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OTC PINK Symbol: QCCO

NEWS RELEASE

QC Holdings, Inc. to be Acquired by Prospect Capital Corporation

LENEXA, KANSAS, April 11, 2025 / -- A portfolio company of Prospect Capital Corporation ("Prospect") (NASDAQ: PSEC) and QC Holdings, Inc. ("QC Holdings" or the "Company") (OTCPK:QCCO) today announced they have entered into a definitive merger agreement pursuant to which, subject to certain conditions and on the terms set forth in the merger agreement, Prospect would acquire QC Holdings in an all-cash transaction, for \$2.00 per share, for a total enterprise value of approximately \$115 million (the "Merger").

The Merger was unanimously approved by the board of directors of QC Holdings and by the holders of a majority of the outstanding shares of the Company's common stock. No other stockholder approval is required. Completion of the Merger is subject to the receipt of certain required regulatory approvals, as well as certain other closing conditions customary for transactions of this nature. The transaction is expected to close in 40 to 60 days.

Upon completion of the transaction, QC Holdings' common stock will no longer be listed on the OTC Pink Market. The Company will remain headquartered in Lenexa, Kansas. The QC Holdings management team, led by Darrin Andersen, President and Chief Executive Officer, will continue to lead the Company post-Merger in their current roles.

"QC Holdings has built a strong foundation based on innovation, customer service, and operational excellence," said Mr. Andersen. "This Merger provides an excellent premium for our stockholders above our stock price. Our access to greater capital through Prospect will position us for future growth and innovation, ensuring that we will continue to provide increased value to our customers."

"Prospect looks forward to supporting the growth of QC Holdings, a strong consumer finance business with a 40-year history," said Grier Eliasek, President and Chief Operating Officer of Prospect.

Blank Rome LLP served as legal advisor to Prospect. Stinson LLP served as legal advisor to QC Holdings.

About QC Holdings, Inc.

QC Holdings specializes in consumer-focused alternative financial services and credit solutions and, for more than 40 years, has been providing credit options for people underserved by traditional banking institutions. Its core products include a variety of short-term loans and financial services. In the United States, QC Holdings operates as “LendNation” through more than 325 retail locations in 12 states. In Canada, QC Holdings offers loans through 19 retail locations and online.

About Prospect Capital Corporation

Prospect is a business development company lending to and investing in private businesses. Prospect’s investment objective is to generate both current income and long-term capital appreciation through debt and equity investments.

Prospect has elected to be treated as a business development company under the Investment Company Act of 1940. Prospect has elected to be treated as a regulated investment company under the Internal Revenue Code of 1986.

Cautionary Note Regarding Forward-Looking Statements

This press release contains forward-looking statements within the meaning of safe harbor provisions of the U.S. Private Securities Litigation Reform Act, whose safe harbor for forward-looking statements does not apply to business development companies. Forward-looking statements do not relate strictly to historical or current facts and may be identified by the use of words such as “may,” “will,” “should,” “could,” “would,” “expects,” “plans,” “anticipates,” “believes,” “estimates,” “projects,” “predicts,” “forecasts,” “foresees,” “potential” and other words of similar meaning in conjunction with statements regarding, among other things, (i) plans and objectives of management for the operation of QC Holdings, (ii) statements regarding the timing of completion of the merger and the consummation of the Merger, (iii) the anticipated financing of the transaction, (iv) the anticipated benefits to QC Holdings arising from the completion of the Merger, (v) the impact of the Merger on QC Holdings’ business strategy and future business and operational performance, and (vi) the assumptions underlying or relating to any such statement. Such forward-looking statements are not meant to predict or guarantee actual results, performance, events or circumstances. Actual results and the timing of certain events and circumstances may differ materially from those described by the forward-looking statements.

Additional Information Regarding the Merger

QC Holdings will mail or otherwise make available to its stockholders an Information Statement (the "Information Statement"), describing the Merger. QC HOLDINGS' STOCKHOLDERS ARE URGED TO CAREFULLY REVIEW THE INFORMATION STATEMENT AND ANY ACCOMPANYING DOCUMENTS IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE MERGER. QC Holdings stockholders may obtain a free copy of the Information Statement and other documents (when available) from Computershare, the Company's stock transfer agent. A copy of the Information Statement will also be available on QC Holdings' website at www.qchi.com.

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