UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended September 30, 2026

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number 0-51813



A Better Future for Surplus

LIQUIDITY SERVICES, INC.

(Exact name of registrant as specified in its charter)

Delaware	**52-2209244**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
6931 Arlington Road, Suite 460, Bethesda, MD	**20814**
(Address of principal executive offices)	(Zip Code)

(202) 467-6868

(Registrant's telephone number, including area code)

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**	**Nasdaq**

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐	Non-accelerated filer	☐	Smaller reporting company	☐
						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. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to § 240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

Aggregate market value of the Common Stock held by non-affiliates computed by reference to the Nasdaq closing price on March 31, 2026, the last business day of the most recently completed second fiscal quarter, was $716.4 million.

The number of shares of Common Stock outstanding as of November 16, 2026 was 31,387,628.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's Proxy Statement relating to its 2027 Annual Meeting of Stockholders, to be filed subsequently, are incorporated by reference into Part III (Items 10, 11, 12, 13 and 14) of this Form 10-K.

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Unless the context requires otherwise, references in this report to "we," "us," "our", the "Company" and "Liquidity Services" refer to Liquidity Services, Inc. and its subsidiaries.

PART I

Item 1. Business.

Overview

Liquidity Services, Inc. (Liquidity Services, the Company) is the leading global provider of e-commerce marketplaces and software solutions powering the circular economy. We create a better future for organizations, individuals, and the planet by using technology to capture and unleash the intrinsic value of surplus. We connect millions of buyers and thousands of sellers through our leading e-commerce auction marketplaces, search engines, asset management and auction software, and related services. Our comprehensive solutions enable the transparent, efficient, sustainable recovery of value from excess items owned by business and government sellers.

Our business delivers value to shareholders by unleashing the intrinsic value of surplus through our online marketplace platforms. These platforms ignite and enable a self-reinforcing cycle of value creation where buyers and sellers attract one another in greater numbers. The result of this cycle is a continuous flow of goods that becomes increasingly valuable as more participants join the platforms, thereby creating positive network effects that benefit sellers, buyers, and shareholders. During the past three fiscal years, we conducted over 3.4 million online transactions that generated $4.6 billion in gross merchandise volume (GMV). 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.

During the year ended September 30, 2026, our number of registered buyers grew from 6.0 million to 6.5 million, or 7.8%. We generated GMV of $1.6 billion and revenue of $477.9 million through multiple sources, including transaction fees from sellers and buyers, proceeds from the sale of products we purchased from sellers, and value-added service charges during the year ended September 30, 2026. Over the prior five years, our GMV has grown at a compound annual growth rate of 13.2%.

Incorporated in Delaware as Liquidation.com in November 1999, Liquidity Services has over 25 years of industry experience.

On January 31, 2025, the Company formed its Software Solutions operating segment through the acquisition of Auction Software, a private-label marketplace and SaaS solutions provider offering scalable auction platform services to entrepreneurs and businesses. See Note 3 - *Acquisitions* for more information regarding this transaction.

On January 1, 2024, the Company acquired Sierra Auction Management, Inc. (Sierra), a full-service auction company specializing in the sale of vehicles, equipment and surplus assets for government agencies, commercial businesses, and charities. See Note 3 - *Acquisitions* for more information regarding this transaction.

Subsequent to fiscal year 2026, on October 1, 2026, we completed the acquisition of Invaluable, which operates two online auction marketplaces: Invaluable, a global marketplace for fine art, antiques, jewelry and collectibles, and AuctionZip, a U.S.-focused marketplace and directory for local and regional auctioneers. Invaluable's marketplaces provide access to approximately four million registered bidders and processes more than $500 million of gross merchandise volume annually. Auction houses list their upcoming events and auction catalogs on these marketplaces to extend their reach beyond their own salerooms and websites, allowing registered bidders to discover their lots and bid either during the live sale or in timed online auctions. Invaluable earns listing fees from auction houses, charged per auction event or on a subscription basis, and commissions based on the hammer price of lots won through its platforms. Invaluable also provides auction houses with private-label auction websites, auction-management software, marketing services and integrated payment processing, and offers buyers managed shipping and subscription access to its historical auction price database. These generate recurring software and subscription fees, as well as marketing, payment processing and shipping revenue. The base purchase price was $80.0 million in cash, funded with cash on hand and subject to customary adjustments for cash, indebtedness, working capital and transaction expenses, including post-closing adjustments. The acquired business is not included in our fiscal 2026 operating results. See Note 17 - *Subsequent Events*.

Reportable Segments

As of September 30, 2026, Company had five operating segments and three reportable segments under which we conduct business: GovDeals, Retail Supply Chain Group (RSCG), and Capital Assets Group (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. Further information and operating results of our reportable segments can be found in Note 16 - *Segment Information*.

- *GovDeals*. The GovDeals reportable segment provides solutions that enable government entities including city, county, state and federal agencies located in the United States and Canada and related commercial businesses to sell surplus property and real estate assets through its GovDeals, Bid4Assets and Sierra marketplaces. See Note 3 - *Acquisitions*.
- *RSCG*. The RSCG reportable segment consists of marketplaces that enable corporations located in the United States and Canada to sell excess, returned, and overstocked consumer goods. RSCG also offers a suite of services that includes returns management, asset recovery, and e-commerce solutions. This segment uses multiple selling channels across our network of marketplaces and others to optimize the best combination of velocity, volume, and value. This segment primarily conducts its business-to-business sales on its Liquidation.com marketplace and through Direct Sales, and managed direct-to-consumer sales across a network of online sale channels, including Retail Rush, AllSurplus Deals, Secondipity and other online marketplaces and social-selling channels.
- *CAG*. The CAG reportable segment enables commercial businesses to sell surplus assets on our AllSurplus and GovDeals marketplaces, specializing in asset categories such as heavy equipment, industrial manufacturing, oil and gas, biopharma, fast-moving consumer goods and electronics. CAG also offers a suite of services that includes surplus management, asset valuation, asset sales and marketing. CAG clients benefit from our global base of buyers and sellers, enabling the sale and redeployment of assets wherever they generate the best value and highest use across the world.
- *Machinio & Software Solutions*. The Machinio operating segment operates the Machinio marketplace, a global search engine platform for listing equipment for sale in the construction, machine tool, processing, transportation, printing, agriculture, and laboratory/medical sectors, and the Machinio System platform that provides equipment sellers with a suite of software tools including website hosting, email marketing, and inventory management, to support and enable equipment sellers' online business. The Software Solutions operating segment separately serves as the Company's private-label auction and software-as-a-service (SaaS) arm, offering scalable auction platform services to entrepreneurs and businesses.

Industry Overview

While a forward supply chain has long been in place for the acquisition of assets, an increasing number of manufacturers, retailers, corporations, and government agencies are recognizing the strategic importance of incorporating reverse supply chain solutions into their operations frameworks and overall success strategies.

According to Fortune Business Insights (*Logistics Market Size and Future Outlook, October 2026*), the global logistics market, which includes reverse logistics, was valued at $12.27 trillion in 2025 and is projected to grow from $13.04 trillion in 2026 to $22.3 trillion by 2034, representing a compound annual growth rate (CAGR) of 6.9%. Reverse logistics is a key component of the broader logistics market, driven in part by the expansion of e-commerce and the increasing complexity of global supply chains. This estimate covers the broader logistics market, including forward logistics, and does not represent the Company's addressable market.

The retail industry continues to see increasingly high return rates. As reported by the National Retail Federation, (*Making circularity work: How reverse logistics powers the circular economy, Sept. 2025*) online return rates hover around 20%, compared to 8–10% for in-store purchases. This surge in returns has prompted retailers to invest heavily in reverse logistics infrastructure to manage the flow of goods while maintaining customer satisfaction. Liquidity Services estimates that over $100 billion in returned merchandise is processed through secondary markets every year, with other returns being restocked, recycled, or sold at a discount.

Reverse supply chain solutions manage consumer returns, surplus products, and unused assets from commercial and government sources. The supply of surplus and idle assets stems from various factors:

- *Increased emphasis on responsible solutions for dispositioning surplus assets:* Commercial and government entities are taking a more deliberate and strategic approach to managing their end-of-life assets. This includes efforts to efficiently redistribute surplus assets to minimize waste, recover value, and deliver enhanced community and environmental impact.
- *Consumer demand variability and supply chain forecasting challenges:* Challenges such as forecasting errors, manufacturer overruns, cancelled orders, evolving market demands, macroeconomic adjustments, discontinued product lines, packaging changes, and seasonal shifts contribute to the accumulation of surplus assets. Organizations involved in the manufacture, distribution, sale, or use of finished goods frequently need to manage excess inventory and returned merchandise.
- *E-commerce expansion:* According to the Census Bureau of the Department of Commerce (*Quarterly Retail E-Commerce Sales, August 2026*), seasonally adjusted e-commerce sales accounted for 17.1% of total U.S. retail sales in the second quarter of 2026, and e-commerce sales increased 12.2% from the same quarter of the previous year.
- *Product innovation:* Continuous innovation in technology such as computer and office equipment, consumer electronics, and personal communication and entertainment devices, results in a continuous cycle of surplus assets. Such innovation also leads to regular upgrades and replacements of manufacturing equipment and tooling, generating additional surplus capital assets.
- *Flexible return policies of major retailers:* Flexible return policies among large national and online retailers generate a steady supply of returned merchandise, much of which must be liquidated.
- *Government regulatory compliance*: An increasingly stringent regulatory environment necessitates verifiable recycling and remarketing of surplus assets that would otherwise be disposed of as waste.
- *Evolving budgetary priorities in commercial and government sectors*: Facing pressure to optimize resources, organizations are increasingly viewing surplus assets as a strategic source of liquidity and a lever to redirect capital toward priority initiatives. This trend highlights the need for strategic partners capable of delivering efficient, compliant, and value-maximizing disposition solutions.

The management and remarketing of surplus assets has traditionally lacked efficiency. While substantial resources are allocated to building systems and channels for distributing finished goods and acquiring operational assets, investment in reverse supply chain processes has generally received less emphasis compared to forward supply chain initiatives. Key contributors to inefficiencies in the reverse supply chain include:

- Limited centralized, global marketplace for selling bulk products, machinery, and equipment in the reverse supply chain;
- Limited awareness of effective disposal methods and mechanisms for surplus assets;
- Inexperience in optimizing reverse supply chain management for improved net returns and gross margins; and
- Insufficient access to real-time market data concerning surplus assets.

Traditional methods of surplus asset disposition include ad-hoc sales, negotiated direct sales, utilization of individual brokers or sales agents and live on-site auctions. We believe these solutions are generally highly fragmented, geographically dispersed and poorly integrated with supply chain operations. The manual, negotiated, and geographically dispersed nature of traditional surplus resale methods results in a lack of pricing transparency for offered goods, multiple brokers/parties ultimately involved in the final disposition and a lower number of potential buyers and bids, which we believe typically leads to lower recovery for sellers.

Professional buyers consist of many different types, including online and offline retailers, convenience and discount stores, value-added resellers such as refurbishers and scrap recyclers, import and export firms, and small businesses. One thing they all have in common is that they seek surplus assets to sustain their operations and meet the demands of end-customers. Traditionally, limited access to a reliable flow of surplus goods and assets has forced these buyers to rely on their own network of industry contacts and fixed-site auctioneers to locate, evaluate and purchase specific items of interest. These traditional methods are inefficient for buyers due to the lack of:

- global access to an available continuous supply of desired goods and assets;

- efficient and inexpensive sourcing processes;
- a professionally managed central marketplace with transparent, high-quality services;
- detailed information and product descriptions for the offered goods; and
- pricing transparency or ability to compare asset prices.

It is our belief that the use of online marketplace platforms to identify and source goods available for immediate purchase will continue to increase among buyers.

Our Solutions

Our global solutions include e-commerce marketplaces, self-directed auction listing tools, and value-added services. Our marketplaces and services provide sellers a comprehensive solution to quickly bring surplus assets to market and enhance the financial value realized from the sale of their surplus assets while providing buyers with confidence in the reliable flow of goods they purchase. We provide our sellers access to a worldwide network of liquid marketplaces with over 6.5 million registered buyers as of September 30, 2026, and a suite of services including consultative surplus asset management, valuation, sales solutions, logistics capabilities, and self-directed service tools to efficiently manage our sellers' reverse supply chain and maximize total supply chain value. We also seek the optimal methods to maximize our sellers' net recovery using channel strategies and dedicated programs to deliver transparent, sustained value. The global reach of our marketplaces allows for fluid cross-border transactions and the connecting of foreign buyers and sellers alike, as demonstrated during the fiscal year ended September 30, 2026, when we facilitated transactions between 160 unique country pairings.

Through our relationships with our sellers, we provide our buyers with convenient access to a substantial and continuous flow of surplus assets. Buyers around the world can find products in over 900 categories including transportation, construction, industrial, consumer goods, and consumer electronics, all in lot sizes ranging from full truckloads to pallets, packages, and individual items. Our solution combines leading e-commerce marketplaces with integrated sales, marketing, merchandising, fulfillment, payment collection, customer support, dispute mediation and logistics services. We provide our buyers with a convenient method for sourcing surplus consumer goods and electronics, commercial capital assets, industrial equipment, energy equipment, biopharma assets, and real estate. We continually look for new categories in which we can expand our presence. For any given asset, our buyers have access to a detailed product description, product manifest, digital images, relevant transaction history regarding the seller, and, where appropriate, the shipping weights, product dimensions and estimated shipping costs to the buyer's location. This enables our solutions to become an important source of surplus assets for many of our professional buyers and end-users.

We believe our marketplaces benefit over time from greater scale and adoption by our constituents creating a continuous flow of goods benefiting our buyers and sellers. As of September 30, 2026, we had 6.5 million registered buyers in our marketplaces. We had access to millions of additional end-users through a range of external consumer marketplaces. Aggregating this level of buyer demand and market data enables us to generate a continuous flow of goods from commercial and government sellers, which in turn attracts an increasing number of buyers. During the year ended September 30, 2026, we grew our registered buyer base by 7.8% or 473,000 registered buyers. Our registered buyer base resulted in 4.3 million auction participants in our online auctions during the year ended September 30, 2026.

As buyers continue to discover and use our e-commerce marketplaces as an effective method to source assets, we believe our solutions become an increasingly attractive sales channel for commercial and government agency sellers. We believe this self-reinforcing cycle results in greater transaction volume and enhances the value of our marketplaces.

Competitive Factors

We have created liquid marketplaces for virtually any type, quantity, or condition of surplus assets. The strengths of our business model include:

Aggregation of supply and demand for surplus assets

The strength of our business model rests on our ability to aggregate sellers and buyers through our marketplaces. Sellers benefit from a liquid, transparent market and the active participation of our large base of professional buyers, which enhances sellers' returns in comparison to less efficient models. Buyers benefit from our relationships with high-volume, commercial and government sellers, which provide buyers with continuous access to a comprehensive selection of surplus assets. Our solution eliminates the need for sellers and

buyers to rely on the highly fragmented and geographically dispersed group of traditional liquidators and auctioneers. Instead, sellers and buyers access our global e-commerce marketplaces for their entire surplus asset needs.

Faster transaction cycle times for our sellers and buyers

We believe our marketplace solutions allow our sellers to complete the entire sales process more rapidly than through other liquidation methods by reducing the complexities in the reverse supply chain and utilizing our multi-channel strategies to optimize recovery and velocity. As a result, our sellers can reduce surplus or less valuable inventory quickly, generate additional working capital and reduce the cost of carrying unwanted assets. We engineer sales around the unique needs of each customer, offering tailored solutions that align with their specific asset types, volume, and recovery goals. Our self-listing option enables sellers to initiate an around-the-clock auction cycle, providing greater speed and flexibility in the liquidation process. Additionally, we provide a complete solution to enable professional buyers of any size throughout the world to purchase assets efficiently. For these buyers, we provide a broad range of services to give them the information necessary to make an informed bid and assure they can quickly and efficiently receive the goods purchased.

Global presence with an experienced track record

Doing business for over 25 years with an international presence, our online marketplaces connect a global network of buyers and sellers within the circular economy. Our global operations allow each of our segments to be agile in responding to client demands, navigate hurdles of cross-border commerce, increase the pool of buyers and sellers, and empower global market pricing serving to maximize asset recovery rates for surplus assets across our over 900 asset categories.

Integrated and comprehensive solution

Our marketplaces provide sellers and buyers with a comprehensive solution for the online sale and purchase of surplus assets. We offer marketplaces with self-directed and full-service solutions. Our self-directed solutions provide transaction settlement and marketing support while allowing sellers to undertake the work of photographing, cataloging, and building their auctions.

Our value-added services simplify the sales and supply chain processes for our sellers and improve the utility of our marketplaces for our buyers. For commercial and certain government sellers, we provide sales, marketing, logistics, and seller support services that are fully integrated with our marketplaces, creating operational and system efficiencies. For many of these sellers, asset disposition is not a core business function to which they desire to dedicate internal resources. With our solution, we manage each step of the transaction and reverse supply chain for our sellers, reducing complexity while providing the ability to optimize the seller's net financial return in the sale of surplus goods and assets. Sellers simply make goods available at their facilities or deliver them to our warehouses and we deliver the sale proceeds, less our portion of such proceeds and/or our commissions or fees, after the sale is completed.

One example of additional support we provide to our sellers is an asset management tool as delivered through Asset Zone, a secure portal that provides clients with real-time visibility and control over their assets. Asset Zone enables informed decisions on asset disposition including the ability to easily list assets on our global marketplaces thereby producing value and efficiencies during the disposition process and lowering total cost of ownership for our clients. Designed for organizations managing fleets of any size, Asset Zone centralizes data to provide a unified view of fleet composition, utilization, and operating costs. These capabilities optimize asset performance, reduce capital expenditures, and improve overall financial efficiency, while facilitating streamlined participation in our marketplaces.

We process individual items, pallets, less-than-truckload (LTL), and full-truckload (FTL) sales through multiple channels. The mix of these formats affects pricing, taking rates, handling costs, and inventory turnover. We seek to select the format and channel that best balances recovery value, sales velocity, and processing costs for the relevant assets.

