

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) May 12, 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 2.02. Results of Operations and Financial Condition.

On May 12, 2025, the registrant announced its earnings for the three-month period ended March 31, 2025. A copy of the announcement is attached as an exhibit to this report. As noted in the announcement, the registrant will hold a conference call on Tuesday, May 13, 2025 at 01:00 p.m. ET to discuss its first quarter 2025 operating results. Those wishing to participate can pre-register for the conference call at the following link <https://register-conf.media-server.com/register/B1a727447d5fdf49d4b7da9c96f3d668b7>. Registered participants will receive an email containing conference call details for dial-in options.

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 included with this report:

99.1 [News release re earnings.](#)

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: May 12, 2025

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



NEWS RELEASE

CPS ANNOUNCES FIRST QUARTER 2025 EARNINGS

- Revenues of \$106.9 million compared to \$91.7 million in the prior year period
- Net income of \$4.7 million, or \$0.19 per diluted share
- Total portfolio balance of \$3.615 billion, highest in company history
- New contract purchases of \$451.2 million

LAS VEGAS, NV, May 12, 2025 (GlobeNewswire) -- Consumer Portfolio Services, Inc. (Nasdaq: CPSS) (“CPS” or the “Company”) today announced earnings of \$4.7 million, or \$0.19 per diluted share, for its first quarter ended March 31, 2025. This compares to a net income of \$4.6 million, or \$0.19 per diluted share, in the first quarter of 2024.

Revenues for the first quarter of 2025 were \$106.9 million, an increase of \$15.2 million, or 16.6%, compared to \$91.7 million for the first quarter of 2024. Total operating expenses for the first quarter of 2025 were \$100.1 million compared to \$85.2 million for the 2024 period. Pretax income for the first quarter of 2025 was \$6.8 million compared to pretax income of \$6.6 million in the first quarter of 2024.

During the first quarter of 2025, CPS purchased \$451.2 million of new contracts compared to \$457.8 million during the fourth quarter of 2024, and \$346.3 million during the first quarter of 2024. The Company's receivables totaled \$3.615 billion as of March 31, 2025, an increase from \$3.491 billion as of December 31, 2024, and an increase from \$3.021 billion as of March 31, 2024.

Annualized net charge-offs for the first quarter of 2025 were 7.54% of the average portfolio as compared to 7.84% for the first quarter of 2024. Delinquencies greater than 30 days (including repossession inventory) were 12.35% of the total portfolio as of March 31, 2025, compared to 12.39% as of March 31, 2024.

“We started off the year by posting the highest amount in new loan originations for any first quarter in company history” said Charles E. Bradley, Chief Executive Officer. “This positions us well for the remainder of the year, as we remain focused on driving the company forward.”

Conference Call

CPS announced that it will hold a conference call on May 13, 2025 at 1:00 p.m. ET to discuss its first quarter 2025 operating results.

Those wishing to participate can pre-register for the conference call at the following link <https://register-conf.media-server.com/register/B1a727447d5fdf49d4b7da9c96f3d668b7>. Registered participants will receive an email containing conference call details for dial-in options. To avoid delays, we encourage participants to dial into the conference call fifteen minutes ahead of the schedule start time. A replay will be available beginning two hours after conclusion of the call for 12 months via the Company's website at <https://ir.consumerportfolio.com/investor-relations>.

About Consumer Portfolio Services, Inc.

Consumer Portfolio Services, Inc. is an independent specialty finance company that provides indirect automobile financing to individuals with past credit problems or limited credit histories. We purchase retail installment sales contracts primarily from franchised automobile dealerships secured by late model used vehicles and, to a lesser extent, new vehicles. We fund these contract purchases on a long-term basis primarily through the securitization markets and service the contracts over their lives.

Forward-looking statements in this news release include 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 estimates 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; and economic conditions in geographic areas in which the Company's business is concentrated. 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.

