TRACKHAWK ADVISORS

Case Study: CRMT's Rescue Refi with Institutional Investors

Updated as of 3Q 2026

AMERICA'S® CAR-MART

Case Study: America's Car-Mart Refinanced Credit Facility

TRACKHAWK ADVISORS

Syndicated Credit Facility Refinancing

- **Silver Point Capital funded a 5-year, $300mm term loan for America's Car-Mart on 10/30/25**
  - America's Car-Mart fully repaid its previous ABL revolver funded by a syndicate led by BMO
  - Silver Point Term Loan Highlights:
    - **$300mm** facility size
    - Maturity: 5 years
    - Pricing: SOFR + 750bps
    - Single lender group (Silver Point funds)
  - In connection with the term loan facility, America's Car-Mart provided Silver Point with warrants exercisable for up to **10%** of its fully diluted common equity
- Although the institutional term loan gives CRMT more operational flexibility, it carries significantly higher pricing and steeper prepayment penalties than the bank facility it replaced
- Within eight months CRMT needed covenant relief: from June 2026 its lenders waived liquidity and collateral-coverage defaults, with the waiver extended to 10/15/26 while a special committee pursues a transaction

Terms	Syndicated Facility	Silver Point Capital Term Loan
Facility Type	▪ Revolver – $320mm ▪ Floorplan – $30mm	▪ Term Loan – $300mm
Maturity	▪ Mar-27 (extended Mar-25)	▪ 5 years (Oct-30)
Spread	▪ SOFR + 350bps	▪ SOFR + 750bps
Increase Option	▪ $100mm	▪ None
Unused Fee	▪ 25-50bps	▪ None
Prepayment Penalty	▪ None	▪ Years 0-2 – 105% + Make-Whole ▪ Years 2-3 – 105% ▪ Years 3-4 – 103% ▪ Years 4+ – 100% (none)

Maintenance Covenants	▪ **Fixed Charge Coverage – 1.0x to 1.25x**
	  ▪ EBITDA / (Interest + Tax + Principal + Capex + Distributions)
	▪ **Leverage – 2.50x**
	  ▪ Total Liabilities / Net Worth
	▪ **Min Liquidity – $20mm or $50mm**
	  ▪ $20mm when <$325mm drawn
	  ▪ $50mm when usage ≥$325mm drawn
		▪ **Collateral Coverage – 1.50x**
		  ▪ Borrowing Base / Principal
		▪ **Min Liquidity – $30mm**

Negative Covenants	▪ Debt
	  ▪ General – $0.5mm
	▪ Liens – $0.3mm
	▪ Investments
	  ▪ General - $5mm
	  ▪ Acquisitions - $20mm
	▪ Asset Sales
	  ▪ Sales-Leaseback – $5mm / yr
	▪ Maximum Capex – $25mm / yr
		▪ Debt
		  ▪ Capital Leases – $2mm
		▪ Liens – $5mm
		▪ Investments
		  ▪ General - $2.5mm / yr
		  ▪ Acquisitions - Permitted only
		  ▪ Joint Ventures - $2.5mm total
		▪ Asset Sales
		  ▪ Sales-Leaseback – $5mm total

Sources: CRMT Form 8-K dated 11/5/25; pricing press release dated 10/30/25; Form 10-K for the FY26 ended 7/14/26

