UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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): November 19, 2026



Liquidity Services, Inc.

(Exact name of Registrant as Specified in Its Charter)

Delaware	**0-51813**	**52-2209244**
(State or Other Jurisdiction of Incorporation)	**(Commission File Number)**	**(IRS Employer Identification No.)**
6931 Arlington Road Suite 460 Bethesda, Maryland		**20814**
(Address of Principal Executive Offices)		**(Zip Code)**

Registrant's Telephone Number, Including Area Code: 202 4676868

(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:

☐ 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, $0.001 par value	LQDT	The Nasdaq Stock 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 November 19, 2026, Liquidity Services, Inc. (the "Company") announced its financial results for the quarter ended September 30, 2026. The full text of the press release (the "Press Release") issued in connection with the announcement is attached as Exhibit 99.1 to this Current Report on Form 8-K.

The information contained in the Press Release shall be considered "furnished" pursuant to Item 2.02 of Form 8-K and shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section or Sections 11 and 12(a)(2) of the Securities Act of 1933, as amended, nor shall it be deemed incorporated by reference into any of the Company's reports or filings with the Securities and Exchange Commission, whether made before or after the date hereof, except as expressly set forth by specific reference in such report or filing.

Item 9.01 Financial Statements and Exhibits.

99.1	Press Release of Liquidity Services, Inc., dated November 19, 2026, announcing financial results for the quarter and year ended September 30, 2026.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

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

LIQUIDITY SERVICES, INC.

(Registrant)

Date: November 19, 2026

By: /s/ Mark A. Shaffer

Mark A. Shaffer

Chief Legal Officer and Corporate Secretary

Exhibit 99.1

LIQUIDITY SERVICES ANNOUNCES FISCAL YEAR 2026 FINANCIAL RESULTS

Full Year 2026 GAAP Net Income Up 33% and Non-GAAP Adjusted EBITDA Up 30%

Fiscal Year 2027 GMV to Exceed $2 Billion Following Invaluable Acquisition and Continued Secular Growth

Bethesda, MD - November 19, 2026 - Liquidity Services (NASDAQ:LQDT; www.liquidityservices.com), the leading global provider of e-commerce marketplaces and software solutions powering the circular economy, today announced its financial results for its fiscal quarter and year ended September 30, 2026, as compared to the corresponding prior period:

Fiscal Year 2026 Results:

- GMV of $1.6 billion, up 5%, Revenue of $477.9 million, in line with prior year
- GAAP Net Income of $37.3 million, up 33%, GAAP Diluted EPS of $1.14, up 31%
- Non-GAAP Adjusted EBITDA of $79.1 million, up 30%, Non-GAAP Adjusted Diluted EPS of $1.63, up 27%

"Fiscal 2026 showcased Liquidity Services' global circular economy leadership highlighted by strong marketplace economics, increased direct profit across all of our segments and record buyer participation. Together, this drove a 33% increase in GAAP Net Income and a 30% increase in our Non-GAAP Adjusted EBITDA, our fourth consecutive year of Non-GAAP Adjusted EBITDA growth. Revenue was essentially unchanged as our business mix continued to shift toward asset-light consignment transactions, while our segment direct profit margins improved 6% on average from the prior year. Liquidity Services continues to thrive from our ability to provide exceptional service and unmatched liquidity to buyers and sellers through our marketplace platform which connects government agencies, corporations, retailers and auction houses with millions of buyers. Auction participants reached approximately 1.25 million in Q4, up 24% year over year and completed transactions increased by 36%, reflecting how greater buyer and seller participation reinforced network effects and supported higher recovery for clients.

We enter Fiscal 2027 with an outstanding, diversified marketplace platform trusted by a global network of buyers and sellers and powered by our investments in embedded AI, automation and analytics which are fueling improvements in every area of our business. Our recent acquisition of Invaluable extends our reach into fine art, antiques, and collectibles and sets us on a course to reach $2.5 Billion of annual GMV in the near term. These strategic investments will allow us to maximize value for our sellers, buyers, and shareholders," said Bill Angrick, CEO of Liquidity Services.

Fourth Quarter Financial Highlights

Fourth Quarter Fiscal Year 2026 Results:

- Gross Merchandise Volume (GMV) of $404.0 million, in line with the prior year quarter, with Revenue of $106.4 million, down 10% with pricing model shift to consignment
- GAAP Net Income of $11.9 million, up 52%, GAAP Diluted Earnings Per Share (EPS) of $0.36, up 50%
- Non-GAAP Adjusted EBITDA of $22.3 million up 20%, Non-GAAP Adjusted Diluted EPS of $0.46, up 24%
- Cash balance of $225.2 million[1] with zero financial debt

GMV for the fiscal fourth quarter of 2026 was $404.0 million, compared with $404.5 million in the fiscal fourth quarter of 2025.