Our buyer services include intelligent alerts, search tools, dynamic pricing, shipping and delivery where available, secure payment, live buyer support, and dispute resolution to enable effective methods to source assets for their businesses.

Flexible and aligned transaction model

We offer two primary transaction models to our sellers: the consignment transaction model and the purchase transaction model. Under the consignment transaction model, we do not purchase inventory from a seller; instead, we enable a seller to sell its goods in our marketplaces and we earn commission revenue based on the proceeds received from the sale. Sellers that elect the consignment transaction model are considered consignors. Under the purchase transaction model, we purchase inventory from a seller that we resell in our marketplaces. Sometimes our inventory purchase price is variable, as we may share the gross or net proceeds of such resales with the seller. Sellers that elect the purchase transaction model are considered vendors.

Solutions that promote sustainability for improved corporate/government stewardship

Our e-commerce marketplace solutions power the circular economy and provide benefits to businesses, communities, and the environment. We achieve this through our safe and effective resale and redeployment of surplus assets; reduction of waste; and creating markets for items that might otherwise have been landfilled. Some of the world's largest forward-thinking corporations and government agencies have enhanced their stewardship of communities and the environment by utilizing our services and selling their surplus assets through our marketplaces.

Technology, data & analytics enhance our services and solutions for buyers and sellers

We continue to make strategic investments in our technology capabilities. Aligning the capabilities of our auction platforms with the Company's unique, vertical-specific knowledge has enabled us to develop the AllSurplus marketplace. This platform provides an aggregated view of all assets available globally in our government and commercial sectors, and retail assets for select local and international markets. By coupling an intuitive, mobile-optimized design with site search and recommendations driven by artificial intelligence (AI) and machine learning, the platform is optimized to assist buyers in quickly finding the assets that meet their needs. Our sellers benefit from the unique nature of our unified platform by having their assets available, simultaneously, on multiple marketplaces while guaranteeing the integrity of the cross-site auction bidding. Placing the assets on multiple sites enables the marketing organization to directly target unique buyer segments that resonate with an asset's unique audience niche.

Our data infrastructure and analytics continue to provide near-real-time operational insights. By coupling our click-stream data and bid activity with our campaign activity, the marketing organization leverages a feedback loop that increases campaign effectiveness and optimizes spending.

RISE: A Blueprint for Success

Establishing the world's premier marketplace for surplus assets that benefit buyers, sellers, and the planet requires a strategic plan focused on sustainable growth. Our strategic plan is grounded in over 25 years of industry experience and is structured around four foundational pillars known as RISE.



Recovery Maximization

With a long history of speaking with and listening to our sellers, we understand recovery maximization is the single most important driver in attracting sellers to our marketplaces. Through technology and innovation, we can improve the buyer experience across our network of marketplaces, which attracts more buyers to these marketplaces, thus driving higher net recovery.

Increased Volume

We intend to increase the volume of transacted surplus on our marketplaces with flexible service offerings and pricing models to meet the needs of existing and new sellers. Through enhanced service models, we have broadened our self-directed offering to allow government and commercial sellers that need a more comprehensive solution to leverage the power of our marketing and online marketplaces to drive buyer demand for their assets. This approach allows us to more completely penetrate the total addressable market by better meeting the needs of small and mid-sized organizations, equipment dealers, and organizations with lower volumes.

Service Expansion

We intend to grow our services with recurring revenue characteristics that leverage our technology platform, domain expertise, data, and marketplace channels. By leveraging our extensive knowledge and technology, we intend to grow our revenue by attracting more sellers and more volume through expanding our services to better support sellers and buyers and expanding and improving our asset management and redeployment tools for commercial and municipal government sellers on our new aggregated marketplace. Lastly, we are leveraging our Machinio & Software Solutions segment to expand our capabilities with respect to technology-enabled advertising. This is a natural adjunct to the self-service and full-service solutions available in our marketplaces.

We intend to grow our services with recurring revenue characteristics that leverage our technology platform, domain expertise, data, and marketplace channels. By leveraging our extensive knowledge and technology, we intend to grow our revenue by attracting more sellers and more volume through expanding our services to better support sellers and buyers and expanding and improving our asset management and redeployment tools for commercial and municipal government sellers on our new aggregated marketplace. Within Machinio, we are placing greater emphasis on tools for equipment sellers to improve discoverability as AI-driven changes alter the way buyers search and transact online. Our Software Solutions business also provides private-label auction technology, which is a natural adjunct to the self-service and full-service solutions available in our marketplaces.

Expense Leverage

We intend to improve operating expense leverage by controlling costs and leveraging technology innovation to increase productivity. We have simplified and streamlined our operations and consolidated business processes and systems, which has improved scalability.

We maintain unified marketing platforms and analytical capabilities to improve our seller and buyer marketing productivity by increasing the number of sellers using our platform and by driving increased volumes of highly targeted buyers to our marketplaces. Key marketing support activities are embedded directly at the business unit level to support the successful execution of asset sales at each of our marketplaces.

Our Marketplaces

Our network of marketplace brands serves buyers and sellers in numerous industries across hundreds of product categories.



Our e-commerce marketplaces, designed to address the particular requirements and needs of buyers and sellers, are efficient and convenient methods for the sale of surplus consumer goods and capital assets in over 900 product categories including, but not limited to:

- consumer electronics
- general merchandise
- apparel
- scientific equipment
- aerospace parts and equipment
- technology hardware
- real estate
- energy equipment
- industrial capital assets
- heavy equipment
- fleet and transportation equipment, and
- specialty equipment

Our latest AI-powered personalized buyer recommendations help users find what they're looking for, or items they may be interested in, while additional proprietary technology investments have allowed us to better monetize the underbidders in an auction event by re-engaging them with a similar asset listing.

Besides these leading business-to-business marketplaces, we recognize the need to reach end-users for some assets our sellers have entrusted to us. We have developed the capability to sell products on our sellers' behalf directly to end-users and/or consumers using a range of existing marketplaces. Our hyper-localized direct-to-consumer sales experiences are offered through AllSurplus Deals, providing for a convenient location pick-up solution connecting our retail supply directly to consumers in our target markets, and Retail Rush, a new direct-to-consumer experience introduced during fiscal year 2025 combining the excitement of an online retail deep discount experience with a physical bin store. Retail Rush and AllSurplus Deals currently operate at a limited scale within RSCG, while our managed direct-to-consumer business also uses third-party marketplaces and social-selling channels.

In addition to our e-commerce marketplaces, we have dedicated sales teams supporting the needs of our established global buyer base that seek items in larger quantities than are offered through our standard auction platforms. These range from a single truckload to ongoing flows of goods for export anywhere in the world, where we market, handle, and support the full transaction on behalf of our buyers. We expect to continue to meet the needs of our sellers and to access a growing range of products for all buyers by enhancing our multi-channel strategy to ensure we create value for assets at the end of their initial product life cycle.

Investing in a Better Future

Our vision is to create a better future for surplus by providing trusted online marketplace platforms that power the circular economy, benefiting buyers, sellers, and the planet. We anticipate increasing volume on our marketplaces by placing a greater focus on certain categories, including heavy equipment and construction, where we are investing in sales capabilities and seller and buyer relationships. We also intend to grow our volume within the retail supply chain by leveraging the self-directed service model and developing our Retail Rush marketplace, where buyers can shop both online and in-store for surplus goods and assets. We will continue to provide flexible pricing models that enable our sellers to choose the consignment or a purchase-based model that fits their needs, while offering sustainable solutions designed for growth.

Organizations are increasingly prioritizing sustainable solutions for surplus asset management. Our commitment to repurposing and efficiently redistributing surplus and capital assets, allows us to help our sellers minimize waste and maximize value for their buyers, companies, and the communities they serve. We play a vital role in the circular economy, keeping valuable goods in use and out of landfills, supporting the efficient flow of resources.



Our Value-Added Services for Buyers and Sellers

In addition to our self-directed tools for our sellers, we have integrated value-added services to simplify the reverse supply chain processes for both our sellers and buyers. We believe these services generate operational efficiencies within this element of the supply chain enabling the greatest value for sellers and buyers with the highest level of confidence and transparency in the services we provide.

Additionally, we believe these services improve compliance with the policies, regulations, and sale restrictions of our commercial and government sellers while supporting, or greatly enhancing, many commercial or government environmental initiatives.

Seller services. We offer value-added services to sellers in three areas: (a) merchandising and channel optimization; (b) logistics; and (c) settlement and seller support, including compliance services.

- *Merchandising and Channel Optimization.* Our efforts encompass the services necessary to prepare retail merchandise for a successful auction and include the following:
    - Channel optimization - we determine the marketplace and channel sales strategy that we believe will create the most value for the individual asset using our real-time transaction systems and proprietary data to support ongoing optimization.
    - Marketing and promotion - we use a variety of both online and traditional marketing methods to promote our sellers' merchandise and generate interest in each asset.
    - Asset lotting and merchandising - we leverage our industry experience to organize the merchandise we receive into size and product combinations that meet buyer preferences within each marketplace and channel.
    - Product information enhancement - we provide digital images of the merchandise to be sold and combine the images with relevant information. To increase the realized sales value, we also research, collect, and use supplemental product information to enhance product descriptions and categorization.
    - Recommendations - we utilize AI and big data algorithms to match buyers to the right products, enhancing our sellers' overall recovery.

- *Logistics.* We provide logistics services designed to support the receipt, handling, transportation, and tracking of merchandise offered through our marketplaces, including the following:
    - Network of warehouses - we provide sellers with the flexibility of either having us manage the sales process at their location or delivering merchandise to one of our warehouses.
    - Inventory management - sellers benefit from our management and inventory tracking system designed so merchandise is received, processed, and delivered promptly.
    - Cataloguing merchandise - we catalogue all merchandise, which enables us to provide useful product information to buyers and sellers.
    - Inspection and grading - in certain circumstances, we inspect the merchandise and provide condition descriptions to improve quality and the financial recovery to the seller.
    - Testing, data wiping, de-labeling, and refurbishment - we test products, wipe electronic data, refurbish and remove labels and product markings from merchandise prior to sale to add value to the asset and protect sellers' brand equity and distribution relationships.
    - Return to vendor or product disposition to non-sales channels - we manage the end-to-end processes for our sellers ensuring that returned merchandise is disposed of in compliance with a variety of disposition requirements. We provide end-to-end management of returning products to vendors, charities, or channels outside of our leading marketplace solutions.
    - Outbound fulfillment - we can arrange for domestic or international shipping for all merchandise, whether it is a small item or container load for export located in one of our warehouses or at a seller's facility.

- *Settlement and seller support*. Settlement and seller support services are designed for successful and reliable completion of transactions and include:
    - Buyer qualification - we qualify buyers to ensure their compliance with government or seller mandated terms of sale, as well as to confirm their ability to complete a transaction.
    - Collection and settlement - we collect payments on behalf of sellers prior to delivery of any merchandise and disburse the proceeds to the seller after the satisfaction of all conditions of a sale.
    - Transaction tracking - we enable sellers and buyers to track and monitor the status of their transactions throughout the sales process. We support the successful completion of each transaction on behalf of the buyer and seller.

- Reporting - we provide a range of comprehensive reporting services to sellers throughout the sales process. Our invoicing and reporting tools can be integrated with the seller's information system, providing a more efficient flow of data.
- Seller support and dispute resolution - we provide full support throughout the transaction process and dispute resolution for our buyers and sellers if needed.

- *Buyer services.* Many of the services we provide to sellers also benefit buyers by providing them with the information to make a more informed bid and by delivering the goods they purchased. Our buyer-focused services include:
  - Intelligent alerts and recommendations - we notify buyers of upcoming auctions based on their registered preferences and prior transaction history. Registered preferences can be as broad as a product category or as specific as a part number or key word. We use this information to make informed recommendations whenever we identify a product that fits a buyer's preferences. We will alert our buyers based on their preferences when auctions are initially launched or nearing conclusion and based on various other parameters to enable our buyers to see relevant products.
  - Search and navigation tools - buyers can search our marketplaces for products based on a variety of criteria and personalized settings, including product category, keyword, lot size, product condition, product geographic location, and auction ending date.
  - Dynamic pricing tools, product information, and shipping quotes - we offer multiple dynamic pricing tools including outbid notification, automated bid agent, and automatic auction extension. In addition, we provide buyers with the information they need to make informed decisions, including product data, seller performance, and online shipping quotes to help understand their landed cost.
  - Broad and flexible range of shipping/pick-up options - we can provide packaging and shipping services for many transactions, whether it is a small item or container loads for export, including buyer pick-up at our premises, supporting buyer-arranged transportation through our preferred shippers network, or providing customer pick-up appointments for both Liquidation.com and AllSurplus Deals transactions at specific warehouse locations.
  - Secure settlement and buyer support - besides qualifying sellers, providing several electronic payment options and serving as a trusted market intermediary, we verify transaction completion and help ensure that buyers' funds are secure throughout the transaction process, all of which enhances buyer confidence.
  - Buyer support - we provide full reliable buyer support and dispute resolution through phone, email, and chat throughout the transaction process.

Sales and Marketing

We use sales and marketing activities to acquire and manage our seller and buyer accounts. Our sales activities are focused on acquiring new sellers and expanding existing sellers' use of our solutions. Our marketing activities are focused on acquiring and activating new buyers and increasing existing buyers' participation. Our marketing team also manages our marketplace brands and seller-led generation efforts that support the sales team.

Sales

Our sales personnel develop seller relationships, contract to provide our services and manage the business accounts on an ongoing basis. Our sales team focuses on building long-term relationships with sellers that we believe will generate recurring transactions and position the Company as an integral partner helping them to achieve their goals. They also leverage our years of experience and market data of completed transactions to identify which of our various services would be beneficial to each new or existing seller. Our sales team brings our global scale and specialist knowledge to an ecosystem of auction partners, leveraging our expertise to create additional opportunities for us to participate in purchase and consignment transaction model projects across the globe. In addition, we have a lead generation team which tracks relevant media around the world, seeks to increase global awareness of the Liquidity Services brand and its reputation across target markets, and participates in selected trade show and industry events, each in an effort to increase demand for our offerings. The lead generation team uses several sources to research information relevant to our marketplaces, which sources include news aggregators, trade journals, industry-specific websites and business reports on a global basis.

We organize our sellers into two distinct groups: full-service sellers and self-directed sellers. We base our approach on our experience in understanding and serving the unique needs of each type of seller:

- *Full-service sellers.* These sellers require an end-to-end solution, using a combination of our industry-focused sales team and our value-added services to create a comprehensive, scalable solution tailored to their needs.
- *Self-directed sellers.* These sellers are offered a turn-key solution enabling them to self-direct the sale of their assets on our marketplaces by accessing tools and resources to optimize their net recovery.

Our sales personnel receive salary and performance-based commissions.

Marketing

We use a variety of online and traditional marketing strategies to attract and activate buyers to maximize the number of bidders participating in our e-commerce marketplaces as well as to support our sales team:

- *Buyer acquisition.* We utilize marketing automation and digital marketing, including paid search advertising, search engine optimization, affiliate programs, and cross promotion to acquire new buyers. We supplement this online marketing with special event print media, classified advertisements, and selected direct mail campaigns. Public relations campaigns, participation in trade shows, and speaking engagements also complement our overall buyer acquisition efforts.
- *Buyer participation.* We use many tools to increase buyer participation, including: targeted opt-in e-mail newsletters that provide content based on the buyer's stated categories of interest and past bidding or transaction activity; special e-mail alerts highlighting specific products of interest; personalized recommendation engines; and convenient search tools that enable a buyer or prospective buyer to find desired items on our e-commerce marketplaces.
- *Market research.* To better target buyers by industry segment, geographic location, or other criteria, our marketing department continually gathers data and information from each of the buyer segments we serve. In addition, the marketing department conducts regular surveys to better understand buyer behavior and needs. We have adopted a privacy policy and have implemented security measures to protect this information.
- *Sales Support.* Our marketing department employs a robust demand generation program, creates documentation and research to support our sales team in presenting our Company to potential sellers, including sales brochures and white papers, and participates in selected trade shows.

All marketing activities are evaluated based on the level of auction participation in our marketplaces, the cost to acquire new participants, and the cost effectiveness of each action.

Technology and IT Infrastructure

Technology is central to our ability to connect sellers of surplus assets with buyers efficiently, securely, and at scale. As organizations increasingly seek digital solutions to manage surplus assets, retail returns, overstocks, industrial equipment, government property, and foreclosed real estate, our marketplaces and software platforms help sellers reach qualified buyers, accelerate asset disposition, and maximize recovery while reducing the effort required to manage transactions.

Our online marketplaces provide trusted platforms for the exchange of assets and payments between buyers and sellers. Our proprietary technologies, supported by selected specialized service providers, automate and streamline many of the activities involved in listing, discovering, evaluating, bidding on, purchasing, paying for, and shipping assets. This combination of proprietary and third-party capabilities allows us to enhance our marketplace experiences and respond to the distinct requirements of our sellers, buyers, and selling channels.

Our technology infrastructure supports:

- Multiple transaction and pricing formats, including standard auctions, sealed bids, make-an-offer transactions, fixed-price sales, and formats combining fixed-price and auction functionality;

- Scalable back-office capabilities that allow buyers and sellers to manage transactions across distributed organizations, including account administration, payment collection, invoicing, shipping, and transaction settlement; and

- Flexible integration through application programming interfaces and other data exchange methods, enabling us to support customers ranging from individual asset sellers to large enterprises.

Our websites and supporting systems use hyperscale cloud infrastructure provided by Amazon Web Services and Microsoft Azure. These platforms provide flexibility to respond to changes in marketplace traffic and transaction activity. Our applications are designed with resiliency and fault tolerance in mind, and we have experienced no financially material service interruptions on our e-commerce marketplaces.

Our flagship marketplace platform combines more than 20 years of experience operating GovDeals.com with the modern user experience of AllSurplus.com. The platform provides a consolidated and scalable foundation for marketplace operations, including accessible user experiences, site search, navigation, and product recommendations. AI and machine learning support search and recommendation capabilities that help buyers locate relevant assets more efficiently.