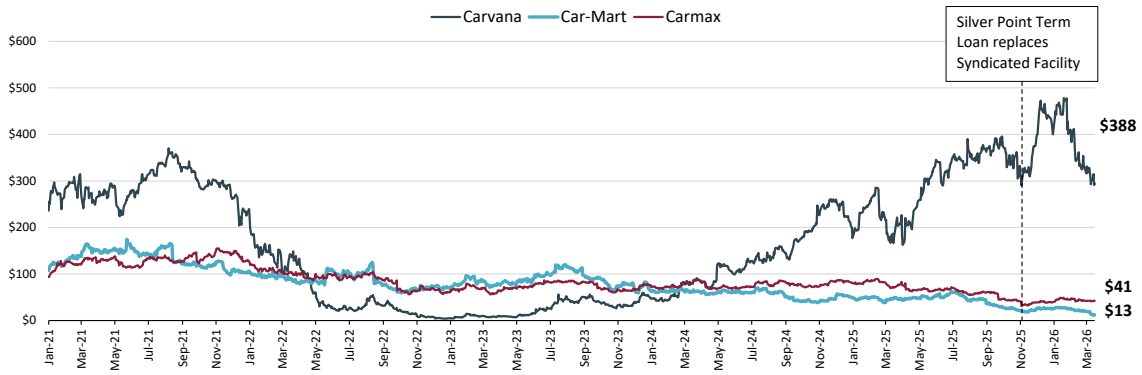
Case Study: America's Car-Mart Refinanced Credit Facility

TRACKHAWK ADVISORS

Company Overview & History

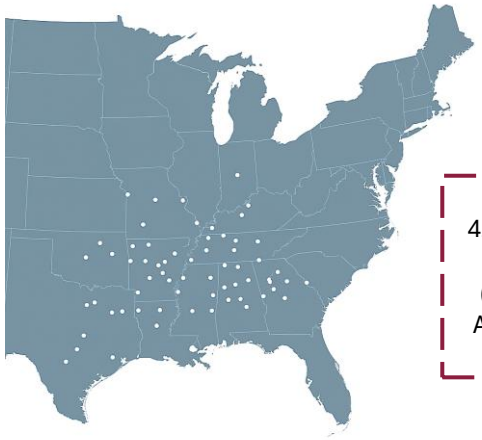
- Crown Group, a listed holding company, bought Car-Mart in 1999 and took its name in 2002
- Crown Group was a holding company that previously operated in diverse industries such as casinos, lodging, and bulk containers which entered the auto lending and used car dealership business via Car-Mart
- They primarily operate in South-Central U.S., serving sub-prime customers
- In 3Q FY26, sales fell **15.5%** as delinquencies (**4.4% vs 3.7%**) and charge-offs (**6.5% vs 6.1%**) rose, driving cash burn and a sharp stock drop
- The high-risk "Buy Here, Pay Here" model has been hit by credit stress, inflation, eroding margins and investor confidence

Last 5 Years Stock Price Trending - CRMT vs KMX vs CVNA



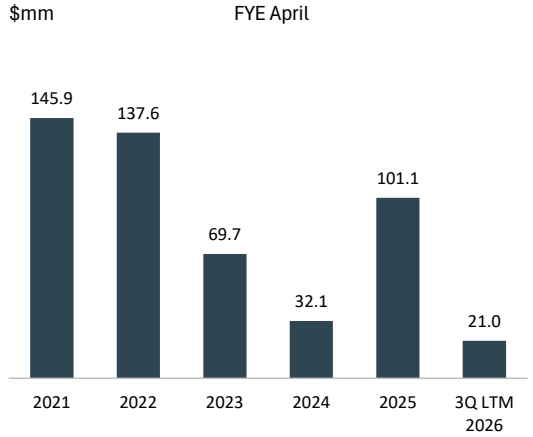
Business Snapshot and Geographic Footprint

- 94 Dealerships
- 12 States
- ~53k Used Retail Units
- $730mm Loan Originations YTD 3Q26