- GMV in our CAG segment increased 2%, reflecting growth across our asset categories, including heavy equipment, in North America and a rebound in APAC, partially offset by lower volumes in EMEA where several large projects shifted timing into the first quarter of fiscal 2027.
- GMV in our GovDeals segment increased 1%, reflecting continued seller acquisition and higher vehicle volumes, partially offset by lower average vehicle values and a shift in real estate towards listing-fee service engagements.
- GMV in our RSCG segment decreased 4%, reflecting the planned transition towards higher-margin inventory and our response to elevated supply late in the fiscal fourth quarter, partially offset by continued growth in our consignment and direct-to-consumer programs. Selected sellers entrusted us with significant volumes under certain programs, and with that supply weighing on near-term pricing, sales were paced to reduce margin pressure while increasing inventory available for sale in future periods.
- Consignment sales represented 86% of consolidated GMV for the fiscal fourth quarter of 2026.

Revenue for the fourth quarter of 2026 was $106.4 million, a 10% decrease from $118.1 million in the fourth fiscal quarter of 2025.

- Revenue in our CAG segment increased 18% and segment direct profit increased 16%, outpacing GMV growth, reflecting a higher commission rate that offset costs from several large projects whose size and complexity required greater coordination and project management.
- Revenue in our RSCG segment decreased 18%, reflecting the planned transition towards lower-volume, higher-margin purchased inventory. Segment direct profit increased 11% and segment direct profit margin expanded 910 basis points, driven by this transition and growth in consignment flows, partially offset by lower near-term recovery rates and higher transportation costs associated with storing some of the elevated late-quarter volumes.
- Revenue in our GovDeals segment increased 3%, and segment direct profit increased 5%, reflecting pricing initiatives, the expansion of our full-service offerings and higher vehicle volumes.
- Revenue in our Machinio & Software Solutions segments was flat, as growth in Machinio System subscriptions was offset by lower Machinio Advertising revenue, while our Software Solutions business continued to invest in its Auction.io platform.

Our marketplaces continued to demonstrate operating leverage during the fiscal fourth quarter, as the shift towards higher-margin flows continued, along with lower transaction processing costs and disciplined cost management which drove profit growth despite lower revenues from the changes in product mix.

- GAAP Net Income of $11.9 million, or $0.36 per share, for the fiscal fourth quarter of 2026, an increase from $7.8 million, or $0.24 per share, for the same quarter last year. GAAP Net Income grew at a higher rate than Non-GAAP Adjusted Net Income primarily because stock compensation expense, which is excluded from Non-GAAP Adjusted Net Income, decreased $2.1 million from the fiscal fourth quarter of 2025, which included accelerated expense for performance-based awards.
- Non-GAAP Adjusted Net Income for the fiscal fourth quarter of 2026 was $15.1 million, or $0.46 per share, an increase from $11.9 million, or $0.37 per share, for the same quarter last year.
- Non-GAAP Adjusted EBITDA for the fiscal fourth quarter of 2026 was $22.3 million, a $3.8 million or 20% increase from $18.5 million in the same quarter last year.

[1] Approximately $213.7 million of Cash and cash equivalents and $11.4 million of Short-term investments that total $225.2 million, a decrease of $5.9 million from June 30, 2026, primarily reflecting working capital fluctuations associated with the increase in RSCG inventory. On October 1, 2026, we funded the $80 million purchase price for Invaluable with cash on hand.

Fourth Quarter Segment Financial Results

We present operating results for our three reportable segments: GovDeals, RSCG, and CAG. Our separate Machinio and Software Solutions operating segments, which do not individually meet the quantitative thresholds to be reportable segments, are combined and presented together as Machinio & Software Solutions for segment reporting purposes. For further information on our reportable segments, see Note 16, *Segment Information*, to our annual report on Form 10-K for the period ended September 30, 2026. Segment direct profit is calculated as total revenue less cost of goods sold (excluding depreciation and amortization).

Our segment results are as follows (unaudited, dollars in thousands):

	Three Months Ended September 30,		Twelve Months Ended September 30,	
	2026	2025	2026	2025
GovDeals:				
GMV	$ 237,750	$ 235,695	$ 952,335	$ 903,456
Total revenue	$ 24,342	$ 23,680	$ 93,423	$ 87,404
Segment direct profit	$ 23,346	$ 22,318	$ 88,567	$ 81,006
Segment direct profit as a percentage of total revenue	95.9%	94.2%	94.8%	92.7%
RSCG:				
GMV	$ 99,125	$ 103,247	$ 447,238	$ 418,418
Total revenue	$ 64,087	$ 78,374	$ 317,127	$ 330,291
Segment direct profit	$ 22,462	$ 20,313	$ 90,446	$ 74,747
Segment direct profit as a percentage of total revenue	35.0%	25.9%	28.5%	22.6%
CAG:				
GMV	$ 67,109	$ 65,509	$ 245,248	$ 249,017
Total revenue	$ 12,574	$ 10,693	$ 45,628	$ 39,296
Segment direct profit	$ 10,330	$ 8,919	$ 38,923	$ 34,828
Segment direct profit as a percentage of total revenue	82.2%	83.4%	85.3%	88.6%
Machinio & Software Solutions:				
GMV	—	—	—	—
Total revenue	$ 5,381	$ 5,360	$ 21,736	$ 19,746
Segment direct profit	$ 4,862	$ 4,923	$ 19,805	$ 18,302
Segment direct profit as a percentage of total revenue	90.4%	91.8%	91.1%	92.7%
Consolidated:				
GMV	$ 403,984	$ 404,451	$ 1,644,821	$ 1,570,891
Total revenue	$ 106,384	$ 118,089	$ 477,914	$ 476,669