The platform also supports cross-marketplace exposure. Eligible assets listed through GovDeals or AllSurplus may be presented across both marketplaces, providing sellers with access to the combined buyer audiences, including an international pool of bidders. By bringing assets and buyers together across marketplaces, this cross-listing capability is intended to increase marketplace participation and support the recovery outcomes valued by our sellers. This combination of specialized marketplace technology, buyer reach, and seller inventory is an important element of our value proposition.

We devote substantial resources to the continuing development of our technology and IT infrastructure. We believe the combination of proprietary marketplace technology, specialized operating expertise, and flexible public-cloud infrastructure enables us to tailor solutions to differing asset categories, selling channels, and customer requirements. Our platforms are designed specifically to support the disposition of surplus and specialized assets, distinguishing our technology from general-purpose e-commerce platforms. Some existing platforms require ongoing maintenance and modernization of legacy technology. The scope and timing of future replacement investments remain under evaluation.

During the fiscal year ended September 30, 2026, we introduced AI-assisted capabilities within the GovDeals and AllSurplus buyer experiences, including a conversational agent designed to support asset discovery and respond to certain customer-service inquiries. We also introduced vector-search capabilities that allow buyers to use more natural-language queries when searching for assets. These capabilities are intended to reduce friction in asset discovery and help buyers identify relevant inventory more efficiently.

We continued to enhance SAM, our seller account-management application, making improvements to asset upload functionality, expanding media-editing capabilities, and providing mobile-responsive reporting. These enhancements are designed to simplify asset submission and help sellers manage listings across devices.

We also began deploying AssetPics, our AI-assisted asset-cataloguing service, to selected accounts. AssetPics allows sellers to upload images of assets and uses those images to assist with asset identification, listing-description generation, and category selection. The service is designed to reduce seller effort and improve the completeness and consistency of asset listings. This service was delivered by our Software Solutions team, leveraging the staff and experience acquired in the Auction Software transaction.

We are also incorporating AI-assisted tools into selected software development and technology operations activities. These capabilities are intended to improve productivity, support software quality, and assist in the ongoing modernization and enhancement of our technology platforms.

Our retail business continued to benefit from the acquisition of Auction Software and its Auction.io platform, which supported the launch of Retail Rush, our direct-to-consumer retail offering. Retail Rush combines an online deep-discount shopping experience with a physical bin-store format and local pick-up, with Auction.io providing the underlying auction technology. See Note 3 - *Acquisitions*, for additional information.

Development undertaken to support Retail Rush also benefits our Software Solutions segment and its private-label customers, as relevant capabilities developed for Retail Rush are incorporated into the Auction.io platform. This model allows us to apply technology developed for our operated retail experience to the software solutions we provide to third-party marketplace operators.

Our core back-office infrastructure is designed to support a flexible operating model. As a remote-first organization, we use cloud-based systems that enable employees to operate effectively in remote, on-site, and hybrid environments. This flexibility supports our ability to recruit and retain talent and serve customers regardless of location.

Customers are increasingly looking for our solutions to facilitate asset recovery across industries and geographies. We continue to develop technology that supports rapid and secure transactions between buyers and sellers, whether they are in the same region or across international markets. Our long-term technology priorities include:

- Improving the user experience across our marketplaces;
- Enhancing customer identity and account-management capabilities to improve access, security, and customer experience; and
- Applying generative-AI and other automation technologies to improve efficiency across the enterprise.

Our ability to execute these priorities, continue improving our marketplaces, and adapt our technology to evolving buyer and seller expectations is important to our future growth.

Data, Insights, and Services

Data and analytics are important to the performance of our marketplaces and the effectiveness of our commercial and marketing activities. We use contextual data, internal analytics, and marketing technologies to identify sales opportunities, attract and retain buyers, and improve the relevance and timing of marketing communications.

These capabilities help our teams reach prospective buyers with relevant communications and support the bidding activity that contributes to marketplace liquidity and seller recovery. Data also supports search, product recommendations, and other marketplace experiences intended to help buyers identify relevant assets more efficiently.

Cybersecurity and Data Privacy

The cybersecurity threat environment continues to evolve, including through the use of AI and other technologies by threat actors. Protecting our clients' data, our brand, and our information systems is a critical business priority. We maintain cybersecurity and data privacy programs designed to address evolving threats and applicable legal and regulatory obligations.

We are subject to government regulation and other legal obligations relating to privacy, data protection, and information security, and we maintain cybersecurity and data privacy programs designed to address these responsibilities.

For additional information regarding our cybersecurity and data privacy risk-management and governance processes, see Part I, Item 1C, Cybersecurity, of this Annual Report on Form 10-K.

Operations

Supporting large organizations that have a recurring need to sell surplus assets requires systematic processes to enhance the financial value and convenience received by our sellers. We believe we have integrated the required operational processes into our solution to efficiently and effectively support our buyers and sellers. Our operations group comprises three functions as follows:

Buyer relations

Our buyer relations group supports the completion of buyer transactions by managing the buyer registration and qualification process, answering questions and requests from buyers, collecting buyer payments, and resolving disputes. Our websites contain extensive information about buying through our e-commerce marketplaces, including an online tutorial regarding the use of our marketplaces, answers to frequently asked buyer questions, and an indexed help section. Buyers can contact a buyer support service representative by live chat, e-mail, or phone if they need additional support.

Shipping logistics

Our shipping logistics group manages and coordinates inbound and outbound shipping of merchandise for sellers and buyers of our Retail services. We offer, as part of our value-added services, integrated shipping services using multiple vetted and pre-qualified carrier partners. In addition, our shipping coordinators monitor the performance and service level of our network of carriers to help ensure speed and quality of service.

Warehouse network and field service operations

Our warehouse network and field service operations groups perform selected pre-sale and post-sale value-added services across our network of warehouses and at seller locations globally. These activities include unloading, manifesting, and reporting discrepancies for all received assets and sales preparation of offered assets, including merchandising and organizing offered assets, writing product descriptions, capturing digital images and/or video and providing additional optional value-added services such as returns management (RM) services; return to vendor (RTV) services; and product de-labelling, data cleaning/wiping, testing, refurbishment and repackaging services. Our warehouse network and field service operations personnel also arrange the outbound shipping or pick-up of purchased assets for our buyers.

Competition

The online services market for auctioning or liquidating surplus assets is competitive and growing rapidly. We compete with:

- other e-commerce platforms;
- auction, reverse auction, and direct sale websites;
- government agencies that have created websites to sell surplus assets; and
- traditional liquidators and fixed-site auctioneers.

In our marketplaces for surplus assets, we compete with a variety of online, mobile, and offline channels. These include, but are not limited to, e-commerce providers, business-to-business (B2B) online marketplace platforms, auction websites, retailers, distributors, liquidators, import and export companies, auctioneers, and government agencies that have created websites to sell surplus. As our product offerings continue to broaden into new categories of surplus items, we expect to face additional competition from other online, mobile, and offline channels.

Our markets may become even more competitive as traditional and online liquidators and auctioneers continue to develop online and offline services for disposition, redeployment, and remarketing of surplus assets. In addition, manufacturers, retailers and government agencies may create their own websites to sell their own surplus assets and those of third parties.

Competition may intensify as our competitors enter into business combinations or alliances and established companies in other market segments expand to become competitive with our business. In addition, new and enhanced technologies, including search, web and infrastructure computing services, AI, digital content, and electronic devices, may increase our competition. The Internet facilitates competitive entry and comparison shopping, and increased competition may reduce our sales and profits.

Our Vendor Contracts with Amazon.com, Inc.

We have multiple vendor contracts with Amazon.com, Inc. under which we acquire and sell commercial merchandise. While purchase-model transactions account for less than 20% of our total GMV, the cost of inventory for purchase model transactions is the most significant component of our consolidated Costs of goods sold. $18.7 million and $10.1 million of inventory purchased under such contracts with Amazon.com, Inc. are included in our Inventory balances on our Consolidated Balance Sheets as of September 30, 2026 and 2025, respectively. The Company's vendor contracts with respect to sourcing or consigning merchandise for its RSCG segment generally reflect the concentration dynamics inherent to the retail industry. Our Amazon contracts do not require a minimum volume of inventory to be provided to us, while we are generally required to accept the inventory liquidated at the sites awarded to us. Amazon may change the volume and mix allocated to us, including through competitive allocation processes.

Government Regulation

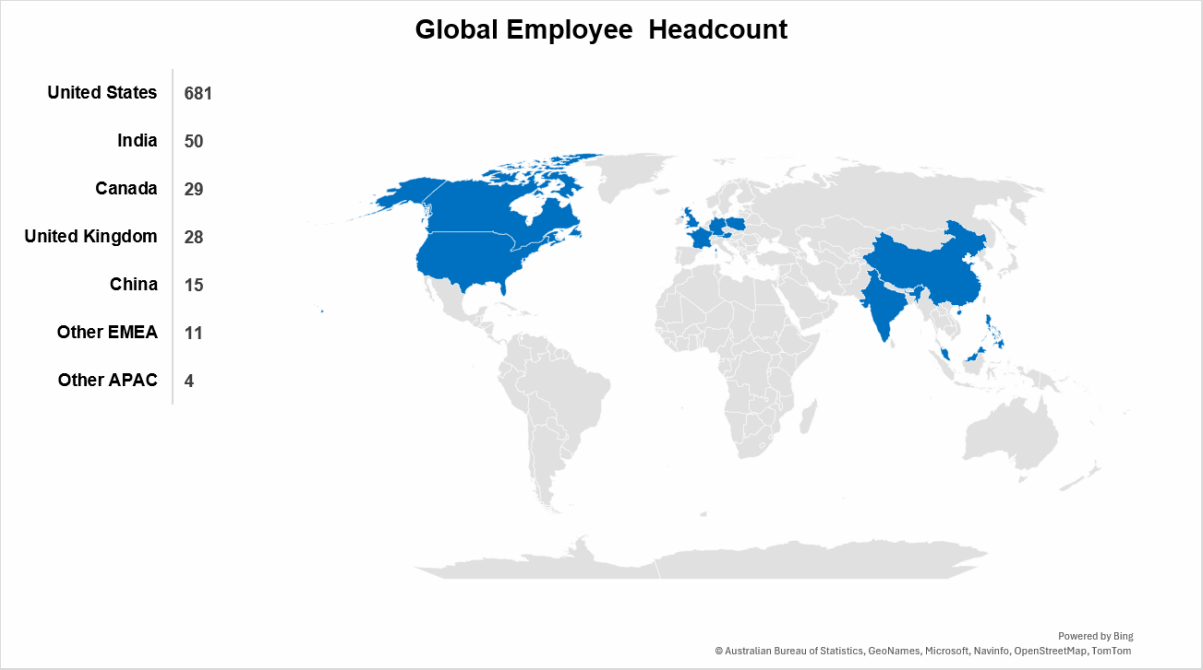
We are subject to federal and state consumer protection laws, including laws protecting the privacy of customer non-public information and regulations prohibiting unfair and deceptive trade practices. The growth and demand for e-commerce have resulted in and may continue to result in more stringent consumer protection laws and data privacy laws that impose additional compliance burdens on e-commerce companies. In particular, we continue to address changes in state, federal and international privacy laws and regulations, including the General Data Protection Regulation (GDPR) in the European Union and the California Consumer Privacy Act (CCPA) in the United States. Many jurisdictions also regulate "auctions" and "auctioneers" and may regulate online auction services. These consumer protection laws and regulations could cause substantial compliance costs and could interfere with the conduct of our business.

Intellectual Property

We regard our intellectual property, particularly domain names, copyrights, and buyer database trade secrets, as critical to our success. We rely on contractual restrictions and copyright and trade secret laws to protect our proprietary rights, know-how, information, and technology. We currently are the registered owners of several Internet domain names, including www.liquidityservices.com, www.liquidation.com, www.govdeals.com, www.allsurplus.com, www.secondipity.com, www.retailrush.com, www.machinio.com, www.auction.io, www.sierraauction.com, and www.bid4assets.com. We pursue the registration of our domain names in the U.S. and internationally. We have no patents or registered copyrights. Effective patent, copyright, trademark, service mark, trade secret, and domain name protection are expensive to maintain and may require litigation to enforce.

Human Capital Management

To achieve our goal to build the world's leading marketplace for surplus assets to benefit buyers, sellers, and the planet, it is crucial that we attract, nurture, and retain employees who deliver outstanding performance. We strive to make Liquidity Services a rewarding place to work by attracting and retaining employees with a broad range of experiences, perspectives and skills. As of September 30, 2026, our number of employees by region was as follows:



We also utilize temporary workers to augment staffing during peak business cycles and to fill certain open positions on a temporary basis.

Importance of our Employees

We believe our employees are essential to achieving our business goals and growth strategy. Our human capital strategy is focused on attracting, retaining, developing, and motivating talented employees. We use online search tools, specialized recruiting firms, employee referral programs, job postings across various media platforms, and university recruiting to identify and attract talented candidates. By drawing on the diverse experiences, skills, and perspectives of our employees, we aim to strengthen problem-solving, foster innovation, and deliver solutions that meet the evolving needs of our clients and customers.

In support of our objective to attract, develop, and retain a highly skilled workforce, we view AI-enabled tools as a way to create capacity for our employees while preserving human judgment, appropriate oversight, and accountability. By equipping our people to use these tools responsibly, we seek to automate routine tasks, accelerate learning and development, and enable employees to focus on higher-value work for our buyers and sellers. We believe this approach strengthens employee skills, reinforces ownership of outcomes, increases our pace of execution, and makes work more rewarding. It also enables us to scale our business with a focused, highly skilled workforce while preserving the institutional knowledge, customer relationships, and operational expertise that are important to our long-term success.

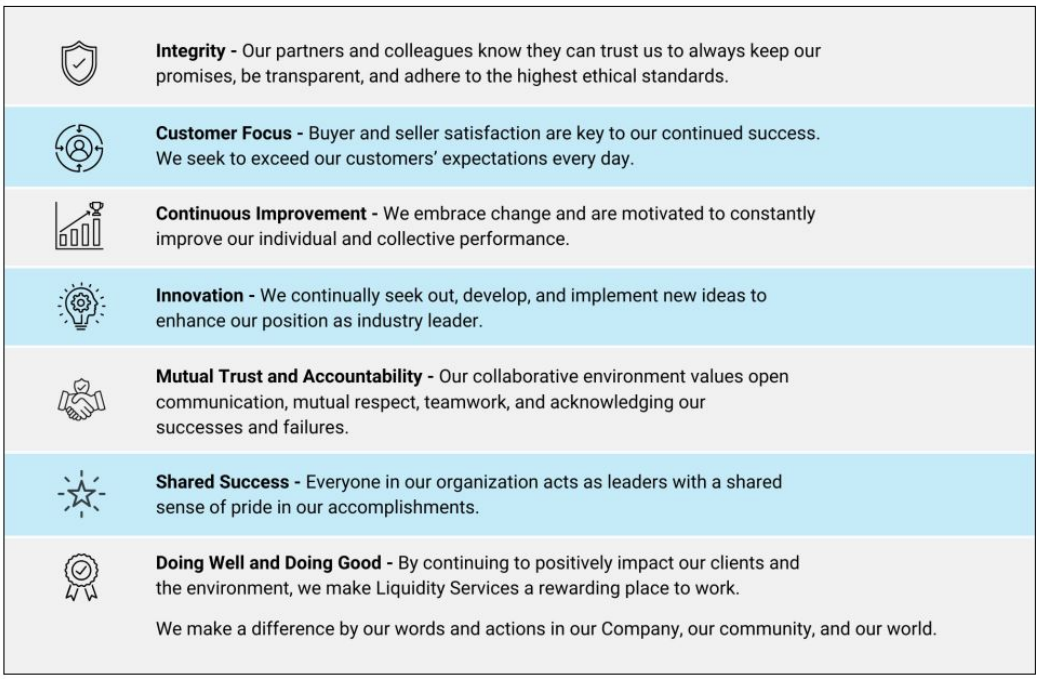
Health and Well-Being

We value the health and well-being of our employees and provide generous benefit options for our employees and their families. Our plans are designed to enhance employee wellness by focusing on health, financial security, life, and learning. Our health benefits include multiple medical plans, dental and vision coverage, mental health support, and paid parental leave. In the U.S., we pay a significant portion of the benefit premiums related to our health benefits. Employees are offered certain benefits at no charge to them or their families, including Life and AD&D insurance, short- and long-term disability insurance, and Health Savings Account contributions. The financial security benefits program includes a 401(k) plan with discretionary employer match and access to health savings accounts and health and dependent care flexible spending accounts.

We provide a range of insurance products and employee assistance programs. Internationally, we also offer a variety of benefit plans customized to reflect local conditions. Our learning and development programs include tuition support for employees and a global training and development program that focuses on building technical skills and leadership development, as well as training in various topics including cybersecurity, anti-harassment, ethics, and regulatory compliance.

Culture and Community

The Company's culture is rooted in our core values and aligned to the Company’s strategic framework. Our culture expresses our expansive vision and fervor for community and collaboration and is honed by the following core values:



We reinforce, monitor, and assess our culture through a variety of programs which include performance management, succession planning, and employee engagement surveys, all of which serve to further our human capital objectives. Each of our team members is part of our global initiative to make a difference in the communities where we live and work. We actively support our global communities through outreach programs, relief efforts, sustainability initiatives, and education and mentorship programs.

Flexible Workspace

We are a remote-first work environment. We are committed to allowing flexibility in our workplace to promote high performance and retention while also continuing to meet customer and business needs.

Sustainability Efforts

At our core, Liquidity Services strives to benefit businesses, communities, and the environment through our marketplaces which enable the continued use of surplus assets that may otherwise end up in landfills. These efforts extend to our employees as well, where our remote work structure for applicable employees has enabled lower expended energy and emissions from both transportation-related activities and operations across our real estate portfolio.

Available Information

Our proxy statement, annual, quarterly, and current reports, as well as amendments to those reports and other information, are provided free of charge on our website at www.investors.liquidityservices.com, as soon as reasonably practicable after we electronically file these materials with or furnish them to, the Securities and Exchange Commission (the SEC). We use our website as a channel of distribution for material Company information. We post important information, including news releases, analyst presentations, investor presentations, and financial information regarding the Company at https://liquidityservices.com/ and http://investors.liquidityservices.com.