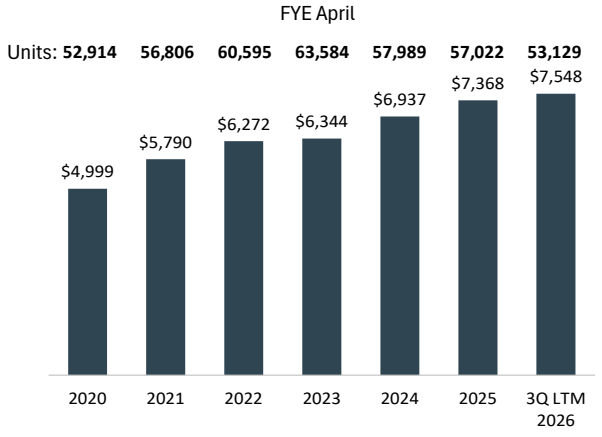


42 dealerships closed (announced April 7, 2026)

EBITDA



Used Retail Units & Gross PVR



Case Study: America's Car-Mart Refinanced Credit Facility

TRACKHAWK ADVISORS

Bank Group Over Time

- In Sep-21, Bank of America stepped down as administrative agent, following which BMO assumed the lead role until the facility was repaid in Oct-25
- This transition was marked with **~3x** growth in CRMT's facility size, to allow increased loan origination using increased LOC
- Also, it is important to note that even during this phase their advance rate on the floorplan was **40%** while for most franchised dealers it's **~80%**
- Later, the facility size shrank from **$600mm** to **$340mm** between FY22 to FY24, as Wells Fargo and CIBC exited the facility entirely, while the remaining lenders held their commitments

	Oct-11	Sep-12	Dec-16	Dec-18	Sep-21	Mar-24	Sep-24	Mar-25
Lender	1st Amended Facility	2nd Amended Facility	3rd Amended Facility	4th Amended Facility	5th Amended Facility	6th Amended Facility	7th Amended Facility	8th Amended Facility
Bank of America	$52,500,000	$55,000,000	$96,000,000	$96,000,000	--	--	--	--
BMO Bank	--	--	--	--	$88,000,000	$88,000,000	$82,823,529	$58,000,000
BKO Financial	$35,000,000	$40,000,000	$44,000,000	$44,000,000	$55,000,000	$55,000,000	$51,764,706	$35,000,000
Commerce Bank	$11,666,667	$15,000,000	$19,000,000	$20,000,000	$40,000,000	$25,000,000	$23,529,412	--
Arvest Bank	$5,833,333	$15,000,000	$16,000,000	$25,000,000	$40,000,000	$15,000,000	$14,117,647	$14,000,000
First Tennessee Bank	--	$20,000,000	$25,000,000	$30,000,000	--	--	--	--
Wells Fargo	--	--	--	--	$84,000,000	--	--	--
MUFG Union Bank	--	--	--	--	$84,000,000	$48,000,000	$45,176,471	$45,000,000
Axos Bank	--	--	--	--	$84,000,000	$84,000,000	$79,058,824	$55,500,000
First Horizon Bank	--	--	--	--	$75,000,000	$25,000,000	$23,529,412	--
CIBC bank	--	--	--	--	$50,000,000	--	--	--
Banc of California	--	--	--	--	--	--	--	$47,500,000
Everbank	--	--	--	--	--	--	--	$47,500,000
Forbright Bank	--	--	--	--	--	--	--	$47,500,000
Total Facility Size	**$105,000,000**	**$145,000,000**	**$200,000,000**	**$215,000,000**	**$600,000,000**	**$340,000,000**	**$320,000,000**	**$350,000,000**

- This retreat coincided with sharply rising charge-offs and consecutive net losses on Car-Mart's subprime receivables portfolio, making the underlying collateral increasingly unattractive to regulated bank lenders
- Subsequently, on 10/30/25, the existing credit facilities and bank group were replaced entirely by Silver Point, an institutional debt investor, who provided a **$300mm** term loan facility, replacing the **$350mm** syndicated revolving and floorplan facility, which had been extended to March 2027
- The existing facility's restrictive covenant framework limited capital deployment, and CRMT elected to refinance its revolver with an expensive, but flexible term loan via institutional debt. However, it left CRMT with no floorplan line; up to **$300mm** of warehouse lines is permitted, but none was in place by April 2026