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NEWS RELEASE

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QC Holdings, Inc. Reports Third Quarter 2021 Results

OVERLAND PARK, KS (November 30, 2021) – QC Holdings, Inc. (OTC PINK: QCCO) reported net income of $326,000 and revenues of $65.7 million for the nine months ended September 30, 2021. For the nine months ended September 30, 2020, the Company reported net income of $4.3 million and revenues of $72.9 million.

The Coronavirus Disease 2019 (COVID-19) continues to significantly impact the Company's business due to changes in consumer behavior. In response to the COVID-19 outbreak, the United States federal government passed the Coronavirus Aid, Relief, and Economic Security Act (the CARES Act) in late March 2020, a second coronavirus relief bill in December 2020 and the American Rescue Plan in March 2021. The packages included several elements to assist individuals and companies. With respect to individuals, each relief bill included, among other things, expanded unemployment insurance compensation and direct stimulus payments to many Americans and their dependent children. In addition, the American Rescue Plan expanded the child tax credit, increasing the amount per child and initiating monthly payments to families. The Company believes many of its customers have received cash payments from these various programs.

The $7.2 million decline in revenues during the first nine months of 2021 compared to 2020 reflects the impact of the Company closing its Illinois branches during the first half of 2021 due to new legislation that precludes the Company's products and services. In addition, COVID-19 and resulting government programs continue to affect consumer behavior, leading to fewer applications from new and returning customers compared to the

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same prior year period. These declines were partially offset by approximately $2.6 million of revenues from Amaranth Financial Services Inc. (Amaranth), a Canadian-based provider of short-term consumer loans and other financial services that the Company purchased on July 1, 2021.

Loan loss rates decreased from 23.1% for the nine months ended September 30, 2020 to 21.2% during the same period in 2021. This decline is attributable to the distribution of COVID-19 relief bill stimulus checks to consumers, as well as a change in the Company's mix of new and returning customers during the pandemic. The proportion of returning customers to new customers has increased during COVID-19, which drives a lower loss rate. Returning customers default at a lower rate than new customers due to familiarity with the product and loan requirements.

Operating expenses declined period-to-period as a result of reduced compensation, marketing and volume-driven costs, partially offset by the inclusion of Amaranth operating costs. With declining originations and transactions due to COVID-19, the Company reduced store staffing and, at many locations, store hours. Marketing efforts were limited during the first and second quarters of 2021 as demand dropped due to stimulus payments. The Company's corporate and regional expenses increased over prior year as a result of the Amaranth acquisition, a $200,000 lease-related legal settlement and higher incentive-based compensation.

As set forth in the CARES Act, the Company adopted the Social Security payroll tax deferral provisions and recorded a liability as of December 31, 2020 for amounts due in December 2021 and December 2022. In addition, provisions in the CARES Act allowed the Company to carryback net operating losses to reduce income in prior tax years, which directly benefited the Company in first quarter 2020.

The Company's receivables grew nearly $2 million from December 31, 2020 due to more than $5 million in receivables from the Amaranth acquisition, partially offset by declines attributable to the Illinois branch closings. Also, during second quarter 2021, the Company made a $2 million investment in an India-based financial services technology venture.

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Depending on additional relief packages, COVID-19 vaccination success and numerous other evolving factors, the Company does not expect a return to more typical loan demand until 2022. While loan loss rates have been lower than historical levels throughout 2021, the Company expects loan loss rates to increase to more typical levels during 2022 due to an evolving mix of new and returning customers, as well as the cumulative impact of jobs lost and high unemployment on consumers' ability to repay outstanding loans.

About QC Holdings, Inc.

Headquartered in Lenexa, Kansas, QC Holdings, Inc. is a leading provider of consumer loans in the United States and Canada. In the United States, QC offers various products, including installment, open-end credit, single-pay and title loans, check cashing, debit cards and money transfer services, through 206 branches in 11 states, and via the internet in 10 states, as of September 30, 2021. In Canada, the Company, through its subsidiaries Amaranth Financial Services Inc. and Direct Credit Holdings Inc., is engaged in short-term consumer lending through 20 branches in four provinces and online across the country.