Cautionary Note Regarding 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 risks and other factors include, but are not limited to, statements regarding the Company's business outlook; anticipated economic and operational impacts as a result of global macro-trends and events; our technology modernization and product-development initiatives, including AI-enabled tools and Machinio System; the integration and anticipated benefits of Auction Holdings; the development of our direct-to-consumer channels and heavy equipment business; expected future effective tax rates; trends and assumptions about future periods, the numerous factors that influence the supply of and demand for used equipment; economic and other conditions in local, regional and global sectors; and those listed in Part I, Item 1A (Risk Factors) and in our other filings with the SEC from time to time. 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 may be other factors of which we are currently unaware or deem immaterial that may cause our actual results to differ materially from the forward-looking statements.

All forward-looking statements apply only as of the date of this Annual Report on Form 10-K 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 Annual Report or to reflect the occurrence of unanticipated events.

Use of Market and Industry Data

Unless otherwise indicated, information contained in this Annual Report on Form 10-K concerning our industry and the markets in which we operate, including our general expectations about our industry, market position, market opportunity, and market size, is based on data from various sources including internal data and estimates as well as third-party sources widely available to the public such as independent industry publications, government publications, reports by market research firms, or other published independent sources and on our assumptions based on that data and other similar sources. Industry publications and other published sources generally state that the information contained therein has been obtained from third-party sources believed to be reliable. Internal data and estimates are based upon information obtained from trade and business organizations and other contacts in the markets in which we operate and management's understanding of industry conditions, and such information has not been verified by any independent sources. This data involves several assumptions and limitations, and you are cautioned not to give undue weight to such estimates. While we believe the market, industry, and other information included in this Annual Report on Form 10-K to be the most recently available and to be generally reliable, such information is inherently imprecise and we have not independently verified any third-party information or verified that more recent information is not available. The information in any such publication, report, survey, or article is not incorporated by reference in this Annual Report on Form 10-K.

Item 1A. Risk Factors.

You should carefully consider the risks described below, together with all of the other information in this Annual Report on Form 10-K, including the consolidated financial statements and related notes thereto, before making an investment decision regarding our common stock. If any of the following risks occur, our business, financial condition or operating results could suffer. As a result, the trading price of our common stock could decline, and you may lose all or part of your investment in our common stock. The risks and uncertainties described below are not the only significant risks we may face. Other events that we do not currently anticipate or that we currently deem immaterial also may affect our results of operations and financial condition.

Summary Risk Factors

Our Company is subject to several risks that if realized could materially affect our business, prospects, financial condition, results of operations, cash flows, and access to liquidity.

Business and Operating Risks

- **Our ability to source a sufficient supply of assets and attract engaged buyers.** Our ability to increase our revenue and earn profits depends on whether we can successfully retain existing sellers, attract new sellers, expand the supply of assets available for sale on our e-commerce marketplaces and, at the same time, attract and retain active qualified buyers to purchase the assets in the categories we sell.
- **Our response to rapid technological changes.** To remain competitive, we must continue to enhance and improve the functionality and features of our e-commerce business, as well as transaction processing systems and network infrastructure, to allow our operations to grow in both size and scope.
- **Our use of artificial intelligence.** Our use of AI in internal processes and customer-facing products may expose us to operational, legal, regulatory, intellectual property, data privacy, cybersecurity, and reputational risks, and may not produce the anticipated benefits.
- **Our continuing initiatives.** If our continuing initiatives are not implemented successfully and within budget, or if our systems do not perform in a satisfactory manner, we may not realize the anticipated benefits of such continuing initiatives.
- **Our information technology and digital marketing improvements and availability of technology.** If we do not effectively manage improvements to our marketplaces, it could negatively affect our business and our operating results. Any system interruptions that affect our websites or our transaction systems could impair the services we provide.
- **We rely on Amazon.com, Inc. for a significant portion of the purchased inventory in our RSCG segment, and changes in the volume, mix or terms of inventory made available to us could materially adversely affect our business.** We rely on Amazon.com, Inc. for a significant portion of our RSCG purchased inventory. Changes in the volume, mix, allocation or payment terms of inventory Amazon makes available to us could reduce our revenue and margins, increase our working capital needs or result in inventory write-downs.
- **Retention of our senior management and other highly skilled employees.** Our future success also depends on our ability to continue to attract, retain, and motivate highly skilled employees, and losing any member of our existing senior management team could damage key seller relationships, result in the loss of key information, expertise, or know-how, and lead to unanticipated recruitment and training costs.
- **Competition.** Our businesses operate in intensely competitive markets. Competitive pressures could affect our ability to attract and retain buyers and sellers, which could decrease our revenue and negatively affect our operating results.
- **Our use of software licensed from third parties, open-source software, SAAS, and PAAS offerings.** Licenses to third-party software and global public cloud providers may not continue to be available on terms that are acceptable to us, or at all.
- **Our dependence on third parties for marketing technology.** Our marketing technology relies heavily on our ability to track our promotional campaign performance across marketing channels.
- **Privacy and security of personal and business information.** Losing confidential seller or buyer information could also expose us to the risk of liability, costly litigation and reputational harm.
- **Support service system interruptions.** An interruption in the operations of our buyer and seller support service system or our warehouses could significantly harm our business and operating results.

- **Our purchase transaction model.** If we fail to accurately predict our ability to sell assets in which we take inventory risk and credit risk, our margins may decline.
- **Fluctuation in operating results.** Our quarterly operating results have fluctuated in the past and may do so in the future, which could cause volatility in our stock price.
- **Stock price volatility.** Volatility in the global financial markets and other broad market and industry factors, among other factors, may adversely affect the market price of our common stock, regardless of our actual operating performance.
- **Seasonality of our business.** We experience seasonality in our business, and if we cannot effectively manage the increased demand or flow of goods we typically experience during peak periods, it could adversely affect our revenue and our future growth.
- **Our ability to identify, finance, and integrate acquisitions.** If we cannot achieve our acquisition objectives in a cost-effective and timely manner, we may not realize the anticipated benefits of the acquisition, or it may take us longer than we expect to realize the benefits of the acquisition.
- **Our international operations.** It is costly to establish, develop, and maintain international operations and websites, and promote our brand internationally, and international operations expose us to foreign exchange fluctuations.
- **Global economic conditions.** Worldwide economic conditions, including those from macro-trends and global events, may harm our business and results of operations**.**
- **Financing.** We may need additional financing in the future, which may not be available on favorable terms, if at all.
- **Demand for our surplus assets.** Our revenues could decrease if there was significant erosion in the supply of, demand for, or market values of the types of assets sold on our marketplaces.
- **Our reliance on banking partners and financial system stability.** Instability or failure of any of our primary banks or financial partners could result in a sudden loss of access to our funds, delays or failures in payment processing, or increased costs of obtaining alternative banking services, and changes in the terms of our banking relationships could adversely affect our ability to manage working capital and meet our financial obligations.

Legal and Regulatory Risks

- **Laws and regulations related to the technology systems and to the e-commerce industry.** We face legal uncertainties relating to our technology systems and to the e-commerce industry in particular and may become subject to costly government regulation.
- **Government regulations applicable to our auction business.** Many states and other jurisdictions have regulations governing the conduct of traditional "auctions", the liability of traditional "auctioneers" in conducting auctions, the sale of real property via traditional "auctions", and handling of property by "secondhand dealers" which may apply to online auction services.
- **Privacy regulations.** Our failure to comply with federal, state, and international laws and regulations relating to privacy could subject us to lawsuits, fines, criminal penalties, statutory damages, adverse publicity, and other costs which could decrease our profitability.
- **Asset-specific government restrictions.** Certain categories of assets sold on our marketplaces are subject to government restrictions.
- **Product liability.** We may be subject to product liability claims if people or property are harmed by the assets we sell.
- **Audits and investigations.** Unfavorable findings resulting from audit or investigation could subject us to a variety of penalties and sanctions, negatively impact our future operating results, and force us to adjust previously reported operating results.
- **Anti-corruption laws and regulations.** Due to the international scope of our operations, we are subject to extensive anti-corruption laws and regulations.
- **Fraudulent activity.** We periodically receive complaints of fraudulent activities of buyers or sellers on our marketplace, which may cause us to lose sellers and buyers and hurt our ability to grow our business.
- **Our corporate documents and Delaware law.** Some provisions of our charter, bylaws, and Delaware law inhibit potential acquisition bids.

- **Intellectual property rights.** Our ability to effectively safeguard and enforce our intellectual property rights may be limited, potentially impacting our reputation and adversely affecting our business growth. Assertions that we infringe on intellectual property rights of others could result in significant costs and substantially harm our business and operating results.

General Risk Factors

- **Internal controls over financial reporting.** Failure to maintain effective internal controls over financial reporting could have a material adverse effect on our business, operating results, and stock price.
- **Accounting and reporting policies or practices.** Changes in accounting and reporting policies or practices may affect our financial results, which may affect our stock price.
- **Our reputation.** Damage to our reputation could harm our business.
- **Goodwill.** We carry a significant amount of goodwill on our balance sheet and a future occurrence of a potential indicator of impairment could result in goodwill impairment charges.

Risk Factors

Business and Operating Risks

The success of our business depends on our ability to source a sufficient supply of assets from sellers to attract and retain active professional buyers, who in turn attract more sellers.

Our ability to increase our revenue and earn profits depends on whether we can successfully retain existing sellers, attract new sellers, expand the supply of assets available for sale on our e-commerce marketplaces and, at the same time, attract and retain active qualified buyers to purchase the assets in the categories we sell. Our ability to attract enough quantities of suitable assets and buyers with suitable interests in those assets will depend on various factors, some of which are out of our control. These factors include our ability to: offer sellers liquid marketplaces for their assets; offer buyers desirable assets; develop and implement effective seller and buyer marketing strategies without being perceived as favoring one at the expense of the other; comply with regulatory and commercial seller requirements affecting marketing and disposition of certain assets; efficiently catalog, handle, store, ship, and track delivery of assets; and achieve high levels of seller and buyer satisfaction.

Failure to continue to offer competitive assets to the marketplace, to supply assets that meet applicable regulatory requirements, or to predict market demands for, or gain market acceptance of, such assets, would have a negative impact on our business, results of operations and financial condition.

If we do not respond to rapid technological changes or continuously upgrade our systems, we could fail to grow our business and our revenue could decrease.

To remain competitive, we must continue to enhance and improve the functionality and features of our e-commerce business, particularly those that attract and retain buyers and sellers. As an e-commerce company, we must continuously improve and upgrade our technology, transaction processing systems, and network infrastructure to allow our operations to grow in both size and scope. Without such continuous improvements, our operations might suffer from unanticipated system disruptions, slow transaction processing, unreliable service levels, or impaired quality or delays in reporting accurate financial information, any of which could negatively affect our reputation and ability to attract and retain sellers and buyers. We may also face material delays in introducing new services, assets, and enhancements. The e-commerce industry is rapidly changing with increasing deployment of AI driven platforms, which have the potential to alter the competitive dynamics of digital advertising by changing the way in which users consume information and interact with content over the internet. If competitors introduce capabilities and services using new technologies, such as AI, or if new industry standards and practices emerge, our existing online marketplaces and our proprietary technology and systems may become obsolete. If we are unable to address these new technologies, adapt to evolving market expectations, or compete effectively with AI-driven ecosystems, our growth and market position could be adversely impacted. In addition, the expansion and improvement of our systems and infrastructure may require us to commit substantial financial, operational, and technical resources, and these investments may not

result in growth of our business as a result. We may lack sufficient resources to continue to make the significant investments in information technology needed to compete with our competitors. If we fail to respond to technological change or to adequately maintain, expand, upgrade, and develop our systems and infrastructure promptly, our ability to grow and remain competitive could be limited and our revenue could decrease.

Our existing platforms also have legacy technology and technical debt that may increase maintenance costs, constrain development, or make modernization more difficult. Replacing or substantially modifying these systems may disrupt operations, take longer or cost more than expected, and may not deliver the anticipated benefits.

Our use of artificial intelligence may not produce the anticipated benefits and may expose us to additional operational, legal, regulatory, intellectual property, cybersecurity, and reputational risks.

We use, and expect to increase our use of, AI-enabled tools and technologies in our business, including in internal processes and customer-facing products and services. AI technologies are rapidly evolving and may produce inaccurate, incomplete, biased, misleading, or otherwise unreliable outputs. If we or our employees rely on such outputs without appropriate review, testing, and oversight, we could make operational or strategic errors, provide inaccurate information, impair the quality of our services, or experience harm to our reputation and relationships with buyers, sellers, employees, and other stakeholders.

The use of AI may also result in the disclosure or misuse of confidential, personal, regulated, or proprietary information; introduce vulnerabilities into software or business processes; or give rise to claims involving privacy, consumer protection, discrimination, intellectual property, contractual obligations, or other laws and regulations. Our employees or service providers may use AI tools in ways that are inconsistent with our policies or controls, including through unauthorized third-party services. We also may depend on third-party AI models and providers whose availability, pricing, functionality, security, data-use practices, or contractual terms are outside our control and may change without adequate notice. Our policies, controls, and governance processes may not be sufficient to identify or mitigate these risks, and evolving laws, regulations, and industry standards governing AI may require us to modify our practices or incur significant additional costs. If our use of AI is ineffective, unsafe, or perceived to be inappropriate, we may not realize the anticipated benefits and our business, financial condition, results of operations, and reputation could be adversely affected.

We may not realize the anticipated benefits from our continuing initiatives.

We expect that our continuing initiatives to increase our efficiency and productivity, the functionality of our marketplaces, and our cross-selling opportunities will drive our scale and growth and have a positive effect on our business, competitive position, and results of operations over time. These initiatives may not be beneficial to the extent, or within the timeframes expected, and the estimated efficiency, cost savings, and other improvements may not be realized as anticipated or at all.

For example, we are simultaneously implementing enhancements for operating leverage in our retail operations and investing and expanding further our direct-to-consumer channel through our Retail Rush location in Columbus, Ohio, which opened in September 2025. The results of our Retail Rush initiative are affected by a variety of factors, including without limitation: national and regional economic trends in the United States; changes in shipping and transportation costs; changes in our merchandise mix; inventory turnover and shrinkage; store occupancy and staffing costs; extreme weather; changes in pricing; changes in the timing of promotional and advertising efforts; and holidays or seasonal periods. If this initiative or our other initiatives are not implemented successfully and within budget, or if our systems do not perform in a satisfactory manner, it could disrupt or otherwise materially adversely affect our business and results of operations, as well as divert management resources.

We are also investing in our heavy equipment sales capabilities. Recruiting, training and retaining sales personnel and developing seller relationships and sufficient buyer participation may require spending before the related revenues are generated. New sales personnel may take longer than expected to become productive, and our buyer base in some equipment categories may be less extensive than that of established competitors. If sales volumes, recovery values or margins do not develop as expected, these investments may not produce the anticipated returns.

The information technology and digital marketing improvements that are core to our strategy place a significant strain on our management, operational, financial and other resources.

We continue to decommission non-scalable legacy IT platform technology with modular technology including key modules for unified management of sellers and buyers, property handling, transaction processing and finance functions across our entire Company. Our AllSurplus marketplace is designed to provide our buyers with access to all of the property listed directly on both the AllSurplus and GovDeals marketplaces. This provides our sellers with a common account experience and simplifies our operations. Iterative IT and digital marketing improvements require management time and resources to educate employees, redesign internal processes, and implement new ways of conducting business with our sellers and buyers. If we do not effectively manage improvements to our marketplaces, including digital marketing and data driven improvements or the timing, costs, and adoption by sellers and buyers, it could negatively affect our business and our operating results, as well as damage our reputation and our prospects. In addition, the dedication of resources to sustain, secure, and enhance our existing sites constrains the ability to undertake transformation initiatives focused on growth opportunities.

We rely on Amazon.com, Inc. for a significant portion of the purchased inventory in our RSCG segment, and changes in the volume, mix or terms of inventory made available to us could materially adversely affect our business.

We have multiple vendor contracts with Amazon.com, Inc. under which we acquire and resell assets. $18.7 million and $10.1 million of inventory purchased under these contracts was included in our Inventory balances on our Consolidated Balance Sheets as of September 30, 2026 and 2025, respectively.

Our contracts with Amazon do not require Amazon to provide us with a minimum volume of inventory, and Amazon periodically reviews and may change its allocation of inventory among liquidators, including through competitive processes. At the same time, we are generally required to accept the inventory liquidated at sites awarded to us, and the volume and mix of that inventory may change with little advance notice.

If Amazon reduces the volume of inventory made available to us, changes its allocation practices or ceases providing inventory to us on acceptable terms, we may be unable to obtain sufficient replacement inventory from other vendors in a timely and cost-effective manner. Conversely, increases in inventory volume, or changes in the mix toward lower-quality, slower-moving or otherwise more difficult-to-sell merchandise, could result in inventory levels exceeding buyer demand. These circumstances could reduce revenue and gross profit, result in underutilized operating capacity, require us to sell inventory at lower prices or at a loss, increase storage and processing costs and working capital requirements, and result in inventory write-downs.

In addition, during the fourth quarter of fiscal 2026, certain RSCG purchase programs transitioned to shorter supplier payment terms that generally require us to pay for inventory before the related goods are resold and buyer proceeds are collected. These payment terms increase our working capital requirements and could increase our need for liquidity if purchase volumes increase or inventory turnover slows. Any of these developments could have a material adverse effect on our revenue, margins, cash flows and operating results.

If we do not retain our senior management and other highly skilled employees, we may not achieve our business objectives.

Our future success, including our ability to successfully implement recent initiatives, depends substantially on the continued service of our senior management and other key personnel, particularly William P. Angrick, III, our Chairman and CEO. We do not have key-person insurance for any of our officers or employees. Losing any member of our existing senior management team could damage key seller relationships, result in the loss of key information, expertise, or know-how, lead to unanticipated recruitment and training costs, and make it more difficult to operate our business and achieve our business goals. Our future success also depends on our ability to continue to attract, retain, and motivate highly skilled employees, particularly employees with technology, sales, marketing, operations, and administrative technical expertise. As AI-enabled tools and technology evolve at an accelerated pace, attracting talent, across all disciplines, that can safely leverage these technologies becomes of increasing importance. Competition for employees in our industry is intense. We have experienced occasional difficulty in attracting personnel to support the growth of our business due to labor market volatility among other factors, and we may experience similar difficulties in the future. If we cannot attract, assimilate, and retain employees with the skills we require, we may not grow our business and revenue as expected and we could experience increased turnover, decreased levels of buyer and seller service, low morale, inefficiency or internal control failures. Further changes to

immigration policies in the U.S. and other key jurisdictions that restrain the flow of technical and professional talent may inhibit our ability to adequately recruit and retain highly skilled employees.