Fourth Quarter Operational Metrics

- Registered Buyers — At the end of Q4-FY26, registered buyers, defined as the aggregate number of persons or entities who have registered on one of our marketplaces, totaled approximately 6.5 million, representing an 8% increase over the approximately 6.0 million registered buyers at the end of Q4-FY25.
- Auction Participants — Auction participants, defined as registered buyers who have bid in an auction during the period (a registered buyer who bids in more than one auction is counted as an auction participant in each auction in which he or she bids), was approximately 1,253,000 in Q4-FY26, a 24% increase from approximately 1,011,000 auction participants in Q4-FY25.
- Completed Transactions — Completed transactions, defined as the number of auctions in a given period, were approximately 365,000 in Q4-FY26, a 36% increase from the approximately 269,000 completed transactions in Q4-FY25.

First Quarter Business Outlook

Coming off a strong fiscal 2026 performance that highlighted the strength of our diversification, scale and ability to create operating leverage across market segments and economic cycles, we enter fiscal 2027 with the addition of Invaluable to our market reach and potential for leveraging our now 10 million combined buyer base and our technology and operating capabilities. The acquisition of Invaluable expands our markets and technology enabled solutions, while continuing to focus on bringing buyers and sellers together for a superior experience.

We expect Invaluable to be accretive to Non-GAAP Adjusted Net Income and Non-GAAP Adjusted EBITDA in fiscal 2027, and to GAAP Net Income on a full-year basis, although the timing of integration-related costs and amortization of acquired intangibles may result in GAAP Net Income dilution in certain quarters. We expect integration-related costs to be modest and incurred primarily in the first half of fiscal 2027.

On a consolidated basis, including Invaluable, consignment GMV for the fiscal first quarter is expected to be in the low-nineties as a percentage of total GMV. Consolidated revenue as a percentage of GMV is expected to be in the high-teens, and total segment direct profit as a percentage of consolidated revenue is expected to be in the low-to-mid sixty percent range. These ratios can vary based on our overall business mix, including asset categories and seasonality, in any given period.

The outlook for the fiscal first quarter reflects an expected strong performance in CAG, where several large projects contracted during fiscal 2026, including projects that shifted from the fiscal fourth quarter, are scheduled for completion, supported by a growing base of recurring corporate clients and expanded sales capacity in heavy equipment. We expect GovDeals to continue to grow compared to last year, driven by seller acquisition and expanded service offerings, partially offset by softer vehicle pricing during the quarter compared to last year. Guidance reflects elevated inventory levels from selected client flows in our RSCG segment that began during the fourth quarter of fiscal 2026 which will dampen recovery levels in the market temporarily. With our scale, operational capabilities and leading position in the market we are able to address the needs of our sellers and currently expect this to normalize over the next few quarters. RSCG's fiscal first quarter GMV and revenue are expected to decline year-over-year reflecting previously planned changes in mix of inventory inflows, combined with the anticipated higher levels of supply we've received.

Our Q1-FY27 guidance is as follows:

$ in millions, except per share data	**Q1-FY27 Guidance**
GMV	$580 to $640
GAAP Net Income	$8.0 to $11.0
Non-GAAP Adjusted EBITDA	$19.0 to $22.0
GAAP Diluted EPS	$0.24 to $0.33
Non-GAAP Adjusted Diluted EPS	$0.36 to $0.45

Our Business Outlook includes forward-looking statements which reflect the following trends and assumptions for Q1- FY27 as compared to the prior year's period, as well as the other risks and uncertainties set forth in the Company's Annual Report on Form 10-K for the year ended September 30, 2026:

Potential Impacts to GMV, Revenue, Segment Direct Profits, and ratios calculated using these metrics