Investor Relations Contact

Danny Bharwani, Chief Financial Officer

949-753-6811

Condensed Consolidated Balance Sheets
(In thousands)
(Unaudited)

	March 31, 2025	December 31, 2024
Assets:		
Cash and cash equivalents	\$ 29,841	\$ 11,713
Restricted cash and equivalents	153,637	125,684
Finance receivables measured at fair value	3,449,106	3,313,767
Finance receivables	3,109	5,420
Allowance for finance credit losses	(249)	(433)
Finance receivables, net	2,860	4,987
Deferred tax assets, net	826	1,010
Other assets	37,336	36,707
	<u>\$ 3,673,606</u>	<u>\$ 3,493,868</u>
Liabilities and Shareholders' Equity:		
Accounts payable and accrued expenses	\$ 75,289	\$ 70,151
Warehouse lines of credit	365,683	410,898
Residual interest financing	163,391	99,176
Securitization trust debt	2,743,269	2,594,384
Subordinated renewable notes	27,547	26,489
	<u>3,375,179</u>	<u>3,201,098</u>
Shareholders' equity	298,427	292,770
	<u>\$ 3,673,606</u>	<u>\$ 3,493,868</u>

Consumer Portfolio Services, Inc. and Subsidiaries
Condensed Consolidated Statements of Operations
(In thousands, except per share data)
(Unaudited)

	Three months ended	
	March 31,	
	2025	2024
Revenues:		
Interest income	\$ 101,933	\$ 84,288
Mark to finance receivables measured at fair value	3,500	5,000
Other income	1,441	2,456
	<u>106,874</u>	<u>91,744</u>
Expenses:		
Employee costs	25,033	24,416
General and administrative	13,542	13,753
Interest	54,918	41,968
Provision for credit losses	(979)	(1,635)
Other expenses	7,558	6,685
	<u>100,072</u>	<u>85,187</u>
Income before income taxes	6,802	6,557
Income tax expense	2,108	1,967
Net income	<u>\$ 4,694</u>	<u>\$ 4,590</u>
Earnings per share:		
Basic	\$ 0.22	\$ 0.22
Diluted	\$ 0.19	\$ 0.19
Number of shares used in computing earnings per share:		
Basic	21,444	21,143
Diluted	24,325	24,602

Operating and Performance Data (\$ in millions)

	At and for the Three months ended March 31,	
	2025	2024
	2025	2024
Contracts purchased	\$ 451.22	\$ 346.30
Contracts securitized	\$ 462.54	\$ 300.61
Total portfolio balance (1)	\$ 3,614.55	\$ 3,021.19
Average portfolio balance (1)	\$ 3,572.64	\$ 2,993.82
Delinquencies (1)		
	31+ Days	9.75%
	Repossession Inventory	2.60%
	Total Delinquencies and Repo. Inventory	12.35%
Annualized Net Charge-offs as % of Average Portfolio (1)	7.54%	7.84%
Recovery rates (1), (2)	27.7%	33.3%

	For the Three months ended March 31,			
	2025		2024	
	\$ (3)	% (4)	\$ (3)	% (4)
Interest income	\$ 101.93	11.4%	\$ 84.29	11.3%
Mark to finance receivables measured at fair value	3.50	0.4%	5.00	0.7%
Other income	1.44	0.2%	2.46	0.3%
Interest expense	(54.92)	-6.1%	(41.97)	-5.6%
Net interest margin	51.96	5.8%	49.78	6.7%
Provision for credit losses	0.98	0.1%	1.64	0.2%
Risk adjusted margin	52.94	5.9%	51.41	6.9%
Other operating expenses (5)	(46.13)	-5.2%	(44.85)	-6.0%
Pre-tax income	\$ 6.80	0.8%	\$ 6.56	0.9%

(1) Excludes third party portfolios.

(2) Wholesale auction liquidation amounts (net of expenses) as a percentage of the account balance at the time of sale.

(3) Numbers may not add due to rounding.

(4) Annualized percentage of the average portfolio balance. Percentages may not add due to rounding.

(5) Total pre-tax expenses less provision for credit losses and interest expense.