

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported) March 21, 2025

CONSUMER PORTFOLIO SERVICES, INC.

(Exact Name of Registrant as Specified in Charter)

CALIFORNIA
(State or Other Jurisdiction
of Incorporation)

1-11416
(Commission
File Number)

33-0459135
(IRS Employer
Identification No.)

3800 Howard Hughes Pkwy, Suite 1400, Las Vegas, NV 89169
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code (949) 753-6800

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, no par value	CPSS	The Nasdaq Stock Market LLC (Global Market)

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

ITEM 7.01. REGULATION FD DISCLOSURE.

We are today making available one presentation consisting of 19 slides. A copy is attached as an exhibit. Although the exhibit is an update of similar presentations made available from time to time as an exhibit to a report on Form 8-K, we are not undertaking to update further any of the information that is contained in the attached presentation. The same presentation furnished as an exhibit to this report will be made available on our website, at this address:

<http://ir.consumerportfolio.com/events-and-presentations/presentations>

We routinely post important information, including news releases and reports to the U.S. Securities and Exchange Commission, on our website.

The information furnished in this report shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.

Neither financial statements nor *pro forma* financial information are filed with this report.

(d) Exhibits

One exhibit is attached:

99.1 [Company Summary as of December 31, 2024](#)

104 Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CONSUMER PORTFOLIO SERVICES, INC.

Dated: March 24, 2025

By: /s/ Denesh Bharwani
Denesh Bharwani
Executive Vice President and Chief Financial Officer
Signing on behalf of the registrant



CPS

Consumer Portfolio Services, Inc.

The Subprime Source Since 1991

December 2024 Investor Presentation

SAFE HARBOR STATEMENT

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

COMPANY OVERVIEW

Consumer Portfolio Services specializes in purchasing and servicing automobile contracts originated by licensed motor vehicle dealers in the sale of new and used automobiles, light trucks and passenger vans. Through our purchases, we provide indirect financing to dealers for sub-prime customers. We serve as an alternative source of financing for dealers, allowing sales to customers who otherwise might not be able to obtain financing.



(1) As of December 31, 2024

THE CPS ADVANTAGE

CPS is a leader in Machine Learning (ML) and Artificial Intelligence (AI).

- Industry leading disciplined modeling framework: Linear/Logistic Regression, Neural Network, Decision Tree, Ensemble Model, Time Series, Machine Learning, Random Forest
- Continuous model training and recalibration



Instant Credit Decisions Leads CPS to Higher Quality Loans

Proprietary Modeling and Scorecards

Decades of Historical Performance Data Shape our Models

Risk Department Led by Industry Veterans

LEADERSHIP

CPS' senior management team consists of 13 executives that are led by Brad, Mike and Danny. Each has significant industry experience and, on average, 24 years with CPS. Combined, senior management has over 300 years of auto lending experience just at CPS.



Charles "Brad" Bradley
CEO, Chairman of the Board

- CEO since 1992
- Chairman of the Board since 2001
- 33 years at CPS



Mike Lavin
President, COO, CLO

- President since 2022
- COO since 2019. CLO since 2014
- 23 Years at CPS



Danny Bharwani
CFO

- CFO since 2022
- 27 years at CPS

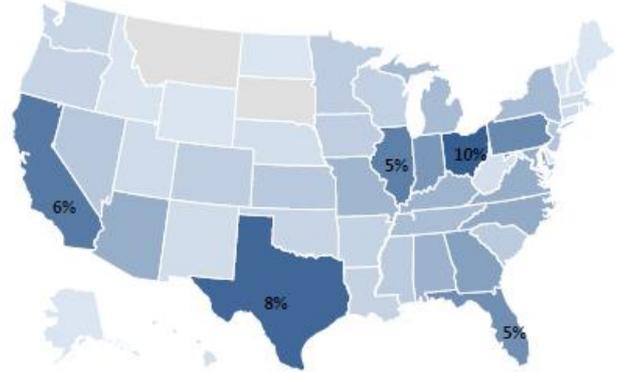
MARKET

Dynamics

- Large Total Addressable Market (TAM)
- High Barrier to Entry
- Small, Fragmented Market