- the inclusion of Invaluable beginning October 1, 2026. Invaluable's business is seasonal and typically strongest in our fiscal first and third quarters. Its commission-based model is expected to lower consolidated revenue as a percentage of GMV and increase segment direct profit as a percentage of revenue, with operating expenses as a percentage of segment direct profit in line with our consolidated average. As this is our first full quarter including Invaluable, the timing of auction events and consignments during a seasonally strong quarter could meaningfully affect where results fall within the guidance range;
- fluctuations in the mix of purchase and consignment transactions. Generally, when the mix of purchase transactions increases, or when the commercial terms or pricing associated with such transactions change, revenue as a percent of GMV increases, while segment direct profit as a percentage of revenue decreases. When the mix of consignment transactions increases, or when associated economics change, revenue as a percent of GMV decreases, while segment direct profit as a percentage of revenue increases;
- variability in the inventory product mix handled by our RSCG segment, including changes in asset availability, sourcing, and market pricing, and the pace at which elevated supply in certain product categories is absorbed, which can cause a change in revenues and/or segment direct profit as a percentage of revenue;
- the pace at which elevated RSCG inventory levels are absorbed by the market remains uncertain and changes in sell-through, recovery rates, and transportation and storage costs could materially affect RSCG GMV, revenues and segment direct profit, as well as our consolidated results of operations.

- real estate transactions in our GovDeals segment can be subject to significant variability due to changes that include postponements or cancellations of scheduled or expected auction events and the value of properties to be included in the auction event, as well as the mix of commission-based and listing-fee engagements, as listing-fee real estate services generate revenue but any related property sales are not included in GMV;
- continued variability in project size and timing within our CAG segment, including variability driven by changes in economic and/or geopolitical conditions, which can impact revenues and segment direct profit;
- continued growth and expansion resulting from the continuing acceleration of broader market adoption of the digital economy, particularly in our GovDeals and RSCG seller accounts and programs, including the execution by RSCG on its business plans for expanded direct-to-consumer sales;
- changes in economic, political, or international trading conditions could cause variability in our operating results by impacting the priorities or financial stability of our sellers, current or prospective buyers or their end-customers;

Potential Impacts to Operating Expenses

- continued R&D spending to support delivering software solutions and enhancing our omni-channel behavioral marketing, analytics, and buyer/seller payment optimization;
- spending in business development activities to capture market opportunities, targeting efficient payback periods;
- variability in the volumes and service locations of products handled by our RSCG segment, which can cause the capacity and related operating expense requirements for inventory logistics and storage to fluctuate;
- integration-related costs associated with the Invaluable acquisition, which we expect to be modest and incurred primarily in the first half of fiscal 2027.

Potential Impacts to GAAP Net Income and Diluted EPS and Non-GAAP Adjusted Net Income and Adjusted Diluted EPS

- the preliminary nature of purchase accounting for Invaluable, as the final fair values assigned to acquired assets and assumed liabilities, and the resulting intangible asset amortization and related deferred taxes, may differ from our current estimates and could affect GAAP Net Income, GAAP Diluted EPS and our effective tax rate;
- our FY27 annual effective tax rate (ETR) is expected to range from approximately 28% to 34%, and the rate for the fiscal first quarter of 2027 expected to be approximately 30%. This range excludes any potential impacts from any legislative changes, and excludes potential impacts that have limited visibility and can be highly variable, such as the discrete effects of stock compensation due to participant stock option exercise activity or changes in our stock price.
- our diluted weighted average number of shares outstanding for the fiscal first quarter of 2027 expected to be approximately 33.0 to 33.5 million. As of September 30, 2026, we had $15.0 million in remaining authorization to repurchase shares of our common stock.

Reconciliation of GAAP to Non-GAAP Measures

Non-GAAP EBITDA and Non-GAAP Adjusted EBITDA. Non-GAAP EBITDA is a supplemental non-GAAP financial measure and is equal to Net Income plus interest and other income, net; provision for income taxes; and depreciation and amortization. Our definition of Non-GAAP Adjusted EBITDA differs from Non-GAAP EBITDA because we further adjust Non-GAAP EBITDA for stock compensation expense, acquisition costs such as transaction expenses, business realignment expenses, litigation settlements that are not expected to recur, and goodwill, long-lived and other non-current asset impairment. A reconciliation of Net Income to Non-GAAP EBITDA and Non-GAAP Adjusted EBITDA is as follows (dollars in thousands):

	Three Months Ended September 30,		Twelve Months Ended September 30,	
	2026	2025	2026	2025
Net income	$ 11,861	$ 7,822	$ 37,298	$ 28,093
Interest and other income, net[1]	(1,610)	(1,344)	(5,321)	(4,574)
Provision for income taxes	5,303	4,428	16,552	11,348
Depreciation and amortization	2,880	2,667	10,787	10,409
Non-GAAP EBITDA	$ 18,434	$ 13,573	$ 59,316	$ 45,276
Stock compensation expense	2,872	4,968	18,668	14,490
Acquisition-related costs and litigation settlements[2]	175	—	291	285
Impairment of goodwill and long-lived assets[3]	818	—	818	—
Business realignment expenses[4]	19	(12)	19	765
Non-GAAP Adjusted EBITDA	$ 22,318	$ 18,529	$ 79,112	$ 60,816

[1] Interest and other income, net, per the Condensed Consolidated Statements of Operations, excludes the non-service components of net periodic pension cost (benefit).