We must also attract, train, and retain the qualified employees needed in our RSCG and GovDeals warehouses and storage lots, while controlling related labor costs and maintaining our core values. Our ability to control labor and benefits costs is subject to numerous internal and external factors, regulatory changes, prevailing wage rates, and healthcare and other insurance costs. We compete with other retail and non-retail businesses for these employees and invest significant resources in training and motivating them. We may not be able to attract or retain highly qualified employees in the future, which could have a material adverse effect on our business, financial condition, and results of operations.

We face intense competition.

Our businesses operate in intensely competitive markets. We have many competitors in different industries, including the online services market for auctioning or liquidating surplus assets and retail markets. Competitive pressure could affect our ability to attract and retain buyers and sellers, which could decrease our revenue and negatively affect our operating results.

Some of our current and potential competitors have longer operating histories, larger seller and buyer bases, greater brand recognition and greater financial, marketing, and other resources than we do. They may devote greater financial resources to marketing and promotional campaigns, secure better terms from sellers and vendors, adopt more aggressive pricing or inventory availability policies, or devote substantially more resources to technology and infrastructure than we do.

Several of our competitors have upgraded aspects of their core information and marketing technology stacks. This heightened focus on e-commerce has increased the competition we face. If this competition continues to intensify, it may become progressively more difficult to attract enough buyers and sellers to our marketplaces to sustain growth without significant increases in resources.

In some geographies, we have competitors that may have a better understanding of local culture, commerce, and market dynamics. We increasingly may compete in other geographies with local competitors that have advantages we do not, such as a greater ability to operate within the local regulatory and political environments.

In our GovDeals segment, we compete with other online auction platforms and government-operated sales channels for seller relationships. Competitive pricing or service offerings, or increases in our own fees, could cause sellers to shift volume to competitors, reduce the volume of assets listed on our marketplaces, or require us to reduce fees or increase spending on seller services.

In addition, we may face competition from certain retail clients and smaller actors. For example, a retail client may invest in its warehouse operational capacity to handle higher volumes of online returns, which may cause such retailers to send us a reduced volume of returned merchandise or a product mix that is lower in value due to the removal of high value returns. Furthermore, a smaller competitor may achieve scale by means of competitive advantage over our company, resulting in their ability to directly compete with us for the same source of inventory that we currently acquire.

If our strategy to compete against our many competitors is not effective, we may lose market share and our financial condition, results of operations, and long-term earnings growth may be negatively affected.

Our operating results depend on the availability and performance of our marketplace technology, network infrastructure, and transaction processing systems, which leverage public cloud infrastructure. Significant service interruptions or system failures, whether internal or within the broader cloud ecosystem, could negatively affect the demand for our services and our ability to grow our revenue.

Any system interruptions that affect our websites or our transaction systems could impair the services we provide to our buyers and sellers. Our systems rely on the availability and scalability of the public cloud providers in which they are hosted. These systems may be vulnerable to damage from a variety of other sources, including: damage to, or failure of, our computer software or hardware, or our connections to, and outsourced service arrangements with, third parties; failure of, or defects in, the third-party systems, software, or

equipment on which we rely to access our hosted systems and other systems; errors in coding, configuration, or the processing of data; computer viruses, malware, or software defects; physical or electronic break-ins, sabotage, distributed denial of service, or DDoS, penetration attacks, intentional acts of vandalism, and similar events; and telecommunications failures, power outages, pandemics, political unrest, malicious human acts, and natural disasters. Detecting and correcting software errors or implementation failures may be time-consuming and costly. Errors or interruptions in our hosted software products could affect multiple customers simultaneously, result in customer claims or service-level obligations, and adversely affect customer retention and our reputation.

Improving the reliability and redundancy of our systems may be expensive or reduce our margins and may not be successful in preventing system failures.

Our ability to provide services depends substantially on systems provided by third parties, over whom we have little control. We have occasionally experienced interruptions to our services due to system failures. Any disruption to the third-party data centers we utilize or interruptions or failures of our systems or our ability to communicate with third-party systems could negatively affect the demand for our services and our ability to grow our revenue.

Many of our information technology systems consist of outsourced, cloud-based infrastructure, platform, and software-as-a-service solutions not under our direct management or control. Any disruption to either the outsourced systems or the communication links between us and the outsourced supplier could negatively affect our ability to operate our websites or our transaction systems and could impair our ability to provide services to our buyers and sellers. We may incur additional costs to remedy the damages caused by these disruptions.

Our business continuity, disaster recovery, backup, and incident response plans may not be sufficient to prevent or timely recover from a material disruption. Backups or redundant systems could be unavailable, incomplete, corrupted, misconfigured, or affected by the same event as our primary systems, including ransomware or a compromise of identity and access systems. We also depend on domain name registrars, domain name system providers, content delivery networks, certificate authorities, telecommunications providers, email and text messaging services, authentication providers, and other internet infrastructure and communications services. A failure, compromise, interruption, or material change involving any of these services could make our marketplaces unavailable, prevent delivery of authentication codes, auction notices, payment communications, or security alerts, redirect users to fraudulent sites, delay our recovery, or impair our ability to communicate with buyers, sellers, employees, regulators, and other stakeholders. If we are unable to restore critical operations within expected timeframes, our business, financial condition, results of operations, and reputation could be adversely affected.

Our inability to use software licensed from third parties, open-source software, SAAS, and PAAS offerings under current license or contractual terms could interfere with our proprietary rights thereby disrupting our business.

We use a combination of licensed and open-source software, software as a service (SAAS), and platform as a service (PAAS) offerings from multiple third parties and global public cloud providers. Licenses to third-party software and global public cloud providers may not continue to be available on terms that are acceptable to us, or at all.

Our inability to use third-party software or to enter into agreements on acceptable terms with providers of cloud-based solutions could cause disruptions to our business, or delays in developing future services or enhancements of existing services, which could impair our business. In addition, the terms of certain open-source software licenses may require us to provide modified versions of the open-source software or any proprietary software that we develop that incorporates all or a portion of the open-source software to others on unfavorable license terms consistent with the open-source license term. If we must license our proprietary software under the foregoing, our competitors and other third parties could obtain access to our intellectual property, which could harm our business.

Certain aspects of our marketing technology depend on third parties over whom we have no direct control.

Our success depends on our ability to attract visitors to our marketplaces. Obtaining organic search engine traffic from Google and other search engines is a significant traffic driver for our marketplaces. For example, if Google modified the search engine algorithms that

control our page rankings, we may experience a significant negative impact on the traffic coming to our marketplaces. A decrease in traffic would reduce the number of new buyers and sellers on our marketplaces and could harm our business.

Our marketing technology relies heavily on our ability to track our promotional campaign performance across marketing channels (i.e., email, search engines, social media, and third-party banner ads). If industry leading software browsers, such as Google Chrome, Microsoft Edge, or Apple Safari, disable user analytics tracking or other similar capabilities, our ability to track our promotional campaign performance could be affected, which could in turn prevent us from fully optimizing the marketing spend associated with our promotional campaigns. Like many other e-commerce marketplaces, Apple's upgrades to provide greater transparency as to Identifier for Advertisers (IDFA) has, with respect to some categories of assets, made it harder and more expensive for us to target customers with an interest in purchasing those categories of assets.

Our Machinio advertising product relies on organic search engine traffic to drive demand for listing services. AI-powered search engines, digital assistants, and other platforms may provide pricing comparisons, recommendations, and purchasing guidance without directing users to our websites. Changes in search behavior and AI-generated search results have adversely affected our Machinio advertising product and contributed to our increased emphasis on Machinio System. Further declines in referral traffic could reduce the value of our advertising offering to customers, affect customer retention and pricing, and adversely affect revenue. Growth in Machinio System may not offset these effects.

We are required 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. Failure to do so could damage our business, including our reputation with sellers, buyers, and employees, cause us to incur substantial additional costs, and make us subject to litigation and regulatory action.

The cyber security threat landscape is rapidly evolving, driven by the emergence of AI-enabled fraudsters who are leveraging advanced automation and personalization tools to orchestrate increasingly sophisticated and targeted attacks. We rely upon IT systems and networks, some of which are managed by third parties, in connection with virtually all of our business activities. Additionally, we collect, store, and process information relating to our business, sellers, buyers, and employees. Operating these IT systems and networks, and processing and maintaining this data, in a secure manner, is critical to our business operations and strategy. Losing confidential seller or buyer information could also expose us to the risk of liability and costly litigation. In addition, if there is any perception that we cannot protect our users' confidential information, we may lose the ability to retain existing, and attract new, sellers and buyers, and therefore our revenue could decline.

Threats designed to gain unauthorized access to systems, networks and data, both ours and third parties with whom we work, are increasing in frequency and sophistication. New developments in the fields of AI, machine learning, and robotics may create new vulnerabilities and cybersecurity risks, and remote work has also increased the possible attack surfaces. AI-enabled attacks may be developed and deployed more quickly and at greater scale and may make phishing and impersonation attempts more convincing. These threats pose a risk to the security of our systems and networks and the confidentiality, integrity, and availability of our data. Cybersecurity incidents may range from random attempts to coordinated and targeted attacks, including sophisticated computer crimes and advanced persistent threats. Phishing attacks have also emerged, including as vectors for ransomware attacks, which have increased in breadth, frequency, and sophistication for the Company. In addition, it is possible that our IT systems and networks, or those managed by third parties such as cloud providers or suppliers that otherwise host confidential information, could have vulnerabilities, which could go unnoticed for a period of time. The actions and controls we and our third-party service providers have implemented and are implementing may not be sufficient to protect our systems, information, or other property. We currently expend, and we may be required to expend in the future, significant capital and other resources to protect against such security breaches or to alleviate problems caused by such breaches.

Cybersecurity incidents may also result from compromised employee, buyer, seller, administrator, or third-party accounts; credential stuffing; circumvention or failure of multifactor authentication; excessive, misconfigured, or improperly retained access privileges; or malicious or inadvertent actions by insiders. Such incidents could enable unauthorized changes to auction bids, bidder eligibility, closing times, reserves, asset descriptions, transaction records, payment instructions, bank account details, settlement amounts,

financial records, or compliance screening results. Account takeover, business email compromise, fraudulent changes to payment or disbursement instructions, and other identity-based attacks could result in theft, payment diversion, chargebacks, erroneous transactions, or losses for us or marketplace participants.

We also depend on a complex software and technology supply chain, including cloud providers, managed service providers, software vendors, application programming interfaces, open-source libraries, source-code repositories, development and deployment tools, and other third parties and their subcontractors. A compromise of a vendor, software update, code library, service provider, developer credential, source-code repository, or build or deployment pipeline could introduce malicious code, expose data or credentials, or provide unauthorized access to our systems even if the affected service remains operational. We may have limited visibility into the security practices and subcontractors of these providers, and a vulnerability or compromise affecting a widely used component may be difficult to identify, contain, and remediate promptly. Our incident response, business continuity, disaster recovery, and backup procedures may not operate as expected, and we may be unable to determine the scope or materiality of an incident, restore systems, or make required notifications or disclosures within anticipated timeframes.

Furthermore, cybersecurity is a significant focus for legislators and regulators, resulting in an increasingly complex landscape of global and state privacy laws. The SEC has implemented requirements mandating enhanced disclosures regarding our cybersecurity risk management, strategy, and governance, as well as the reporting of material cybersecurity incidents. Non-compliance with applicable laws and regulations may lead to financial losses, business disruptions, investor liabilities, regulatory actions, or damage to our reputation. At this time, it is not possible to accurately forecast the additional costs associated with compliance or the timeline for incurring such expenses. Additionally, our insurance coverage may not fully address losses arising from related incidents.

An interruption in the operations of our buyer and seller support service system or our warehouses could significantly harm our business and operating results.

Our business depends, to a large degree, on the provision of effective support services to our buyers and sellers, and on effective warehouse operations (including leased commercial warehouse space). These operations could be harmed by several factors, including any material disruption or slowdown at our network of warehouses resulting from labor disputes, changes in the terms of our underlying lease agreements, telecommunications failures, power or service outages, human error, terrorist attacks, natural disasters, government mandated business closures, and shelter-in-place guidelines designed to contain the spread of epidemic or pandemic disease or other events.

If we fail to accurately predict our ability to sell assets in which we take inventory risk and credit risk, our margins may decline.

Under our purchase transaction model, we purchase assets and assume the risk that the assets may sell for less than we paid for them. We assume general and physical inventory and credit risk with respect to these assets. These risks are especially significant because some of the goods we purchase and resell on our websites are impacted by rapid technological change, obsolescence, and price erosion, and because we sometimes make large purchases of particular types of inventory or industrial equipment when manufacturing facilities or campuses close. In addition, we do not typically receive warranties on the assets we purchase and, as a result, we must resell or dispose of any returned goods on an as-is basis, which limits the types of buyers willing to purchase our assets. To manage our inventory successfully, we must maintain enough buyer demand to sell assets for a reasonable financial return. We may overpay for the acquired assets if we miscalculate buyer demand or if the acquired assets are not as desirable as we predicted. If assets are not attractive to our buyer base, we may have to take significant losses resulting from lower sale prices, which could reduce our revenue and margins.

Occasionally, in our CAG segment, we make very significant inventory acquisitions, such as the purchase of semi-conductor and oil and gas equipment and biopharma and metal-working machinery, for later resale on our energy and industrial marketplaces. We plan to continue to opportunistically make such acquisitions. To satisfy local laws and regulations, maximize returns, or effectively manage our operational cash flows, among other business factors, we may acquire inventory in partnership with one or more third parties. In these partnership arrangements, the Company works with one or more third parties to maximize the return on the assets being sold, while utilizing the competitive advantages of all partners involved. The risks described above are heightened in these inventory acquisition transactions due to their size and, at times, the limited market for the assets we acquire. Obtaining financing to fund such acquisitions will increase our costs, which will decrease any profits we receive from the sale of the acquired assets.

In our RSCG segment, we are obligated under certain supply agreements to take delivery of products regardless of prevailing demand conditions, which limits our ability to adjust our inventory levels in response to fluctuations in our buyer demand. Our customers are not generally required to purchase any minimum volume of products or services and may reduce or cease purchases at any time. If our buyer demand declines, whether due to the loss of a customer or from broader market weakness, we could experience excess inventory and operational inefficiencies, including increased storage and handling requirements, and reductions in our margins. The risk is heightened under purchase model transactions, where we also bear inventory risk.

As we grow our business, we may increase the assets we purchase directly from sellers, resulting in increased inventory levels and related risks, including increased risk of losses on the sale of the inventory acquired. Any such increase would require the use of additional working capital and any funds so used would not be available for other purposes.

Our quarterly operating results have fluctuated in prior years and may do so in the future, which could cause volatility in our stock price.

CAG's GMV and profitability depend in significant part on the timing, size and completion of large, project-based asset sales and, in some cases, inventory purchases. These engagements often involve long sales cycles, and the timing of client decisions and closings can be difficult to forecast and outside our control. The loss, delay or reduction in scope of a large engagement, or weaker conditions in the industries CAG serves, including energy, could materially affect its results. Heavy equipment activity also depends on economic and industry cycles, customers' replacement decisions, financing availability and the depth of buyer demand in the relevant equipment categories.

Our prior operating results have fluctuated due to changes in our business and the e-commerce industry. Similarly, our future operating results may vary significantly from quarter to quarter due to many factors, including factors beyond our control. You should not rely on period-to-period comparisons of our operating results as an indication of our future performance. Factors that may, among others, affect our quarterly operating results include the following:

- our ability to increase sales to existing buyers, attract and retain new buyers, and satisfy buyer demands;
- our ability to retain and expand our base of sellers;
- entry into, or the modification, termination, or expiration of, contracts;
- the volume, size, timing, and completion rate of transactions in our marketplaces, including variability due to the timing of large, project-based activities;
- changes in the supply and demand for and the volume, price, mix, and quality of our supply of surplus assets, including vehicles and real estate;
- introduction of new or enhanced websites, services, or product offerings by us or our competitors, which may affect our margins;
- implementation costs of new contracts, particularly those requiring custom integrations and value-added services;
- changes in our pricing policies or the pricing policies of our competitors;
- changes in the conditions and economic prospects of the e-commerce industry or the economy generally, which could alter current or prospective buyers' and sellers' priorities;
- the extent to which use of our services is affected by spyware, viruses, phishing and other spam emails, denial of service attacks, data theft, computer intrusions, outages, and similar events;

- fiscal policies or inaction at the U.S. federal government level that may lead to federal government shutdowns or negative impacts on the U.S. economy;
- customs or border control policies and new or changing tariffs or trade sanctions;
- event-driven disruptions such as war, terrorism, armed hostilities, disease, and natural disasters;
- changes in energy and commodities prices, including the timing and speed of recovery in energy sector macro conditions;
- seasonal patterns in selling and purchasing activity; and
- costs related to acquisitions of technology or equipment.

Our operating results may fall below the expectations of market analysts and investors in some future periods. If this occurs, even temporarily, it could cause volatility in our stock price.

Our stock price has been volatile, and your investment in our common stock could decline in value.

Volatility in the global financial markets and other broad market and industry factors may adversely affect the market price of our common stock, regardless of our actual operating performance. Other factors that could cause fluctuation in our stock price may include:

- actual or anticipated variations in quarterly operating results;
- changes in financial estimates by us or by a securities analyst who covers our stock;
- publication of research reports about the Company or industry;
- conditions or trends in our industry;
- stock market price and volume fluctuations of other publicly traded companies and, in particular, those whose business involves the Internet and e-commerce;
- announcements by us or our competitors of significant contracts (or the amendment or loss of such contracts), acquisitions, commercial relationships, strategic partnerships, or divestitures;
- announcements by us or our competitors of technological innovations, new services, or service enhancements;
- announcements of investigations or regulatory scrutiny of our operations or lawsuits filed against us;
- the passage of legislation or other regulatory developments that adversely affect us, our sellers or buyers, or our industry;
- additions or departures of key personnel;
- sales of our common stock, including sales of our common stock by our directors and officers or specific stockholders; and
- general global economic and/or political conditions and slow or negative growth of related markets.

