable words, as well as future or conditional verbs such as will, should, would, likely and could. These statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those included in the forward-looking statements. These risks and uncertainties include those risks described in the Company's filings with the Securities and Exchange Commission and include, but are not limited to, risks related to the integration of the Mercury business and the management of the Mercury portfolio; bank partners; merchant partners; consumers; loan demand; the capital markets; labor availability; supply chains and the economy in general; the Company's ability to retain existing, and attract new, merchant partners and funding sources; changes in market interest rates; increases in loan delinquencies; its ability to operate successfully in a highly regulated industry; the outcome of litigation and regulatory matters; the effect of management changes; cyberattacks and security vulnerabilities in its products and services; and the Company's ability to compete successfully in highly competitive markets. The forward-looking statements speak only as of the date on which they are made, and, except to the extent required by federal securities laws, the Company disclaims any obligation to update any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events. In light of these risks and uncertainties, there is no assurance that the events or results suggested by the forward-looking statements will in fact occur, and you should not place undue reliance on these forward-looking statements.

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Atlanticus Holdings Corporation and Subsidiaries
Consolidated Balance Sheets (Unaudited)
(Dollars in thousands)

	December 31, 2025	December 31, 2024
Assets		
Unrestricted cash and cash equivalents (including \$209.6 million and \$140.2 million associated with variable interest entities at December 31, 2025 and December 31, 2024, respectively)	\$ 621,093	\$ 375,416
Restricted cash and cash equivalents (including \$117.6 million and \$98.8 million associated with variable interest entities at December 31, 2025 and December 31, 2024, respectively)	146,314	124,220
Loans at fair value (including \$6,522.9 million and \$2,542.9 million associated with variable interest entities at December 31, 2025 and December 31, 2024, respectively)	6,647,882	2,630,274
Loans at amortized cost, net (including \$4.1 million and \$4.9 million of allowance for credit losses at December 31, 2025 and December 31, 2024, respectively; and \$20.1 million and \$19.8 million of deferred revenue at December 31, 2025 and December 31, 2024, respectively)	82,884	84,332
Property at cost, net of depreciation	12,589	10,519
Intangible assets	30,268	-
Operating lease right-of-use assets	15,104	13,878
Prepaid expenses and other assets	66,954	32,068
Total assets	\$ 7,623,088	\$ 3,270,707
Liabilities		
Accounts payable and accrued expenses	\$ 284,514	\$ 72,088
Operating lease liabilities	25,283	24,188
Notes payable, net (including \$5,739.1 million and \$2,128.0 million associated with variable interest entities at December 31, 2025 and December 31, 2024, respectively)	5,818,761	2,199,448
Senior notes, net	698,562	281,552
Income tax liability	152,138	114,068
Total liabilities	6,979,258	2,691,344
Commitments and contingencies		
Preferred stock, no par value, 10,000,000 shares authorized:		
Series A preferred stock, 400,000 shares issued and outstanding (liquidation preference - \$40.0 million) at December 31, 2025 and December 31, 2024(1)	40,000	40,000
Class B preferred units issued to noncontrolling interests	-	50,000
Shareholders' Equity		
Series B preferred stock, no par value, 3,584,131 shares issued and outstanding at December 31, 2025 (liquidation preference - \$89.6 million); 3,301,179 shares issued and outstanding at December 31, 2024 (liquidation preference - \$82.5 million) (1)	-	-
Common stock, no par value, 150,000,000 shares authorized: 14,922,462 and 14,904,192 shares issued and outstanding at December 31, 2025 and December 31, 2024, respectively	-	-
Paid-in capital	102,276	98,278
Retained earnings	506,424	394,628
Total shareholders' equity attributable to Atlanticus Holdings Corporation	608,700	492,906
Noncontrolling interests	(4,870)	(3,543)
Total equity	603,830	489,363

Total liabilities, shareholders' equity and temporary equity

\$ 7,623,088 \$ 3,270,707

(1) Both the Series A preferred stock and the Series B preferred stock have no par value and are part of the same aggregate 10,000,000 shares authorized.