[2] Acquisition-related costs are included in Other operating expenses, net on the Consolidated Statements of Operations. Litigation settlements includes a $0.8 million gain recognized in Other operating expenses, net during fiscal 2026. See Note 15 - Legal Proceedings.

[3] Impairment of Goodwill and Long-lived Assets, included as a component of Other operating expenses, net on the Consolidated Statements of Operations, includes charges recognized for the impairment of goodwill and long-lived assets. See Note 7 - Goodwill, for further information regarding the goodwill impairment that occurred during the fiscal year ended September 30, 2026.

[4] Business realignment expenses, included as a component of Other operating expenses, net on the Consolidated Statements of Operations, includes the amounts accounted for as exit costs under ASC 420, Exit or Disposal Cost Obligations, and the related impacts of business realignment actions subject to other accounting guidance including operating lease impairment expense resulting from such actions as described in Note 6 - Leases.

Non-GAAP Adjusted Net Income and Non-GAAP Adjusted Basic and Diluted Earnings Per Share. Non-GAAP Adjusted Net Income is a supplemental non-GAAP financial measure and is equal to Net Income plus stock compensation expense, amortization of intangible assets, acquisition related costs such as transaction expenses and changes in earn-out estimates, business realignment expenses, litigation settlement expenses that are not expected to reoccur, goodwill, long-lived and other non-current asset impairments, and the estimated impact of income taxes on these non-GAAP adjustments as well as non-recurring tax adjustments. Non-GAAP Adjusted Basic and Diluted Earnings Per Share are determined using Non-GAAP Adjusted Net Income. For Q4-FY26 and Q4-FY25, the tax rates used to estimate the impact of income taxes on the non-GAAP adjustments were 31% and 29%, respectively, based upon the GAAP effective tax rates for each year-to-date period. A reconciliation of Net Income to Non-GAAP Adjusted Net Income and Non-GAAP Adjusted Basic and Diluted Earnings Per Share is as follows (dollars in thousands, except per share data):

	Three Months Ended September 30,		Twelve Months Ended September 30,	
	2026	2025	2026	2025
Net income	$ 11,861	$ 7,822	$ 37,298	$ 28,093
Stock compensation expense	2,872	4,968	18,668	14,490
Intangible asset amortization	783	783	3,133	3,236
Acquisition-related costs and litigation settlements[1]	175	—	291	285
Impairment of goodwill and long-lived assets[2]	818	—	818	—
Business realignment expenses[3]	19	(12)	19	765
Income tax impact on the adjustment items	(1,433)	(1,651)	(7,039)	(5,402)
Non-GAAP Adjusted net income	$ 15,095	$ 11,910	$ 53,188	$ 41,467
Non-GAAP Adjusted basic earnings per common share	$ 0.48	$ 0.39	$ 1.71	$ 1.34
Non-GAAP Adjusted diluted earnings per common share	$ 0.46	$ 0.37	$ 1.63	$ 1.28
Basic weighted average shares outstanding	31,349,039	30,922,302	31,070,449	30,932,459
Diluted weighted average shares outstanding	33,107,349	32,315,829	32,614,475	32,411,075

[1] Acquisition-related costs are included in Other operating expenses, net on the Consolidated Statements of Operations. Litigation settlements includes a $0.8 million gain recognized in Other operating expenses, net during fiscal 2026. See Note 15 - Legal Proceedings.

[2] Impairment of Goodwill and Long-lived Assets, included as a component of Other operating expenses, net on the Consolidated Statements of Operations, includes charges recognized for the impairment of goodwill and long-lived assets. See Note 7 - Goodwill, for further information regarding the goodwill impairment that occurred during the fiscal year ended September 30, 2026.

[3] Business realignment expenses, included as a component of Other operating expenses, net on the Consolidated Statements of Operations, includes the amounts accounted for as exit costs under ASC 420, Exit or Disposal Cost Obligations, and the related impacts of business realignment actions subject to other accounting guidance including operating lease impairment expense resulting from such actions as described in Note 6 - Leases.

Conference Call Details

The Company will host a conference call to discuss these results at 10:30 a.m. Eastern Time today. Investors and other interested parties may access the teleconference by registering here to receive the dial-in number and unique conference pin. A live listen-only webcast of the conference call will be provided on the Company's investor relations website at https://investors.liquidityservices.com. An archive of the webcast will be available on the Company's website until November 19, 2027. The replay will be available starting at 1:30 p.m. Eastern Time on the day of the call.