Forward Looking Statement Disclaimer: This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on the Company's current expectations and are subject to many risks and uncertainties, which could cause actual results to differ materially from those forward-looking statements. These risks include (1) the continuing impact of the COVID-19 pandemic on consumers, the overall economy and the Company, (2) changes in laws or regulations or governmental interpretations of existing laws and regulations governing consumer protection or short-term lending practices, (3) uncertainties relating to the interpretation, application and promulgation of regulations under the Dodd-Frank Wall Street Reform and Consumer Protection Act, including the impact of announced regulations by the Consumer Financial Protection Bureau (CFPB), (4) ballot referendum initiatives by industry opponents to cap the rates and fees that can be charged to customers, (5) uncertainties related to the examination process by the CFPB and indirect rulemaking through the examination process, (6) the impact of the 2020 U.S. Presidential election on agency appointments, including the CFPB, and the attitudes of those appointees regarding regulation and enforcement actions, (7) litigation or regulatory action directed towards us or the short-term consumer loan industry, (8) volatility in our earnings, primarily as a result of fluctuations in loan loss experience and closures of branches, (9) risks associated with our dependence on cash management banking services and the Automated Clearing House for loan collections, (10) negative media reports and public perception of the short-term consumer loan industry and the impact on federal and state legislatures and federal and state regulators, (11) changes in our key management personnel, (12) risks associated with owning and managing non-U.S. businesses, and (13) other various risks. QC will not update any forward-looking statements made in this press release to reflect future events or developments.

(Financial and Statistical Information Follows)

QC Holdings, Inc.
Consolidated Condensed Statements of Operations
(in thousands, except per share amounts)
(Unaudited)

	Quarter Ended September 30,		Nine Months Ended September 30,	
	2021	**2020**	**2021**	**2020**
Revenues				
Consumer loan interest and fees	$ 21,232	$ 19,568	$ 58,565	$ 65,700
Other	2,464	2,104	7,154	7,192
Total revenues	23,696	21,672	65,719	72,892
Provision for losses	6,723	4,894	13,900	16,836
Operating expenses	11,591	11,070	34,696	36,923
Gross profit	5,382	5,708	17,123	19,133
Corporate and Regional expenses	5,222	3,885	14,422	13,394
Other expense, net	897	607	2,213	2,870
Income (loss) before income taxes	(737)	1,216	488	2,869
Provision (benefit) for income taxes	(1)	(864)	162	(1,418)
Net income (loss)	$ (736)	$ 2,080	$ 326	$ 4,287
Income (loss) per share:				
Basic				
Net income (loss)	$ (0.04)	$ 0.12	$ 0.02	$ 0.25
Diluted				
Net income (loss)	$ (0.04)	$ 0.12	$ 0.02	$ 0.25
Weighted average number of common shares outstanding:				
Basic	17,721	17,333	17,718	17,333
Diluted	17,922	17,400	17,839	17,400

QC Holdings, Inc.
Consolidated Condensed Balance Sheets
(in thousands)

	September 30, 2021	December 31, 2020
ASSETS	*(Unaudited)*	
Current assets		
Cash and cash equivalents	$ 11,636	$ 12,174
Restricted cash	1,149	951
Loans receivable, less allowance for losses of $6,597 at September 30, 2021 and $6,142 at December 31, 2020	32,767	30,662
Other current assets	6,204	6,654
Total current assets	51,756	50,441
Non-current loans receivable, less allowance for losses of $240 at September 30, 2021 and $287 at December 31, 2020	1,512	1,683
Property and equipment, net	7,323	9,557
Right-of-use asset, net	20,189	23,547
Other assets, net	8,316	4,034
Total assets	$ 89,096	$ 89,262
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable and other current liabilities	$ 14,045	$ 11,638
Lease liability	3,478	4,222
Debt due within one year	16,668	7,928
Total current liabilities	34,191	23,788
Long-term debt, less current portion	-	7,500
Lease liability	17,339	19,869
Non-current liabilities	1,789	1,868
Total liabilities	53,319	53,025
Stockholders' equity	35,777	36,237
Total liabilities and stockholders' equity	$ 89,096	$ 89,262

QC Holdings, Inc.
Consolidated Condensed Statements of Cash Flows
(in thousands)
(Unaudited)

	Nine Months Ended September 30, 2021	Nine Months Ended September 30, 2020
Operating activities:		
Net income	$ 326	$ 4,287
Adjustments to reconcile net income to net cash	17,226	20,855
Changes in assets and liabilities	(831)	(635)
Net operating	16,721	24,507
Investing activities:		
Loan activity, net	(11,359)	(7,215)
Capital expenditures	(837)	(2,423)
Other investments	(4,932)	-
Net investing	(17,128)	(9,638)
Financing activities:		
Borrowing activity, net	1,000	(17,350)
Dividends to stockholders	(903)	-
Net financing	97	(17,350)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(30)	(21)
Net decrease in cash, cash equivalents and restricted cash	(340)	(2,502)
Cash, cash equivalents and restricted cash at beginning of year	13,125	12,891
Cash, cash equivalents and restricted cash at end of period	$ 12,785	$ 10,389

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