- \$1.5 trillion auto loans outstanding at Q3 2024⁽¹⁾
- ~15% of auto financings in Q3 2024 were sub-prime⁽¹⁾
- Capital-intensive
- Highly regulated industry
- Few dominant players
- Compete on rates and fees

Footprint



- Highest volume originating states for CPS ⁽²⁾
- Contracts purchased in 47 states ⁽²⁾

(1) According to Experian Automotive
 (2) As of December 31, 2024

PRODUCT OFFERING

<u>Program</u> ⁽¹⁾	<u>Avg. Yield</u>	<u>Avg. Amount Financed</u>	<u>Avg. Annual Household Income</u>	<u>Avg. Time on Job (years)</u>	<u>Avg. FICO</u>	<u>% of Purchases</u>
Meta	14.42%	\$24,828	\$102,634	8.9	665	3%
Preferred	16.27%	\$26,270	\$89,288	7.2	583	17%
Super Alpha	18.59%	\$25,298	\$83,131	5.8	569	21%
Alpha Plus	20.90%	\$22,535	\$81,510	5.0	560	23%
Alpha	22.15%	\$20,379	\$63,142	4.2	576	26%
Standard	24.01%	\$16,314	\$60,076	3.4	586	7%
Mercury / Delta	24.91%	\$14,518	\$56,737	3.9	572	2%
First Time Buyer	24.34%	\$14,039	\$49,788	2.7	585	2%
Overall	20.11%	\$21,931	\$74,655	5.1	576	100%

(1) Under the CPS programs for contracts purchased for the twelve months ended December 31, 2024.