Non-GAAP Measures

To supplement our consolidated financial statements presented in accordance with generally accepted accounting principles (GAAP), we use certain non-GAAP measures of certain components of financial performance. These non-GAAP measures include earnings before interest, taxes, depreciation and amortization (EBITDA), Adjusted EBITDA, Adjusted Net Income (Loss) and Adjusted Diluted Earnings (Loss) per Share. These non-GAAP measures are provided to enhance investors' overall understanding of our current financial performance and prospects for the future. We use EBITDA and Adjusted EBITDA: (a) as measurements of operating performance because they assist us in comparing our operating performance on a consistent basis as they do not reflect the impact of items not directly resulting from our core operations; (b) for planning purposes, including the preparation of our internal annual operating budget; (c) to allocate resources to enhance the financial performance of our business; (d) to evaluate the effectiveness of our operational strategies; and (e) to evaluate our capacity to fund capital expenditures and expand our business. Adjusted Diluted Earnings (Loss) per Share is the result of our Adjusted Net Income (Loss) and diluted shares outstanding.

We prepare Non-GAAP Adjusted EBITDA by eliminating from Non-GAAP EBITDA the impact of items that we do not consider indicative of our core operating performance. You are encouraged to evaluate these adjustments and the reasons we consider them appropriate for supplemental analysis. As an analytical tool, Non-GAAP Adjusted EBITDA is subject to all of the limitations applicable to Non-GAAP EBITDA. Our presentation of Non-GAAP Adjusted EBITDA should not be construed as an implication that our future results will be unaffected by unusual or non-recurring items.

We believe these non-GAAP measures provide useful information to both management and investors by excluding certain expenses that may not be indicative of our core operating measures. In addition, because we have historically reported certain non-GAAP measures to investors, we believe the inclusion of non-GAAP measures provides consistency in our financial reporting. These measures should be considered in addition to financial information prepared in accordance with GAAP, but should not be considered a substitute for, or superior to, GAAP results. A reconciliation of all historical non-GAAP measures included in this press release, to the most directly comparable GAAP measures, may be found in the financial tables included in this press release.

We do not quantitatively reconcile our guidance ranges for our non-GAAP measures to their most comparable GAAP measures in the Business Outlook section of this press release. The guidance ranges for our GAAP and non-GAAP financial measures reflect our assessment of potential sources of variability in our financial results and are informed by our evaluation of multiple scenarios, many of which have interactive effects across several financial statement line items. Providing guidance for individual reconciling items between our non-GAAP financial measures and the comparable GAAP measures would imply a degree of precision and certainty in those reconciling items that is not a consistent reflection of our scenario-based process to prepare our guidance ranges. To the extent that a material change affecting the individual reconciling items between the Company's forward-looking non-GAAP and comparable GAAP financial measures is anticipated, the Company has provided qualitative commentary in the Business Outlook section of this press release for your consideration. However, as the impact of such factors cannot be predicted with a reasonable degree of certainty or precision, a quantitative reconciliation is not available without unreasonable effort.

Supplemental Operating Data

To supplement our consolidated financial statements presented in accordance with GAAP, we use certain supplemental operating data as a measure of certain components of operating performance. GMV is the total sales value of all transactions for which we earned compensation upon their completion through our marketplaces or other channels during a given period of time. We review GMV because it provides a measure of the volume of goods being sold in our marketplaces and thus the activity of those marketplaces. GMV and our other supplemental operating data, including registered buyers, auction participants and completed transactions, also provide a means to evaluate the effectiveness of investments that we have made and continue to make in the areas of seller and buyer support, value-added services, product development, sales and marketing and operations. Therefore, we believe this supplemental operating data provides useful information to both management and investors. In addition, because we have historically reported certain supplemental operating data to investors, we believe the inclusion of this supplemental operating data provides consistency in our financial reporting. This data should be considered in addition to financial information prepared in accordance with GAAP, but should not be considered a substitute for, or superior to, GAAP results.

Forward-Looking Statements

This document contains forward-looking statements made pursuant to the Private Securities Litigation Reform Act of 1995. These statements are only predictions. The outcome of the events described in these forward-looking statements is subject to known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to differ materially from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. These statements include, but are not limited to, statements regarding the Company's business outlook; expected future results; expected future effective tax rates; and trends and assumptions about future periods. You can identify forward-looking statements by terminology such as "may," "will," "should," "could," "would," "expects," "intends," "plans," "anticipates," "believes," "estimates," "predicts," "potential," "continues" or the negative of these terms or other comparable terminology. Our business is subject to a number of risks and uncertainties, and our past performance is no guarantee of our performance in future periods. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements.