Atlanticus Holdings Corporation and Subsidiaries
Consolidated Statements of Income (Unaudited)
(Dollars in thousands, except per share data)

	For the Three Months Ended December 31,		For the Year Ended December 31,	
	2025	2024	2025	2024
Revenue and other income:				
Consumer loans, including past due fees	\$ 538,478	\$ 251,702	\$ 1,403,646	\$ 979,814
Fees and related income on earning assets	156,103	83,788	452,304	269,771
Other revenue	39,794	17,696	112,410	60,370
Total operating revenue and other income	734,375	353,186	1,968,360	1,309,955
Other non-operating income	19	305	39	1,489
Total revenue and other income	734,394	353,491	1,968,399	1,311,444
Interest expense	(125,225)	(44,670)	(301,903)	(160,173)
Provision for credit losses	(2,236)	(7,045)	(6,235)	(16,368)
Changes in fair value of loans	(431,082)	(184,310)	(1,103,055)	(733,471)
Net margin	175,851	117,466	557,206	401,432
Operating expenses:				
Salaries and benefits	(22,492)	(12,559)	(69,572)	(50,143)
Card and loan servicing	(55,585)	(35,811)	(160,846)	(118,400)
Marketing and solicitation	(32,681)	(17,338)	(113,265)	(56,186)
Depreciation and amortization	(2,635)	(752)	(5,808)	(2,715)
Other	(16,238)	(11,139)	(48,002)	(35,411)
Total operating expenses	(129,631)	(77,599)	(397,493)	(262,855)
Income before income taxes	46,220	39,867	159,713	138,577
Income tax expense	(11,611)	(8,896)	(39,104)	(28,471)
Net income	34,609	30,971	120,609	110,106
Net loss attributable to noncontrolling interests	525	332	1,595	1,190
Net income attributable to controlling interests	35,134	31,303	122,204	111,296
Preferred stock and preferred unit dividends and discount accretion	(2,305)	(5,012)	(10,408)	(23,928)
Net income attributable to common shareholders	\$ 32,829	\$ 26,291	\$ 111,796	\$ 87,368
Net income attributable to common shareholders per common share—basic	\$ 2.18	\$ 1.77	\$ 7.40	\$ 5.92
Net income attributable to common shareholders per common share—diluted	\$ 1.75	\$ 1.42	\$ 5.96	\$ 4.77

Additional Information

Additional trends and data with respect to our private label credit and general purpose credit card receivables can be found in our latest Form 10-K filing with the Securities and Exchange Commission under Management's Discussion and Analysis of Financial Condition and Results of Operations.

Calculation of Non-GAAP Financial Measures

This press release presents information about managed receivables, which is a non-GAAP financial measure provided as a supplement to the results provided in accordance with accounting principles generally accepted in the United States of America (GAAP). In addition to financial measures presented in accordance with GAAP, we present managed receivables, total managed yield, combined principal net charge-offs, and fair value to total managed receivables ratio, all of which are non-GAAP financial measures. These non-GAAP financial measures aid in the evaluation of the performance of our credit portfolios, including our risk management, servicing and collection activities and our valuation of purchased receivables. The credit performance of our managed receivables provides information concerning the quality of loan originations and the related credit risks inherent with the portfolios. Management relies heavily upon financial data and results prepared on the managed basis in order to manage our business, make planning decisions, evaluate our performance and allocate resources.

These non-GAAP financial measures are presented for supplemental informational purposes only. These non-GAAP financial measures have limitations as analytical tools and should not be considered in isolation from, or as a substitute for, GAAP financial measures. These non-GAAP financial measures may differ from the non-GAAP financial measures used by other companies. A reconciliation of non-GAAP financial measures to the most directly comparable GAAP financial measures or the calculation of the non-GAAP financial measures are provided below for each of the fiscal periods indicated.