Volatility in the market price of shares may prevent investors from being able to sell their shares of common stock at prices they view as attractive. In prior years, securities class action litigation has often been instituted against companies following periods of volatility in their stock price. This type of litigation could result in substantial costs and divert our management’s attention and resources.

The seasonality of our business places increased strain on our operations.

We experience seasonality in each portion of our business at various times during the year. As a result, we expect a disproportionate number of transactions on our marketplaces to occur at certain times during the year. If we cannot effectively manage increased demand or the increased flow of goods we typically experience during these times, it could adversely affect our revenue and future growth. If too many buyers and sellers access our websites within a short period of time due to increased demand, we may experience system interruptions that make our websites unavailable or prevent us from providing efficient service, which may reduce our financial and operational results and the attractiveness of our value-added services. In addition, we may be unable to adequately staff our network of warehouses during these peak periods. If we cannot staff warehouses adequately, we may not be able to process assets quickly enough which, in turn, could mean dissatisfaction of sellers or increased third-party storage costs and reduced profitability.

If we fail to identify, finance, and integrate acquisitions, including our recent acquisition of Auction Holdings, Inc., our future operating results may be materially adversely affected.

We have completed, and may pursue, acquisitions as part of our growth strategy. In October 2026, we acquired Auction Holdings, Inc. The acquisition increased the scope and complexity of our operations and the demands on management to oversee and integrate the expanded business. The success of this and any future acquisition depends in part on our ability to integrate the acquired business, retain key employees, buyers, sellers, customers and vendors, and achieve anticipated synergies, benefits and cost savings within the intended timeframe. Integration may be more difficult, costly or time-consuming than expected and could disrupt our businesses, increase costs, reduce margins, divert management attention and resources, or delay or prevent realization of the anticipated benefits.

Acquisitions may also involve challenges integrating technology, data, internal controls and business processes; complying with applicable legal and regulatory requirements; and managing unknown or greater-than-expected liabilities. They may require debt or equity financing on unfavorable terms, result in dilution, restrict our operations, or lead to significant acquisition-related costs, amortization expenses or impairment charges. Acquisitions outside the United States may also increase our exposure to foreign currency, regulatory and other risks associated with international operations.

We have encountered technology and integration challenges in prior acquisitions. Acquired businesses may have undetected cybersecurity incidents, vulnerabilities, privacy violations, inadequate controls, unsupported technology, technical debt, or other technology-related liabilities that are not identified during due diligence. We may not receive complete or accurate historical records regarding cybersecurity incidents, data collection, privacy notices, consents, retention practices, access rights, software licenses, or third-party dependencies. Integrating acquired technology, data, identity systems, payment systems, networks, and security controls may create additional vulnerabilities, require temporary or transitional access arrangements, or take longer and cost more than expected. Until acquired systems are integrated into our security, privacy, and control frameworks, they may not meet our standards and may expose our broader environment to additional risk. Any actual or alleged inherited incident, violation, or control deficiency could result in business disruption, remediation costs, regulatory action, litigation, loss of customer trust, or reputational harm.

Our future acquisition strategy depends on our ability to identify suitable targets and obtain necessary financing and regulatory approvals. We may incur significant costs evaluating or pursuing transactions that are not completed, and regulatory approvals may impose limitations on our operations or require divestitures. If we do not complete acquisitions on favorable terms or successfully integrate acquired businesses, including Auction Holdings, Inc., we may not realize the expected benefits, which could materially adversely affect our business, financial condition, and results of operations.

Our international operations expose us to several risks.

Our international activities are significant to our revenues and profits, and we may continue to expand internationally, including through acquisitions, organic growth, and joint ventures or strategic alliances with third parties. We are required to comply with the laws of the countries or markets in which we operate. In addition, because our services are accessible worldwide and facilitate the sales of goods and provide services to users worldwide, one or more jurisdictions may claim that we or our users are required to comply with their laws based on the location of our servers, or one or more of our users, or location of the assets or service being sold or provided.

It is costly to establish, develop, and maintain international operations and websites, and promote our brand internationally. Our international operations may not be profitable on a sustained basis or at all. In addition to the risks described elsewhere in this section, our international operations are subject to several risks, including:

- local economic and political conditions, or civil unrest that may disrupt economic activity in affected countries;
- government regulation of e-commerce and other services, competition, and restrictive governmental actions (such as trade protection measures, including export duties and quotas and customs duties and tariffs), nationalization, and restrictions on foreign ownership;
- restrictions on sales or distribution of certain assets or services and uncertainty regarding liability for assets and services, including uncertainty because of less Internet-friendly legal systems, local laws, lack of legal precedent, and varying rules, regulations, and practices regarding the enforcement of intellectual property rights;
- business licensing or certification requirements, such as for imports, exports, and web services;
- limitations on the repatriation and investment of funds and foreign currency exchange restrictions;
- shorter payable and longer receivable cycles and the resultant negative impact on cash flow;
- laws and regulations regarding consumer and data protection, including with respect to cross-border data transfers, privacy, network security, encryption, payments, and restrictions on pricing or discounts;
- lower levels of consumer spending and fewer opportunities for growth compared to the U.S.;
- lower levels of credit card usage and increased payment and foreign exchange risk;
- different employee/employer relationships and the existence of works councils;
- compliance with the U.S. Foreign Corrupt Practices Act and other applicable U.S. and foreign laws prohibiting certain payments to government officials and other third parties;
- laws and policies of the U.S. and other jurisdictions affecting trade, foreign investment, loans, and taxes; and
- geopolitical events, including war, terrorism, and political instability.

If we expand internationally through joint ventures or strategic alliances, we will also face counterparty risk in addition to the risks described above. If any counterparty to our joint ventures or strategic alliances is unwilling or unable to perform its obligations to us, we may not realize the benefits of such arrangements and we may experience material unanticipated problems, expenses, and liabilities.

Our international operations expose us to foreign exchange fluctuations that could harm our operations.

We conduct business in many countries around the world and receive fees and pay expenses (including salaries to our international workforce) in several different currencies despite reporting our financial results in U.S. dollars. As a result, our financial results are impacted by fluctuations in foreign currency rates. The results of our foreign subsidiaries are translated from the local currency to U.S. dollars for financial reporting purposes. For example, if the U.S. dollar weakens against foreign currencies, the translation of these foreign currency denominated revenues and expenses will result in increased U.S. dollar denominated revenues and expenses. These factors and others may harm our business and our results of operations. In addition, currency exchange rates may negatively affect our results if we pay for inventory using a different currency than we receive when we sell the inventory.

While from time to time we enter into transactions to hedge certain foreign currency exposures, it is impossible to eliminate the effects of this exposure. In addition, since the hedging activities are designed to lessen volatility, they not only reduce the negative impact of a stronger U.S. Dollar or other trading currency, but they also reduce the positive impact of a weaker U.S. Dollar or other trading currency. Our future financial results could be significantly affected by the value of the U.S. Dollar in relation to the foreign currencies in which we conduct business. The degree to which our financial results are affected for any given time period will depend in part upon our hedging activities.

We may need additional financing in the future, which may not be available on favorable terms, if at all.

We may need additional funds to finance our operations, as well as to enhance our services, acquire inventory for our businesses, fund initiatives, respond to competitive pressures, acquire complementary businesses or technologies, or otherwise support our growth. We may also require additional funds if vendors and other third parties from whom we purchase inventory, other goods, or services extend less favorable credit terms to us. Our business may not generate the cash needed to finance such requirements. We currently maintain a Credit Agreement with Wells Fargo Bank, National Association (the Credit Agreement). Terms of the Credit Agreement provide for revolving loans (the Line of Credit) up to a maximum aggregate principal amount of $35.0 million with a $35.0 million sublimit for standby letters of credit, access to which expires on March 31, 2028. As of September 30, 2026, the Company had no outstanding borrowings under the Line of Credit and had $10.8 million of standby letters of credit outstanding. The amount of standby letters of credit are reserved against the Line of Credit and are not available for borrowing, resulting in $24.2 million of remaining borrowing capacity under the Line of Credit as of September 30, 2026. We are able to issue standby letters of credit for various purposes, including the facilitation of transactions with vendors or other counterparties. If our access to the Credit Agreement is reduced or if vendors or other counterparties change their transacting requirements, we could face higher costs and challenges in managing our working capital effectively, which may adversely affect our operations and financial condition.

Although we have this existing Credit Agreement from which we may draw funds, there may be situations in which we seek funding through other sources. Further, upon expiration of this line of credit facility, commercial terms for subsequent credit facilities (such as the borrowing amount, interest rates, or related terms) may no longer be favorable to the Company. If, alternatively, we raise additional funds by issuing equity or convertible debt securities, the percentage ownership of our existing stockholders would be reduced, and these securities may have rights, preferences, or privileges senior to those of our common stock.

Additionally, the general economic and capital market conditions in the United States and other parts of the world can deteriorate significantly, limiting access to capital and increasing the cost of capital. A large degree of economic uncertainty remains both domestically and abroad, which can adversely affect access to capital, and the cost of capital. If adequate funds are not available or are not available on acceptable terms, our ability to enhance our services, fund strategic initiatives, respond to competitive pressures, take advantage of business opportunities, or grow our business would be limited, and we might need to restrict our operations and initiatives.

Global economic conditions, including those from macro-trends and global events, may harm our business and results of operations.

Our overall performance depends in part on worldwide economic conditions. Global financial developments, downturns, and global health crises or pandemics may harm us, including due to disruptions or restrictions on our employees' ability to work and travel. The United States and other key international economies have been affected from time to time by falling demand for a variety of goods and services, restricted credit, poor liquidity, reduced corporate profitability, volatility in credit, equity, and foreign exchange markets, bankruptcies, labor shortages, labor unrest, pandemics, natural disasters, supply chain disruptions, inflation, and overall uncertainty with respect to the economy, including with respect to tariff and trade issues.

Ongoing armed conflicts around the world, including the Russia-Ukraine conflict, the war with Iran, and other hostilities in the Middle East, could create or exacerbate risks facing our business. The Russia-Ukraine conflict specifically resulted in numerous countries, including the United States, imposing significant new sanctions and export controls against Russia, Russian banks, and certain Russian individuals. The war with Iran and related regional hostilities also have disrupted, and could further disrupt, energy markets, major shipping routes, air travel, trade flows, and cross-border commerce, and could lead to additional sanctions, export controls, or other

governmental measures. These armed conflicts have resulted, and could continue to result, in disruptions to trade, commerce, pricing stability, and/or supply chain continuity globally, particularly in Europe and the Middle East, and has introduced significant uncertainty into the global markets. If global economic conditions remain uncertain or deteriorate further, particularly to the extent such conflicts escalate to involve additional countries, there could be a reduction in the ability of international buyers and sellers to conduct business due to travel restrictions impacting the ability of sellers and their agents to travel to prepare assets for sale, buyers traveling to inspect assets, sellers and buyers completing international transactions requiring assets to cross export and import border control points, and the overall willingness of sellers and buyers to decommission capital assets and engage in cross-border transactions. Such a result could have a material adverse effect on our business.

We believe that other potential conflicts that could result in similar disruption could include a military conflict between mainland China and Taiwan, possible international intervention and sanctions, and the resulting potential disruption to the operations of our CAG and Machinio teams in China. Moreover, in addition to our operations, in the case of a military conflict between China and Taiwan, global manufacturers would likely lose access to advanced semiconductor chips and other products that are sourced from Taiwan. Such a conflict would also likely limit access to key Chinese ports and exporters due to both military actions and potential international sanctions, which would create significant disruption for a variety of industries that we serve that rely on supply chain in China.

Separately, any factors that reduce cross-border trade or make such trade more difficult could harm our business. Increasing costs, such as increasing tariffs and trade wars between nations, may make international trade less profitable and adversely affect our global business. Tariffs, economic sanctions and other changes in U.S. trade policy have in the past and could in the future, trigger retaliatory actions by affected countries. Such changes have the potential to adversely impact the U.S. economy or certain sectors thereof or the economy of other countries in which we operate, our industry, the industries of our customers, the global demand for our products, and consumer spending generally.

Decreases in the supply of, demand for, or market values of surplus assets, including used vehicles and real estate, could harm our business.

Our revenues could decrease if there was significant erosion in the supply of, demand for, or market values of the types of assets sold on our marketplaces, including used vehicles and real estate, which could adversely affect our financial condition and results of operations. We have no control over any of the factors that affect the supply of, and demand for, such assets, and the circumstances that cause market values to fluctuate including, among other things, economic uncertainty, global geopolitical climate, disruptions to credit and financial markets, lower commodity prices, and our buyers' restricted access to capital, and disruptions in the new vehicle market that may have delayed and prolonged effects on used vehicle supply and pricing. Recent economic conditions have caused fluctuations in the supply, mix, and market values of assets available for sale, which has a direct impact on our revenues. In addition, price competition and the availability of assets directly affect the supply of, demand for, and market value of such assets.

For example, when the demand for used vehicles increases, the prices are also likely to increase, making it more costly for potential buyers to find suitable replacements for their existing vehicles. As a result, potential buyers may retain their existing vehicles for longer periods of time, further decreasing supply. These factors could impact the overall profitability of used vehicle sales on our marketplaces because, although used vehicles are selling for higher prices, fewer vehicles are being sold. Climate change initiatives, including significant changes to engine emission standards applicable to certain types of assets, may also adversely affect the supply of, demand for, and market values of such assets.

Vehicles represent a substantial portion of GovDeals GMV. The volume of vehicles that government agencies sell through our marketplaces depends on agency fleet replacement cycles, budget appropriations, fleet leasing arrangements that reduce the number of agency-owned vehicles available for sale, and the price and availability of new vehicles, including the effects of tariffs. Agencies may retain vehicles longer or delay sales, which would reduce the supply of vehicles available on our marketplaces and could reduce our revenue. Similar replacement-cycle, leasing, financing and tariff-related factors may affect the supply of, and buyer demand for, heavy equipment sold through CAG.

In addition, there are many factors that contribute to adverse market conditions in the real estate sector, including, but not limited to, rising interest rates, inflationary pressures, changes in consumer demand or demographic trends, regulatory changes and natural disasters

or climate-related events. Such adverse market conditions could impact the supply of, demand for, and market values of real estate, which could, in turn, adversely affect our financial condition and results of operations.

Reliance on banking partners and financial system stability

We rely on a limited number of banks and financial institutions both domestically and internationally to provide critical services, including cash management, payment processing, credit facilities, and other transactional support. Our ability to access funds, process payments, and manage liquidity depends on the continued stability and operational soundness of these banking partners.

Instability or failure of any of our primary banks or financial partners—whether due to insolvency, regulatory action, cyberattack, or other disruptions—could result in a sudden loss of access to our funds, delays or failures in payment processing, or increased costs of obtaining alternative banking services.

In addition, changes in the terms of our banking relationships, such as reduced credit availability, increased collateral requirements, or changes in transaction limits, could adversely affect our ability to manage working capital and meet our financial obligations. If we are unable to access our funds or secure alternative banking arrangements on acceptable terms, our operations, financial condition, and results of operations could be materially and adversely affected.

Legal and Regulatory Risks

We face legal uncertainties relating to our technology systems and to the e-commerce industry in particular and may become subject to costly government regulation.

The laws and regulations related to the Internet and e-commerce are evolving, including laws and regulations regarding user privacy, freedom of expression, pricing, fraud, quality of assets and services, taxation, advertising, intellectual property rights, and information security. There are numerous federal, state, local and international laws, regulations, rules, industry codes of conduct, policies, and standards regarding data privacy and security, such as the California Consumer Privacy Act, the Federal Trade Commission enforcement decisions, and the European Union's General Data Protection Regulation. Any failure or perceived failure by us, or third parties with which we do business, to comply with applicable data privacy and security laws, regulations, rules, industry codes of conduct, policies, standards or other legal or contractual obligations, may result in, among other things, governmental or regulatory investigations, enforcement actions, regulatory or other fines, orders requiring that we change our practices, criminal compliance orders, claims for damages by affected individuals, or litigation or public statements against us by consumer advocacy groups or others, and could cause customers to lose trust in us. Current and future laws and regulations could increase our cost of doing business and/or decrease the demand for our services.

State and local sales and use tax laws, including marketplace-facilitator rules, may require us to collect and remit taxes on transactions facilitated through our marketplaces. The allocation of responsibility between a marketplace and a seller, and the availability of exemptions, may be uncertain or disputed, including for some government-seller and auction-house transactions. Our assessment of these obligations may differ from that of a taxing authority. Failure to collect or remit amounts ultimately determined to be due could expose us to taxes, interest and penalties, including amounts we may be unable to recover from sellers or buyers. These issues affect certain GovDeals transactions and may present increased exposure in the acquired Invaluable business.

Laws adopted prior to the advent of the Internet may not contemplate or address the unique issues of the Internet and related technologies and it is not clear how they may apply.

Our auction business may be subject to a variety of additional costly government regulations.

Many states and other jurisdictions have regulations governing the conduct of traditional "auctions", the liability of traditional "auctioneers" in conducting auctions, the sale of real property via traditional "auctions", and handling of property by "secondhand dealers" which may apply to online auction services. In addition, certain states have laws or regulations that expressly apply to online auction services. We expect to continue to incur costs in complying with these laws and could be subject to fines or other penalties for any failure to comply with these laws. We may be required to make changes in our business to comply with these laws, which could increase our costs, reduce our revenue, cause us to prohibit the listing of certain items, or restrict certain listing formats in some locations, any of which may adversely affect our financial condition or operating results.

In addition, the body of law regarding the potential liability of an online auction service for the activities of its users is not clear. Users of our websites may not always comply with our terms and conditions or with laws and regulations applicable to them and their transactions. It is possible that we may be subject to allegations of civil or criminal liability for any unlawful activities conducted by sellers or buyers. Any costs we incur because of any such allegations, or because of actual or alleged unlawful transactions using our marketplaces or in our efforts to prevent any such transactions, may harm our opportunities for future revenue growth. In addition, any negative publicity we receive regarding any such transactions or allegations may damage our reputation, our ability to attract new sellers and buyers, and our business.