There are several risks and uncertainties that could cause our actual results to differ materially from the forward-looking statements in this document. Important factors that could cause our actual results to differ materially from those expressed as forward-looking statements are set forth in our filings with the SEC from time to time, and include, among others: our ability to source sufficient assets from sellers to attract and retain active professional buyers; our need to successfully react to the increasing importance of mobile commerce and the increasing environmental and social impact aspects of e-commerce in an increasingly competitive environment for our business, including not only risks of disintermediation of our e-commerce services by our competitors but also by our buyers and sellers; the performance of our continuing initiatives; disruptions in our vendor contracts with Amazon.com, Inc., under which we acquire a significant portion of our purchased inventory; our ability to timely upgrade and develop our information technology systems, infrastructure and digital marketing and customer service capabilities at reasonable cost and scale while complying with applicable data privacy and security laws and maintaining site stability and performance to allow our operations to grow in both size and scope; our technology modernization and product-development initiatives, including AI-enabled tools and Machinio System; our use of AI in internal processes and customer-facing products that expose us to operational, legal, regulatory, intellectual property, data privacy, cybersecurity, and reputational risks; the integration and anticipated benefits of Auction Holdings; the development of our direct-to-consumer channels and heavy equipment business; our ability to attract, retain and develop the skilled employees that we need to support our business; competitive pressures from different industries affecting our ability to attract and retain buyers and sellers; retail clients investing in their warehouse operations capacity to handle higher volumes of online returns, resulting in retailers sending the Company a reduced volume of returns merchandise or sending us a product mix lower in value due to the removal of high value returns; system interruptions, a lack of control over third parties software, and dependence on third parties for marketing technology, that could affect our websites or our transaction systems and impair the services we provide to our sellers and buyers; our ability to maintain the privacy and security of personal and business information amidst multiplying threat landscapes and in compliance with privacy and data protection regulations globally; the operations of customers, project size and timing of auctions, operating costs, seasonality of our business and general economic conditions; the numerous factors that influence the supply of and demand for used merchandise, equipment and surplus assets, and cause volatility in our stock price; our ability to integrate acquired companies, and execute on anticipated business plans such as the efforts underway with local and state governments to advance legislation that allows for online auctions for foreclosed and tax foreclosed real estate; costs of developing and maintaining our international operations; political, business, economic and other conditions in local, regional and global sectors; the continuing impacts of geopolitical events, including armed conflicts in Ukraine, the conflict between the United States, Israel, and Iran and related geopolitical instability; impacts from escalating interest rates and inflation on our operations; the supply of, demand for or market values of surplus assets, such as shortages in supply of used vehicles; the numerous government regulations of e-commerce and other services, competition, and restrictive governmental actions, including any failure or perceived failure by us, or third parties with which we do business, to comply with applicable data privacy and security laws, and regulations that are applicable to our auction business; and other risks and uncertainties described in the Company's filings with the SEC, including the Company's Annual Report on Form 10-K for the year ended September 30, 2026, all of which are available on the SEC and Company websites. There may be other factors of which we are currently unaware or which we deem immaterial that may cause our actual results to differ materially from the forward-looking statements.

All forward-looking statements attributable to us or persons acting on our behalf apply only as of the date of this document and are expressly qualified in their entirety by the cautionary statements included in this document. Except as may be required by law, we undertake no obligation to publicly update or revise any forward-looking statement to reflect events or circumstances occurring after the date of this document or to reflect the occurrence of unanticipated events.

About Liquidity Services

Liquidity Services (NASDAQ:LQDT) is the leading global provider of e-commerce marketplaces and software solutions powering the circular economy with over $15 billion in completed transactions to more than six million qualified buyers and 15,000 corporate and government sellers worldwide. The company supports its clients' sustainability efforts by helping them extend the life of assets, prevent unnecessary waste and carbon emissions, and reduce the number of products headed to landfills.

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Liquidity Services and Subsidiaries
Unaudited Condensed Consolidated Balance Sheets
(Dollars in Thousands, Except Par Value)

	September 30,	
	2026	**2025**
Assets		
Current assets:		
Cash and cash equivalents	$ 213,727	$ 174,607
Short-term investments	11,439	11,212
Accounts receivable, net of allowance for doubtful accounts of $811 and $777	8,914	11,176
Inventory, net	22,176	14,180
Prepaid taxes and tax refund receivable	3,060	1,757
Prepaid expenses and other current assets	10,817	11,857
Total current assets	270,133	224,789
Property and equipment, net	19,775	18,259
Operating lease assets	10,548	11,499
Intangible assets, net	10,251	13,340
Goodwill	101,967	102,875
Other long-term assets	3,713	4,339
Total assets	$ 416,387	$ 375,101
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	$ 55,536	$ 61,454
Accrued expenses and other current liabilities	32,224	30,575
Current portion of operating lease liabilities	4,055	5,071
Deferred revenue	4,539	5,093
Payables to sellers	57,866	59,432
Total current liabilities	154,220	161,625
Operating lease liabilities	8,272	8,723
Deferred tax liabilities	3,008	1,234
Other long-term liabilities	1,877	277
Total liabilities	167,377	171,859
Commitments and contingencies (Note 15)		
Stockholders' equity:		
Common stock, $0.001 par value; 120,000,000 shares authorized; 38,076,500 shares issued and 31,375,232 shares outstanding at September 30, 2026; 37,317,175 shares issued and 30,676,595 shares outstanding at September 30, 2025	38	37
Additional paid-in capital	297,112	285,721
Treasury stock, at cost; 6,701,268 shares at September 30, 2026, and 6,640,580 shares at September 30, 2025	(111,635)	(110,002)
Accumulated other comprehensive loss	(11,929)	(10,640)
Retained earnings	75,424	38,126
Total stockholders' equity	249,010	203,242
Total liabilities and stockholders' equity	$ 416,387	$ 375,101