ORIGINATION CHARACTERISTICS

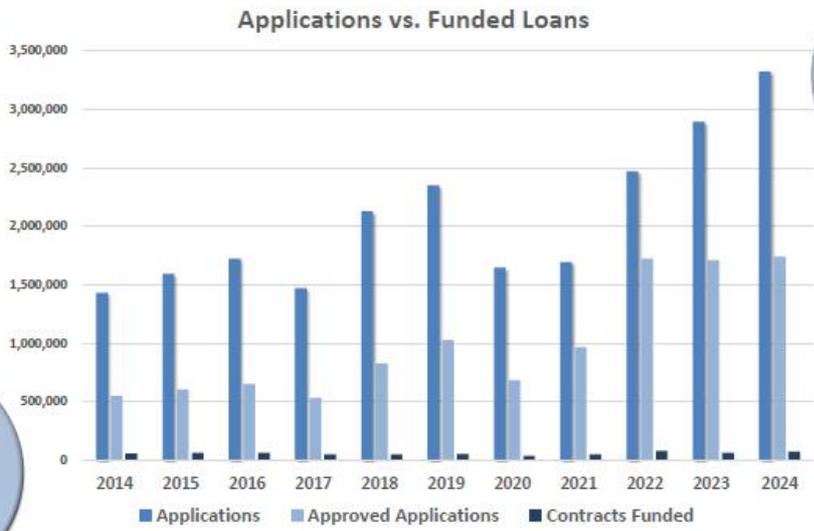


DEMAND FOR OUR LENDING PROGRAMS

**13,100
Approved
Dealer
Network**

**Answers
Within
Seconds to
Dealers**

**Auto
Decisioning
Proprietary
AI Driven
Scorecard**



**52%
Average
Approval
Rate**

**Selective
Funding**

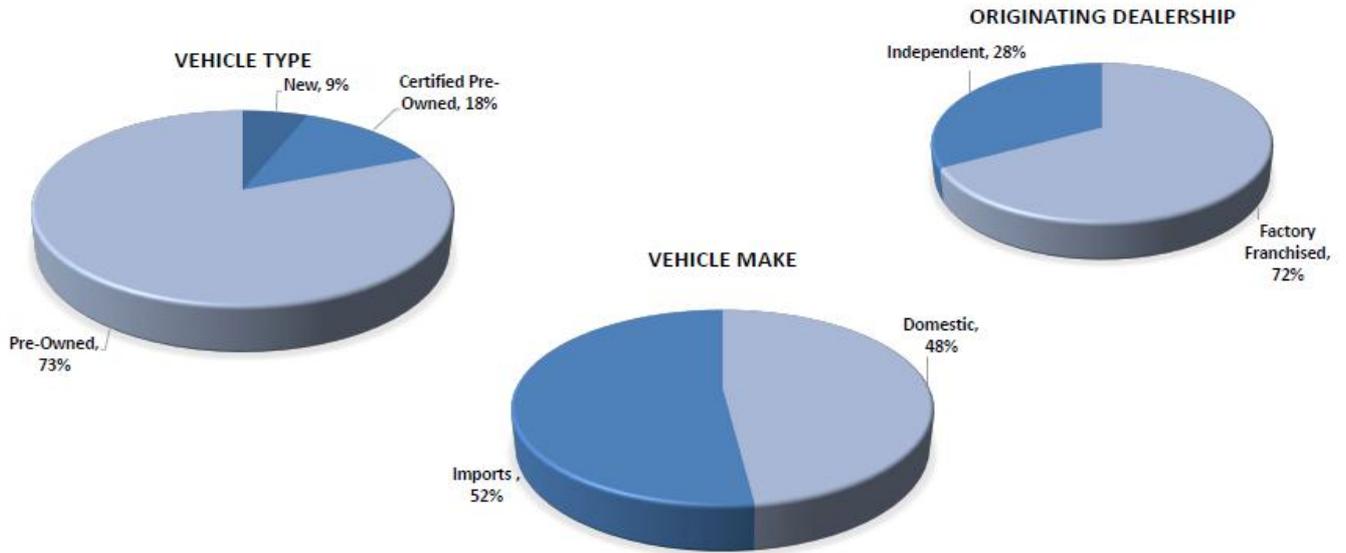
**Strong
Demand for
our Lending
Programs**

WHO IS OUR CUSTOMER?



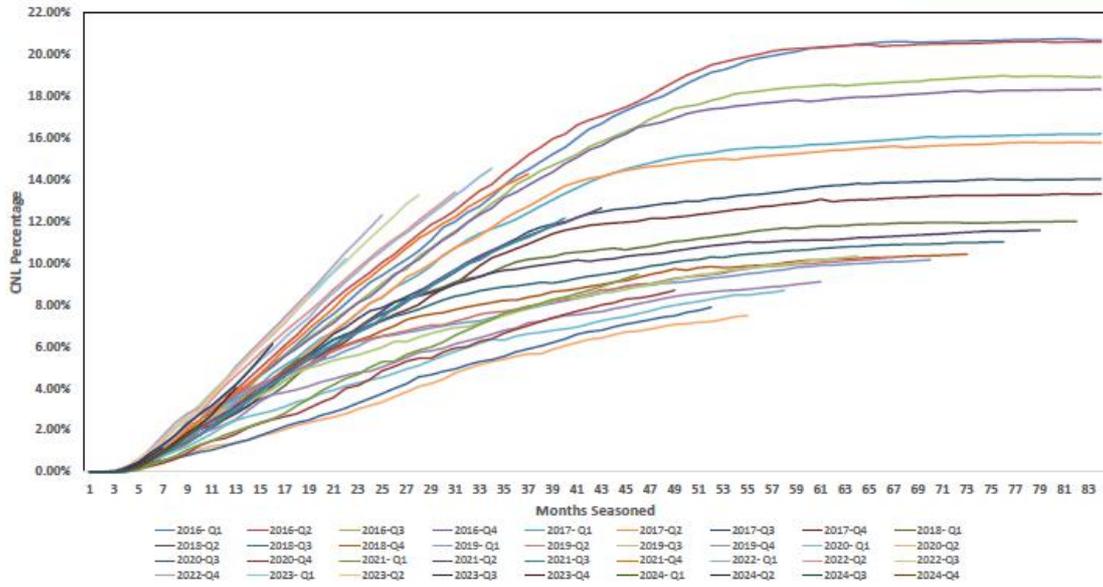
Amounts for CPS programs for contracts purchased for the twelve months ended, December 31, 2024.