In addition, if our sellers violate laws or regulations, or implement practices regarded as unethical, unsafe, or hazardous to the environment, it could damage our reputation, limit our growth, and negatively affect our business, prospects, financial condition, and results of operations.

If we violate privacy regulations, our business could suffer harm.

We are subject to regulation at the federal, state, and international levels relating to privacy and the use of third-party data, including personal user information and employee data. These statutory and regulatory requirements are evolving, increasing in complexity and number, sometimes conflicting, and may change significantly. How companies collect, process, use, store, share, or transmit personal and employee data is subject to increasing scrutiny by governments and the public, which could accelerate the adoption of additional legislation or regulations. New statutory or regulatory developments may restrict our ability to collect and use demographic and personal information from our buyers and our sellers, which could be costly or harm our marketing efforts. Further, there may be conflicts among the privacy and data protection laws adopted by the countries in which we operate. Judicial and regulatory application and interpretation of these statutory and regulatory requirements are often uncertain and may also limit our marketing efforts. Compliance with regulations regarding privacy, security, and protection of user and employee data, increased government or private enforcement, and changing public attitudes about data privacy, may increase the cost of growing our business and require us to expend significant capital and other resources. Our failure to comply with these federal, state, and international laws and regulations could subject us to lawsuits, fines, criminal penalties, statutory damages, adverse publicity, and other costs which could decrease our profitability.

Certain categories of assets sold on our marketplaces are subject to government restrictions.

We sell assets, such as scientific instruments, information technology equipment, and aircraft parts, that are subject to export control and economic sanctions laws, among other laws, imposed by the United States and other governments. Such restrictions include the U.S. Export Administration Regulations, the International Traffic in Arms Regulations, and economic sanctions and embargo laws administered by the Office of the Foreign Assets Control Regulations. These restrictions prohibit us from selling property to (a) persons or entities that appear on lists of restricted or prohibited parties maintained by the United States or other governments or (b) countries, regimes, or nationals that are the target of applicable economic sanctions or other embargoes. Such laws could become even more restrictive and cover a wider array of assets in the event of escalations of geopolitical conflict.

We may incur significant costs or be required to modify our business to comply with these requirements. If we are alleged to have violated these laws or regulations, we may be subject to civil and criminal penalties and administrative sanctions, including termination of contracts, forfeiture of profits, suspension of payments, fines, and suspension or debarment from doing business with U.S. federal government agencies. In addition, we could suffer serious harm to our reputation if allegations of impropriety are made against us, whether or not true.

We may be subject to product liability claims if people or property are harmed by the assets we sell.

Some assets we sell through our e-commerce marketplaces may expose us to product liability claims relating to personal injury, death, or environmental or property damage, and may be the subject of product recalls or other actions. Our exposure to product liability claims may be increased if, for example, the manufacturers of the relevant assets do not have enough protection from such claims. Defense of any such actions could be costly and involve significant time and attention from our management and commitment of other resources, may cause us to incur monetary liabilities or penalties, and may require us to change our business in ways adverse to us. We cannot be certain that our insurance coverage will be adequate for liabilities actually incurred or that insurance will continue to be available to us on commercially reasonable terms, or at all. In addition, some of our agreements with our vendors and sellers do not indemnify us against product liability.

Unfavorable findings resulting from audit or investigation could subject us to a variety of penalties and sanctions, negatively impact our future operating results, and force us to adjust previously reported operating results.

Many of our sellers, including large commercial corporations and governmental entities, have the right to audit our performance under our contracts. Any adverse findings from audits or reviews of our performance could result in a significant adjustment to our previously reported operating results. The results of an audit could significantly limit the volume and type of assets made available to us, resulting in lower revenue and profitability. If such an audit uncovers improper or illegal activities, we could be subject to civil and criminal penalties and administrative sanctions and we could suffer serious harm to our reputation. Government and law enforcement agencies may also investigate our activities under contracts with commercial businesses and governmental entities. If such an investigation alleges that we engaged in improper or illegal activities, we could be subject to civil and criminal penalties and administrative sanctions, including termination of contracts, forfeiture of profits, suspension of payments, fines, and suspension or debarment from doing business with government agencies. If, as the result of a government audit or investigation or for any other reason, we are suspended or debarred from contracting with governments generally, or any specific agency; if our reputation or relationship with government agencies is impaired; or if any government otherwise ceases doing business with us or significantly decreases the amount of business it does with us, our revenue and profitability could substantially decrease.

Our operations are subject to extensive anti-corruption laws and regulations.

Due to the international scope of our operations, we are subject to the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act 2010, and similar anti-corruption laws of other countries. These laws generally prohibit companies and their intermediaries from making improper payments or providing anything of value to improperly influence foreign government officials to obtain or retain business or obtain an unfair advantage. Our practices and policies to promote compliance with such laws and regulations may not be effective and violations of anti-corruption laws or regulations by our employees or by intermediaries acting on our behalf may result in severe criminal or civil sanctions, disrupt our business, and adversely affect our reputation, business, and results of operations or financial condition.

Fraudulent activities involving our websites and disputes relating to transactions on our websites may cause us to lose sellers and buyers and hurt our ability to grow our business.

We periodically receive complaints of fraudulent activities by buyers or sellers on our marketplace, including disputes over the quality of goods and services; unauthorized use of credit card and bank account information and identity theft; credit chargebacks that are fraudulent in nature; potential breaches of system security; and infringement of third-party copyrights, trademarks and trade names or other intellectual property rights. Transactions involving fine art, antiques, jewelry and collectibles may also give rise to disputes concerning authenticity, provenance, ownership, counterfeit or stolen goods, and loss or damage in transit. Such disputes could affect our platforms even where the auction house or seller is responsible for the relevant representations or fulfillment.

From time to time, we have received complaints that our sellers or buyers trading in our marketplaces are alleged to have engaged in fraudulent or unlawful activity. In addition, we may suffer losses because of purchases paid for with fraudulent credit card data even though the associated financial institution approved payment. If a transaction is disputed, we may not be able to require users of our services to make required payments or to deliver promised goods. We also may receive complaints from buyers about the quality of

purchased goods, requests for reimbursement, or communications threatening or commencing legal actions against us. Negative publicity generated because of fraudulent conduct by third parties or failure to satisfactorily settle disputes related to transactions on our websites could damage our reputation, cause us to lose sellers and buyers, and hurt our ability to grow our business.

Some provisions of our charter, bylaws, and Delaware law inhibit potential acquisition bids.

Our corporate documents and Delaware law contain provisions that may enable our Board of Directors to resist a change in control of our Company even if a change in control were to be considered favorable by you and other stockholders. These provisions include: a staggered Board of Directors; a prohibition on actions by our stockholders by written consent; limitations on persons authorized to call a special meeting of stockholders; the authorization of undesignated preferred stock, the terms of which may be established and shares of which may be issued without stockholder approval; advance notice procedures required for stockholders to nominate candidates for election as directors or to bring matters before an annual meeting of stockholders; and the requirement that Board of Director vacancies be filled by a majority of our directors then in office.

These provisions could discourage, delay or prevent a transaction involving a change in control of our Company. These provisions could also discourage proxy contests and may make it more difficult for you and other stockholders to elect directors of your choosing and cause us to take other corporate actions you may desire. In addition, our bylaws provide that the Delaware Court of Chancery will be the exclusive forum for certain types of legal action (or, if the Court of Chancery does not have jurisdiction, another state court or a federal court within Delaware). This exclusive forum provision may limit the ability of our stockholders to challenge certain corporate actions in a judicial forum that such stockholders find favorable for disputes with the Company or our current or former directors or officers.

Our ability to effectively safeguard and enforce our intellectual property rights may be limited, potentially impacting our reputation and adversely affecting our business growth.

We regard our intellectual property, particularly domain names, copyrights, and buyer database trade secrets, as critical to our success. We rely on contractual restrictions and copyright and trade secret laws to protect our proprietary rights, know-how, information, and technology. Despite these protections, a third party could copy or otherwise obtain and use our intellectual property without authorization or independently develop similar intellectual property.

We currently are the registered owners of several Internet domain names, including www.liquidityservices.com, www.liquidation.com, www.govdeals.com, www.allsurplus.com, www.secondipity.com, www.retailrush.com, www.machinio.com, www.bid4assets.com, and www.sierraauction.com. We pursue the registration of our domain names in the U.S. and internationally. We have no patents or registered copyrights. Effective patent, copyright, trademark, service mark, trade secret, and domain name protection are expensive to maintain and may require litigation to enforce. We have licensed in the past, and expect to license in the future, certain of our proprietary rights, such as trademarks or copyrighted material, to others. These licensees may take actions that diminish the value of our proprietary rights or harm our reputation. Our competitors may adopt trade names or domain names similar to ours, impeding our ability to promote our marketplaces and possibly leading to buyer or seller confusion. In addition, we could face trade name, trademark, or service mark infringement claims brought by owners of other registered or unregistered trademarks or service marks, including trademarks or service marks that may incorporate variations of our marketplace names. Any claims related to our intellectual property or confusion related to our marketplaces could damage our reputation and negatively affect the growth of our business.

Assertions that we infringe on intellectual property rights of others could result in significant costs and substantially harm our business and operating results.

Third parties may claim that our internally developed systems or licensed third-party technology for operating our online auction platform and related websites infringe their intellectual property rights. Similar claims could be made against the providers from whom we license technology. Defending against such infringement claims, regardless of their merit or outcome, could lead to litigation expenses, require resources from technical and management personnel, and potentially cause delays in completing sales. The resolution of these disputes may result in the need to modify technology, develop alternative solutions, or enter into royalty or licensing agreements.

Transitioning to different technology could disrupt business operations. Developing non-infringing technology internally may be both costly and time-consuming, and there is no guarantee of success. In addition, royalty or licensing agreements may not be available on acceptable terms, or at all. Any of these factors could affect our operating results.

General Risk Factors

Failure to maintain effective internal controls over financial reporting could have a material adverse effect on our business, operating results, and stock price.

Section 404 of the Sarbanes-Oxley Act of 2002 requires that we include in our annual report a report containing management's assessment of the effectiveness of our internal controls over financial reporting as of the end of our fiscal year and a statement as to whether or not such internal controls are effective. Compliance with these requirements has resulted in, and is likely to continue to result in, significant costs and the commitment of time and operational resources. Recently completed initiatives, as well as other changes in our business (including initiatives to invest in information systems, transition particular functions to third-party providers, and acquire new businesses, such as our acquisition of Invaluable) have necessitated, and will continue to necessitate, modifications to our internal controls. We cannot be certain that our design for internal controls over financial reporting, or any changes to be made, will enable management to determine that our internal controls are effective for any period. If we cannot conclude that our internal controls over financial reporting are effective, market perception of our financial condition and the trading price of our stock may be adversely affected, and seller and buyer perception of our business may suffer.

Our acquisition of Invaluable may heighten these risks. Invaluable was previously privately held and operated with a smaller finance and accounting team, and was not previously subject to Section 404. As a result, its internal control processes may not be as developed as those generally expected of a public company, and its limited staffing may have presented challenges with respect to segregation of duties. We are integrating Invaluable's financial reporting, systems, and personnel into our control environment and enhancing its controls to meet SOX requirements. This work will require time, cost, and management attention, and we may identify control deficiencies in the course of the integration. We cannot be certain that any such deficiencies will be remediated on a timely basis.

Our internal control policies and procedures may not always protect us from reckless or criminal acts committed by our employees or agents, or by third parties with whom we work. Internal controls may become less effective over time because of, among other things, changes in conditions, failures to comply with our policies and procedures, or new business that strains our system of internal controls.

Our financial reporting also depends on the effective operation of information technology general controls and automated application controls, including controls over user access, privileged access, segregation of duties, system changes, interfaces, data transformations, calculations, report generation, and monitoring. Unauthorized, inadequately designed, or insufficiently tested system changes; errors in automated interfaces or data conversions; inappropriate access; failures in logging or review; or control deficiencies arising from cloud migrations, enterprise system implementations, acquisition integrations (including the integration of Invaluable's systems and processes), or changes to third-party providers could result in inaccurate or incomplete financial information or impair our ability to prepare timely financial statements. If we fail to design, implement, or maintain effective technology controls, we could experience a material weakness, restatement, delayed filing, regulatory scrutiny, increased audit or remediation costs, or loss of investor confidence.

Changes in accounting and reporting policies or practices may affect our financial results, which may affect our stock price.

Our accounting policies are fundamental to determining and understanding our financial results and condition. Some require our management to use estimates and make subjective and complex judgments about matters that are uncertain. Factors may arise over time that lead us to change our estimates and judgments. Sometimes, our management must use judgment to select the accounting policy or method to apply from two or more alternatives, any of which may be reasonable under the circumstances, yet may cause us to report materially different results than would have been reported under a different alternative. Any changes in accounting policies or methods could reduce our net income, and such reductions may be independent of changes in our operations. These reductions in reported net income could cause our stock price to decline.

Damage to our reputation could harm our business.

Our positive reputation is based on our core values of integrity, customer focus, continuous improvement, innovation, mutual trust and accountability, shared success, and doing well and doing good. Our ability to attract and retain highly skilled employees, clients, and buyers and to successfully do business would be harmed if our reputation was damaged. Harm to our reputation can arise from numerous sources, including, among others, employee misconduct, security breaches, compliance failures, litigation or regulatory outcomes, or governmental investigations. Our reputation could also be harmed by the failure or perceived failure of an affiliate, joint-venture, or a vendor or other third party with which we do business, to comply with laws or regulations. In addition, our reputation or prospects may be significantly damaged by adverse publicity or negative information regarding us, whether or not true, that may be posted on social media, non-mainstream news services, or other parts of the Internet, and this risk can be magnified by the speed and pervasiveness with which information is disseminated through those channels.

Should any of these or other events or factors that can undermine our reputation occur, the additional costs and expenses that we may need to incur to address the issues giving rise to the damage to our reputation may adversely affect our earnings and results of operations. Any damage to our reputation could impair our ability to retain existing or attract new customers, investors, and employees.

We carry a significant amount of goodwill on our balance sheet.

As of September 30, 2026, we had goodwill of $102.0 million. The future occurrence of a potential indicator of impairment, such as a significant adverse change in business climate, an adverse action or assessment by a regulator, unanticipated competition, a material negative change in relationships with significant customers, strategic decisions made in response to economic or competitive conditions, loss of key personnel, or a more-likely-than-not expectation that a reporting unit or a significant portion of a reporting unit will be sold or disposed of, could result in goodwill impairment charges. We have recorded goodwill impairment charges in the past, and such charges materially affected our historical results of operations. For additional information, see Note 7 - *Goodwill* to the accompanying consolidated financial statements.

We expect that our acquisition of Invaluable on October 1, 2026 will significantly increase the amount of goodwill and intangible assets on our balance sheet and, accordingly, our exposure to potential future impairment charges. In addition, our accounting for the acquisition will preliminary for the one-year period measurement period through October 1, 2027. The fair values assigned to acquired assets and assumed liabilities, including identifiable intangible assets and related deferred taxes, will be provisional and may be adjusted during the measurement period. Measurement period adjustments could change the amount of goodwill recognized and the related intangible asset amortization and deferred tax amounts, and are recognized in the period in which they are determined. As a result, such adjustments could cause our results of operations, including GAAP Net Income, GAAP Diluted EPS and our effective tax rate, to vary from period to period and may make our results more difficult to compare across periods.

Item 1B. Unresolved Staff Comments.

None.

Item 1C. Cybersecurity.

Risk Management and Strategy

Protecting our clients' data, our brand, and our systems is a priority. We are subject to governmental regulation and other legal obligations relating to privacy, data protection, and information security. We have implemented cybersecurity and data privacy programs that promote awareness across employee groups and systems. As part of these programs, we undergo annual independent System and Organization Controls (SOC) 2 Type II examinations covering our AllSurplus and GovDeals applications and have obtained a SOC 2 Type I report covering Bid4Assets.

Our processes for assessing, identifying, and managing material risks from cybersecurity threats address risks associated with third-party service providers, including cloud-based platforms. These processes include an annual review of SOC 2 reports or equivalent

attestations of controls for material third-party service providers, together with monitoring industry notices and threat intelligence regarding potential vulnerabilities or threats targeting those services.

We developed our cybersecurity program by integrating proactive training, vulnerability management, and system design with active threat defense mechanisms. Our marketplace services are protected by multiple layers of security, including endpoint protection, web application and API security, automated bot mitigation, distributed denial-of-service (DDoS) protection, and other edge-based controls designed to identify and mitigate malicious activity before it reaches our systems. Our "defense in depth" approach to asset protection is backed by AI-powered threat detection and response systems and actively monitored 24/7 by a dedicated team of security professionals. We maintain a formal incident response plan, which is regularly tested and updated and is designed to promote prompt detection, reporting, and mitigation of cybersecurity incidents.

In addition, we undertake integrated planning activities to support business continuity and operational resiliency. We assess our program's effectiveness through various exercises, including active Disaster Recovery production environment tests, tabletop exercises, continuous vulnerability tests, and annual penetration testing. We conduct company-wide mandatory cybersecurity training as well as periodic employee education exercises, such as phishing simulation email campaigns designed to emulate real-world attacks.

We view cybersecurity protection and data privacy as a shared responsibility in which all employees are active participants. Each employee undergoes annual cybersecurity training with supplemental training disseminated throughout the year. This continual education helps promote a culture that understands the critical role cybersecurity and data privacy play in protecting our clients' assets. Our internal security team reviews our computing environments, products, and services. Independent third-party assessors also evaluate controls within the scope of our SOC 2 examinations and annual assessments under the Sarbanes-Oxley Act.

Cybersecurity Governance

Board and Committee Oversight. Our Board of Directors oversees the Company's cyber risk management program, including risk identification, mitigation strategy and efforts, and resources. The Board receives quarterly updates on cybersecurity risks and mitigation efforts from management, including our Chief Technology Officer (CTO). The Audit Committee reviews the Company's financial reporting of cybersecurity risks and incidents in accordance with SEC rules. We employ dedicated resources to protect our systems and will continue to invest in our security infrastructure with the objective of meeting or exceeding industry standards for cybersecurity.