Liquidity Services and Subsidiaries
Unaudited Condensed Consolidated Statements of Operations
(Dollars in Thousands, Except Per Share Data)

	Three Months Ended September 30,		Twelve Months Ended September 30,	
	2026	2025	2026	2025
Purchase revenues	$ 58,233	$ 73,379	$ 295,275	$ 310,538
Consignment and other fee revenues	48,151	44,710	182,639	166,131
Total revenue	106,384	118,089	477,914	476,669
Costs and expenses from operations:				
Cost of goods sold (excludes depreciation and amortization)	45,383	61,634	240,173	267,854
Technology and operations	18,002	16,977	73,871	68,542
Sales and marketing	15,551	16,687	66,301	60,964
General and administrative	7,872	9,178	36,850	32,774
Depreciation and amortization	2,880	2,667	10,787	10,409
Other operating expenses (income), net	1,011	(12)	1,119	1,060
Total costs and expenses	90,699	107,131	429,101	441,603
Income from operations	15,685	10,958	48,813	35,066
Interest and other income, net	(1,479)	(1,292)	(5,037)	(4,375)
Income before provision for income taxes	17,164	12,250	53,850	39,441
Provision for income taxes	5,303	4,428	16,552	11,348
Net income	$ 11,861	$ 7,822	$ 37,298	$ 28,093
Basic income per common share	$ 0.38	$ 0.25	$ 1.20	$ 0.91
Diluted income per common share	$ 0.36	$ 0.24	$ 1.14	$ 0.87
Basic weighted average shares outstanding	31,349,039	30,922,302	31,070,449	30,932,459
Diluted weighted average shares outstanding	33,107,349	32,315,829	32,614,475	32,411,075

Liquidity Services and Subsidiaries
Unaudited Condensed Consolidated Statements of Cash Flows
(Dollars in Thousands)

	Year Ended September 30,	
	2026	2025
Operating activities		
Net income	$ 37,298	$ 28,093
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	10,787	10,409
Stock compensation expense	18,668	14,490
Inventory adjustment to net realizable value	193	539
Provision for doubtful accounts	531	356
Deferred tax expense	1,814	2,396
Impairment of long-lived and other non-current assets	818	459
Loss (gain) on disposal of property and equipment	36	36
Changes in operating assets and liabilities:		
Accounts receivable	1,697	233
Inventory and related payables	(18,736)	5,241
Prepaid taxes and tax refund receivable	(1,302)	(239)
Prepaid expenses and other assets	759	1,452
Operating lease assets and liabilities	(556)	(345)
Accounts payable	4,639	(68)
Accrued expenses and other current liabilities	1,701	2,519
Deferred revenue	(554)	(204)
Payables to sellers	(1,471)	1,337
Other liabilities	1,662	54
Net cash provided by operating activities	57,984	66,758
Investing activities		
Purchases of property and equipment, including capitalized software	(9,216)	(7,800)
Purchase of short-term investments	(11,608)	(19,020)
Maturities of short-term investments	11,049	10,142
Cash paid for business acquisition, net of cash acquired	—	(6,496)
Other investing activities, net	99	190
Net cash used in investing activities	(9,676)	(22,984)
Financing activities		
Payments of the principal portion of finance lease liabilities	(107)	(102)
Proceeds from exercise of common stock options, net of tax	1,416	212
Taxes paid associated with net settlement of stock compensation awards	(8,813)	(5,743)
Common stock repurchases	(1,513)	(16,180)
Net cash used in financing activities	(9,017)	(21,813)
Effect of exchange rate differences on cash and cash equivalents	(171)	(580)
Net increase in cash and cash equivalents	39,120	21,381
Cash and cash equivalents at beginning of year	174,607	153,226
Cash and cash equivalents at end of year	$ 213,727	$ 174,607
Supplemental disclosure of cash flow information		
Cash paid for income taxes, net	$ 14,285	$ 9,201
Non-cash: Common stock surrendered in the exercise of stock options	$ 120	$ 47
Non-cash: Acquisition consideration paid in common stock	$ —	$ 945