WHAT DO OUR CUSTOMERS DRIVE?



Charts show data for CPS programs for contracts purchased for the twelve months ended December 31, 2024.

PORTFOLIO PERFORMANCE



Data shown is CNL performance by origination quarter, and as of December 31, 2024.

ECONOMIC MODEL

	Quarter Ended (1)	
	December 31,	December 30,
	2024 (1)	2023 (1)
Interest Income	11.4%	11.3%
Mark to Fin. Recs. at FV	0.6%	0.8%
Servicing and Other Income	0.2%	0.4%
Interest Expense	(6.1%)	(5.4%)
Net Interest Margin	6.1%	7.0%
Provision for Credit Losses	0.1%	0.2%
Core Operating Expenses	(5.4%)	(5.9%)
Pretax Return on Assets	0.9%	1.3%

(1) Statement of Operations nine months ended, as a percentage of the average managed portfolio at December 31, 2024. Percentages may not add due to rounding.

SUMMARY BALANCE SHEET

Summary Balance Sheet (\$ in millions) (1)		
	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Assets		
Cash	\$ 11.7	\$ 6.2
Restricted cash	125.7	119.3
Finance receivables, net of allowance	5.0	24.7
Finance receivables, measured at fair value	3,313.8	2,722.7
Deferred tax assets, net	1.0	3.7
Other assets	36.7	27.2
	<u>\$ 3,493.9</u>	<u>\$ 2,903.7</u>
Liabilities		
Accounts payable and accrued expenses	\$ 70.1	\$ 62.5
Warehouse lines of credit	410.9	234.0
Residual interest financing	99.2	49.9
Securitization trust debt	2,594.4	2,265.4
Subordinated renewable notes	26.5	17.2
	<u>3,201.1</u>	<u>2,629.0</u>
Shareholders' equity	292.8	274.7
	<u>\$ 3,493.9</u>	<u>\$ 2,903.7</u>

(1) Numbers may not add due to rounding.

SUMMARY STATEMENT OF OPERATIONS

Summary Statement of Operations (\$ in millions) (1)

	Three Months Ended	
	December 31,	December 31,
	2024	2023
Interest income	\$ 98.2	\$ 83.3
Mark to finance receivables at fair value	5.0	6.0
Other income	2.1	2.7
Total Revenues	105.3	92.0
Employee costs	23.9	23.2
General and administrative	22.3	20.2
Interest	52.5	40.3
Provision for credit losses	(0.7)	(1.6)
Total Expenses	98.0	82.1
Pretax income	7.3	9.9
Income tax expense	2.2	2.7
Net income	\$ 5.1	\$ 7.2
EPS (fully diluted)	\$ 0.21	\$ 0.29

(1) Numbers may not add due to rounding.