Additionally, we calculate average managed receivables based on the quarter-end balances.

The comparison of non-GAAP managed receivables to our GAAP financial statements requires an understanding that managed receivables reflect the face value of loans, interest and fees receivable without any consideration for potential loan losses or other adjustments to reflect fair value.

A reconciliation of Loans at fair value to Total managed receivables is as follows:

(in Millions)	At or for the Three Months Ended							
	2025				2024			
	Dec. 31	Sep. 30	Jun. 30	Mar. 31	Dec. 31	Sep. 30	Jun. 30	Mar. 31
Loans at fair value	\$6,647.9	\$6,350.0	\$3,004.7	\$2,668.5	\$2,630.3	\$2,511.6	\$2,277.4	\$2,150.6
Fair value mark against receivable (1)	305.5	250.1	41.8	37.8	94.5	142.5	137.7	167.5
Total managed receivables (2)	\$6,953.4	\$6,600.1	\$3,046.5	\$2,706.3	\$2,724.8	\$2,654.1	\$2,415.1	\$2,318.1
Fair value to Total managed receivables ratio (3)	95.6%	96.2%	98.6%	98.6%	96.5%	94.6%	94.3%	92.8%

(1) The fair value mark against receivables reflects the difference between the face value of a receivable and the net present value of the expected cash flows associated with that receivable.

(2) Total managed receivables are equal to the aggregate unpaid gross balance of loans at fair value.

(3) The Fair value to Total managed receivable ratio is calculated using Loans at fair value as the numerator, and Total managed receivables, as the denominator.

A reconciliation of our operating revenues and other income, net of finance and fee charge-offs, to comparable amounts used in our calculation of Total managed yield is as follows:

(in Millions)	At or for the Three Months Ended							
	2025				2024			
	Dec. 31	Sep. 30	Jun. 30	Mar. 31	Dec. 31	Sep. 30	Jun. 30	Mar. 31
Consumer loans, including past due fees	\$528.7	\$331.7	\$267.2	\$238.5	\$242.1	\$245.3	\$232.1	\$220.0
Fees and related income on earning assets	155.8	122.5	94.3	78.3	83.8	78.5	59.5	47.9
Other revenue	39.5	30.4	23.0	18.7	17.5	16.8	13.6	11.7
Total operating revenue and other income - CaaS Segment	724.0	484.6	384.5	335.5	343.4	340.6	305.2	279.6
Adjustments due to acceleration of merchant fee discount amortization under fair value accounting	(6.1)	(16.0)	(26.6)	0.1	0.7	(15.1)	(12.6)	4.0
Adjustments due to acceleration of annual fees recognition under fair value accounting	(8.3)	(24.4)	(8.8)	(4.2)	(10.5)	(8.0)	1.1	10.1
Removal of finance charge-offs	(114.1)	(78.8)	(68.2)	(70.0)	(64.9)	(60.6)	(62.9)	(63.7)
Total managed yield	\$595.5	\$365.4	\$280.9	\$261.4	\$268.7	\$256.9	\$230.8	\$230.0

The calculation of Combined principal net charge-offs is as follows:

(in Millions)	At or for the Three Months Ended							
	2025				2024			
	Dec. 31	Sep. 30	Jun. 30	Mar. 31	Dec. 31	Sep. 30	Jun. 30	Mar. 31
Charge-offs on loans at fair value	\$377.9	\$231.8	\$211.8	\$233.5	\$213.1	\$201.5	\$217.0	\$231.7
Finance charge-offs (1)	(114.1)	(78.8)	(68.2)	(70.0)	(64.9)	(60.6)	(62.9)	(63.7)
Combined principal net charge-offs	\$263.8	\$153.0	\$143.6	\$163.5	\$148.2	\$140.9	\$154.1	\$168.0

(1) Finance charge-offs are included as a component of our Changes in fair value of loans in the consolidated statements of income.

Source: Atlanticus Holdings Corp