SELECTED FINANCIAL DATA

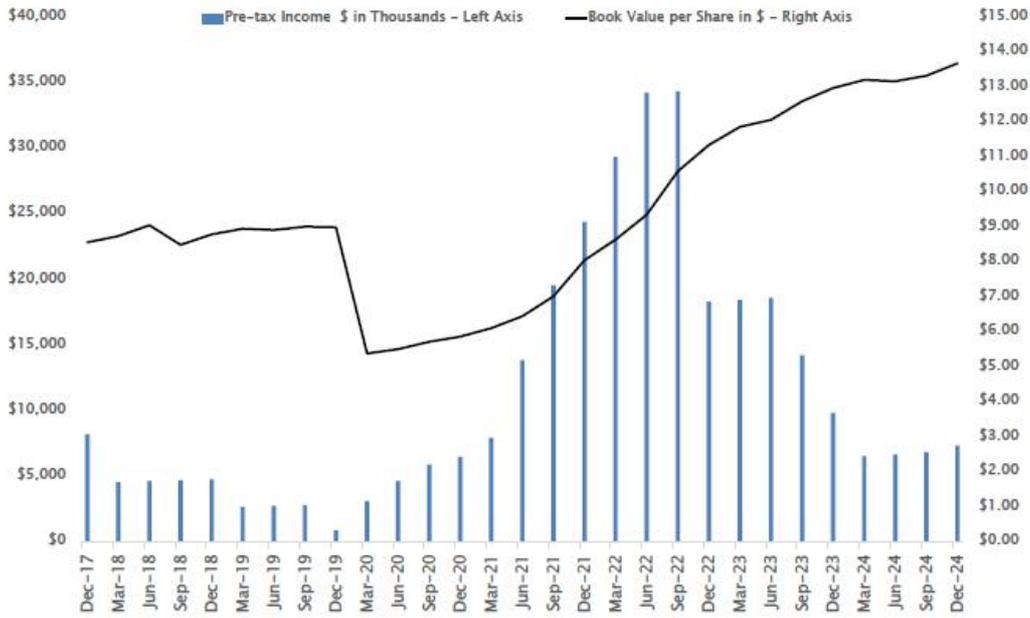
<i>(\$ in millions)</i>	Three Months Ended	
	December 31,	December 31,
	2024	2023
Auto contract purchases	\$ 457.8	\$ 301.8
Total portfolio	\$ 3,491.0	\$ 2,970.1
Risk-adjusted margin (1)	\$ 53.5	\$ 53.3
Core operating expenses (2)		
\$ Amount	\$ 46.2	\$ 43.5
% of avg. managed portfolio	5.4%	5.9%
Pretax return on managed assets (3)	0.9%	1.3%
Total delinquencies and repo inventory (30+ days past due)		
As a % of total owned portfolio	14.85%	14.55%
Annualized net charge-offs		
As a % of total owned portfolio	8.02%	7.74%

(1) Revenues less interest expense and provision for credit losses.

(2) Total expenses less provision for credit losses and interest expense.

(3) Equal to annualized pretax income as a percentage of the average managed portfolio.

SHAREHOLDER VALUE



Continuous Improvements to Shareholder Value

NASDAQ Listed Stock-Ticker Symbol: CPSS

INVESTMENT OUTLOOK

 Continuous Growth	 Strong macroeconomic factors	 AI-driven Originations Scorecard	 Strong Fundamentals
<ul style="list-style-type: none">• 3.3 million applications in 2024• \$1.68 billion in sub-prime auto contracts funded in 2024• Managed portfolio is at largest amount in company history	<ul style="list-style-type: none">• Raised Wtd. Avg APRs in originations from 17.72% in Dec 2022 to 20.11% in December 2024• Favorable demand for used vehicles• New vehicle pricing increase and increasing sales despite rising interest rates	<ul style="list-style-type: none">• Improves efficiency and customer satisfaction• Upcoming AI Scorecard Refresh (refresh every 18-24 months)• Industry leading technology in all facets of our business	<ul style="list-style-type: none">• Decreased leverage on the portfolio puts CPS in a position to grow faster than competitors• Increasing shareholder equity- highest in company history• Decreasing core operating expenses, while portfolio grows

Investor Relations Contact

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Email: CPSS@gateway-grp.com

REFERENCE TO PUBLIC REPORTS

Any person considering an investment in securities issued by CPS is urged to review the materials filed by CPS with the U.S. Securities and Exchange Commission ("Commission"). Such materials may be found by inquiring of the Commission's EDGAR search page www.sec.gov/edgar/searchedgar/companysearch.html using CPS's ticker symbol, which is "CPSS." Risk factors that should be considered are described in Item 1A, "Risk Factors," of CPS's most recent annual report on Form 10-K and subsequent reports on Form 10-Q, which reports are on file with the Commission and available for review at the Commission's website. Such description of risk factors is incorporated herein by reference.