Management's Role. Our internal security team, together with our CTO, reviews current cybersecurity risks with a cross-functional leadership committee quarterly. Our CTO holds a Master of Management Information Systems degree, has completed multiple SANS Institute programs in cybersecurity and has over twenty years' experience leading both technology operations and security functions for multiple large scale ecommerce retailers. Our Director of Security and Compliance holds an active Certified Information Systems Security Professional (CISSP) certification, along with globally recognized ISACA credentials, including CISA, CISM, and CRISC. He has more than 13 years of experience leading cybersecurity incident response, security, and compliance initiatives. These personnel are informed about and monitor the prevention, detection, mitigation and remediation of cybersecurity incidents through a layered set of cybersecurity systems that monitor employee identities, email, endpoints and traditional network perimeter defenses. Telemetry from these systems is aggregated in a centralized security information and event management (SIEM) platform and monitored by security operations center (SOC) personnel as well as artificial intelligence tools.

Our internal security team, who all hold an active Certified Information Systems Security Professional (CISSP) certification, reviews the alerts generated by these systems, responds to them, and escalates as appropriate. Significant incidents and risks are escalated to our CTO, Director of Security and Compliance and Chief Legal Officer, who, at a minimum, convene to review the matter. If warranted, we engage outside counsel and notify the full Board of Directors. Our cybersecurity risk-management processes are integrated with our overall risk-management processes through the recording of cybersecurity risk factors and risk ratings in our enterprise risk management (ERM) program. These reviews complement management's quarterly updates to the Board of Directors on cybersecurity risks and mitigation efforts.

We are not currently aware of risks from known cybersecurity threats that have materially affected or are reasonably likely to materially affect us, including our operations, business strategy, results of operations, or financial condition. For additional information regarding cybersecurity risks, see the risk factor in Part I, Item 1A. *Risk Factors*, captioned: "*We are required 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. Failure to do so could damage our business, including our reputation with sellers, buyers, and employees, cause us to incur substantial additional costs, and make us subject to litigation and regulatory action."

Item 2. Properties.

As a remote-first organization, the Company maintains a minimal amount of administrative spaces. The Company leases the following properties as of September 30, 2026:

Purpose	Location	Segment	Square Feet	Lease Expiration Date
Corporate Headquarters	Bethesda, Maryland, USA	Corporate & Other	4,027	January 31, 2029
Warehouse	Brownsburg, Indiana, USA	RSCG	204,206	May 31, 2029
Warehouse	Garland, Texas, USA	RSCG	55,275	April 30, 2031
Warehouse	Pittston, Pennsylvania, USA	RSCG	108,536	January 7, 2027
Warehouse	North Las Vegas, Nevada, USA	RSCG	102,400	October 31, 2026[1]
Warehouse	Phoenix, Arizona, USA	RSCG	84,690	January 31, 2027
Warehouse	Brampton, Canada	RSCG	53,621	August 31, 2030
Warehouse	Atlanta, Georgia, USA	GovDeals	77,501	July 31, 2027
Warehouse	Kenilworth, NJ, USA	CAG	10,507	December 31, 2026
Warehouse	E. Brunswick, NJ, USA	CAG	4,800	December 31, 2026
Auction Staging Lot	Montclair, California USA	GovDeals	113,256	November 30, 2026[2]
Auction Staging Lot	Phoenix, Arizona USA	GovDeals	10,760	January 31, 2029
Auction Staging Lot	Tuscon, Arizona USA	GovDeals	5,150	September 30, 2030
Retail Rush Store	Columbus, Ohio USA	RSCG	30,000	January 31, 2031
Administrative	Richardson, Texas USA	Corporate & Other	5,071	February 28, 2031

[1] The Company's prior lease for its North Las Vegas, Nevada warehouse expired on June 30, 2026. As of September 30, 2026, the Company continued to occupy the facility on a short-term basis through October 2026. The Company has executed a lease for a replacement warehouse facility in the Las Vegas market, but which had not yet commenced as of September 30, 2026.
[2] Subsequent to September 30, 2026, the Company executed an amendment to extend the lease for its Montclair, California auction staging lot. The amended lease term expires on November 30, 2027.

In addition, we lease other administrative spaces in North America totaling 1,657 square feet (RSCG, CAG), in Europe totaling 845 square feet (CAG), and in Asia totaling 3,385 square feet (CAG). We also own a 420,000 square foot warehouse located in North Wilkesboro, North Carolina, USA (RSCG).

Item 3. Legal Proceedings.

From time to time, we may become involved in litigation relating to claims arising in the ordinary course of the business. Information regarding the Company's legal proceedings can be found in Note 15 - *Legal Proceedings*, of the accompanying Notes to the Consolidated Financial Statements.

Item 4. Mine Safety Disclosures.

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Market Information

Our common stock has been traded on Nasdaq Stock Market under the symbol LQDT since February 23, 2006.

Holders

As of November 10, 2026, there were approximately 27,353 beneficial holders of our common stock and 16 holders of record of our common stock.

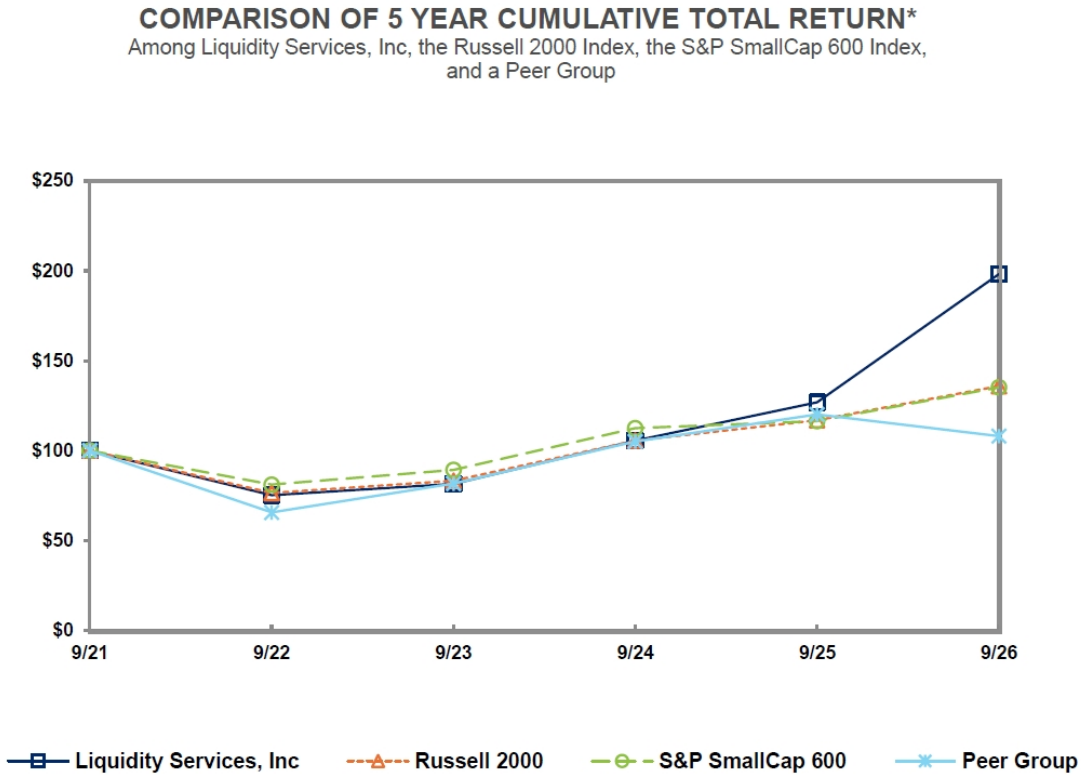
Dividends

We have not paid any cash dividends on our common stock, and we have no present intention to do so. Payment of cash dividends, if any, will be determined by our Board of Directors after consideration of our financial condition, operating results, current and anticipated cash needs and other relevant factors.

Recent Sales of Unregistered Securities

None.

Stock Performance Graph



*$100 invested on 9/30/21 in stock or index, including reinvestment of dividends.
Fiscal year ending September 30.

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Issuer Repurchases of Equity Securities

The following table presents information about our repurchases of common stock that were made during the three months ended September 30, 2026 (in millions, except share and per share amounts):

Period	Total Number of Shares Purchased[1]	Average Price Paid Per Share	Total Number of Shares Purchased as a Part of a Publicly Announced Program	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Program[2]
July 1 to July 31, 2026	—	$ —	—	$ 15.0
August 1 to August 31, 2026	—	—	—	15.0
September 1 to September 30, 2026	—	—	—	15.0
Total	—		—	

(1) Separate from the share repurchase program, our stock incentive plans allow for participants to exercise stock options by surrendering shares of common stock equivalent in value to the exercise price due. During the three months ended September 30, 2026, no shares of common stock were surrendered by participants in the exercise of stock options. Any shares surrendered to the Company in this manner are not available for future grant.

From time to time, we have been authorized to repurchase issued and outstanding shares of our common stock under a share repurchase program approved by our Board of Directors. Share repurchases may be made through open market purchases, privately negotiated transactions, or otherwise at times and in such amounts as management deems appropriate. The timing and actual number of shares repurchased will depend on a variety of factors including price, corporate and regulatory requirements, and other market conditions. The repurchase program may be discontinued or suspended at any time and will be funded using our available cash.

As of September 30, 2026, the Company had $15.0 million of remaining authorization to repurchase shares through December 31, 2027.

Item 6. [Reserved]

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion should be read in conjunction with our consolidated financial statements and related notes contained elsewhere in this Annual Report on Form 10-K. This discussion contains forward-looking statements that involve risks and uncertainties. Our actual results could vary materially from those indicated, implied, or suggested by these forward-looking statements as a result of many factors, including those discussed under "Risk Factors" and elsewhere in this Annual Report on Form 10-K.

Overview

About us. Liquidity Services, Inc. is the leading global provider of e-commerce marketplaces and software solutions powering the circular economy. We create a better future for organizations, individuals, and the planet by using technology to capture and unleash the intrinsic value of surplus. We connect millions of buyers and thousands of sellers through our leading e-commerce auction marketplaces, search engines, asset management and auction software, and related services. Our comprehensive solutions enable the transparent, efficient, sustainable recovery of value from excess items owned by business and government sellers.

Our business delivers value to shareholders by unleashing the intrinsic value of surplus through our online marketplace platforms. These platforms ignite and enable a self-reinforcing cycle of value creation where buyers and sellers attract one another in greater numbers. The result of this cycle is a continuous flow of goods that becomes increasingly valuable as more participants join the platforms, thereby creating positive network effects that benefit sellers, buyers, and shareholders. During the past three fiscal years, we conducted over 3.4 million online transactions that generated $4.6 billion in gross merchandise volume (GMV). 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.

During the year ended September 30, 2026, our number of registered buyers grew from 6.0 million to 6.5 million, or 7.8%. We generated GMV of $1.6 billion and revenue of $477.9 million through multiple sources, including transaction fees from sellers and buyers, proceeds from the sale of products we purchased from sellers, and value-added service charges during the year ended September 30, 2026. Over the prior 5 years, our GMV has grown at a compound annual growth rate of 13.2%.

Incorporated in Delaware as Liquidation.com in November 1999, Liquidity Services has over 25 years of industry experience.

Reportable Segments

The Company has five operating segments and three reportable segments under which we conduct business: GovDeals, Retail Supply Chain Group (RSCG), and Capital Assets Group (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. Further information and operating results of our reportable segments can be found in Note 16 - *Segment Information*.

- *GovDeals*. The GovDeals reportable segment provides solutions that enable government entities including city, county, state and federal agencies located in the United States and Canada and related commercial businesses to sell surplus property and real estate assets through its GovDeals, Bid4Assets and Sierra marketplaces. See Note 3 - *Acquisitions*.
- *RSCG*. The RSCG reportable segment consists of marketplaces that enable corporations located in the United States and Canada to sell excess, returned, and overstocked consumer goods. RSCG also offers a suite of services that includes returns management, asset recovery, and e-commerce solutions. This segment uses multiple selling channels across our network of marketplaces and others to optimize the best combination of velocity, volume, and value. This segment primarily conducts its business-to-business sales on its Liquidation.com marketplace and through Direct Sales, and managed direct-to-consumer sales across a network of online sale channels, including Retail Rush, AllSurplus Deals, Secondipity and other online marketplaces and social-selling channels.

- *CAG*. The CAG reportable segment enables commercial businesses to sell surplus assets on our AllSurplus and GovDeals marketplaces, specializing in asset categories such as heavy equipment, industrial manufacturing, oil and gas, biopharma, fast-moving consumer goods and electronics. CAG also offers a suite of services that includes surplus management, asset valuation, asset sales and marketing. CAG clients benefit from our global base of buyers and sellers, enabling the sale and redeployment of assets wherever they generate the best value and highest use across the world.
- *Machinio & Software Solutions*. The Machinio operating segment operates the Machinio marketplace, a global search engine platform for listing equipment for sale in the construction, machine tool, processing, transportation, printing, agriculture, and laboratory/medical sectors, and the Machinio System platform that provides equipment sellers with a suite of software tools including website hosting, email marketing, and inventory management, to support and enable equipment sellers' online business. The Software Solutions operating segment separately serves as the Company's private-label auction and software-as-a-service (SaaS) arm, offering scalable auction platform services to entrepreneurs and businesses.

Macroeconomic Conditions

Tariffs and other trade barriers. A number of countries have implemented, or are actively considering, measures affecting cross-border trade. Such actions may impact both our buyers and sellers as well as the availability of assets to list on our marketplaces. Ongoing developments related to the timing, scope and application of tariffs, including changes in tariff rates, the range of affected goods, and the countries subject to such measures, remain fluid and subject to rapid and unpredictable change. Tariffs imposed by the U.S., as well as retaliatory tariffs by other countries on U.S. exports, could adversely affect international commerce and our business.

Supply chain challenges and consumer sentiment. The supply of used vehicles available for sale on our marketplaces may be impacted by ongoing tariffs implemented, or actively being considered, by the U.S., as well as the slowing adoption of electric vehicles as a replacement to internal combustion vehicle fleets. Further, used car market price indices continue to experience heightened volatility. In addition, general consumer behavior can be turbulent, and changes in consumer sentiment can cause fluctuation in the mix, volumes, and demand for the products we receive. Changes in these conditions or other challenges that may emerge in other key asset categories can impact our financial performance.

Effects of inflation and heightened interest rates. Inflation in both the U.S. and internationally has weighed on the global economy, increasing prices for energy, shipping, and labor, among other areas of the macroeconomic environment. These events have caused a rise in borrowing costs as well, partly driven by actions taken by central banks to curb rising inflation, which has impacted buyer qualification and transaction timelines.

Currently, the Company is unable to predict the likelihood, magnitude, and timing of inflationary risk to our business, if any. As a marketplace operator, the GMV, revenues and costs of revenues that result from our primarily auction-based sales may be influenced by macroeconomic factors, including but not limited to inflation, the impacts of which may vary across each of our individual asset classes.

International armed and geopolitical conflicts. The global financial markets have experienced volatility subsequent to the invasion of Ukraine by Russia in February 2022, a conflict which remains ongoing, as well as the ongoing conflict in and adjacent to Israel and Iran, and instability in Venezuela. Escalating tensions involving Iran have also contributed to volatility in global energy markets, including increases in oil prices, which in turn have placed upward pressure on transportation, logistics, and other operating costs and contributed to broader inflationary effects. Additionally, the Russia-Ukraine conflict resulted in numerous countries, including the United States, imposing significant new sanctions and export controls against Russia, Russian banks, and certain Russian individuals. These sanctions and export controls and international responses to the ongoing conflict in and adjacent to Israel and Iran, have further heightened global supply chain disruptions, increased energy and commodity price volatility, and impacted the international trade and financial markets. For the fiscal year ended September 30, 2026 and 2025, the Company's total revenues directly associated with Russia, Ukraine, Israel, Iran, and Venezuela were not material to our consolidated financial results individually nor collectively. We will continue monitoring these armed and geopolitical conflicts around the world and any potential future impacts on our business.

See Part I, Item 1A, *Risk Factors*, for an additional discussion of risks related to global economic conditions including those discussed above.

Industry Trends

We believe there are several industry trends positively impacting the long-term growth of our business including:

- the increase in volume of returned merchandise handled both online and in stores as online and omni-channel retail grow as a percentage of overall retail sales;
- the increase in government regulations and the need for corporations to have sustainability solutions with verifiable recycling and remarketing of surplus assets;
- the increase in outsourcing surplus disposition and end-of-life assets by corporations and government entities as they focus on reducing costs; improving transparency, compliance, and working capital; and increasingly prefer service providers with proven track records, innovative scalable solutions, and the ability to make a strategic impact in the reverse supply chain;
- an increase in buyer demand for surplus merchandise as consumers aspire to make more environmentally conscious decisions, while also seeking greater value through purchasing less expensive goods, both of which could impact our long-term growth;
- the increase in demand from sellers and buyers to transact in an online solution ensuring assets are sold for fair market value; and
- in the long-term we expect innovation in the retail supply chain will increase the pace of product obsolescence and, therefore, increase the supply of surplus assets.

Revenues

Substantially all of our revenue is earned through the following transaction models:

Purchase model. Under our purchase transaction model, we recognize revenue within the Purchase revenues line-item on the Consolidated Statements of Operations from the resale of inventory that we purchased from sellers. We consider these sellers to be our vendors. We pay our sellers either a fixed amount or a portion of the net or gross proceeds received from our completed sales based on the value we receive from the sale, in some cases, after deducting the required return to us that we have negotiated with the seller. Because we are the principal in purchase transaction model sales, we recognize as revenue the sale price paid by the buyer upon completion of a transaction. The proceeds paid by buyers also include transaction fees, referred to as buyer premiums.

Consignment model—fee revenue. Under our consignment transaction model, we enable our sellers to sell goods they own in our marketplaces, and we charge them a commission fee based on the gross or net proceeds received from such sales. The revenue from our consignment transaction model is recognized upon auction close or upon collection of auction proceeds, depending upon the settlement service level selected by the seller. Revenue under the consignment model is recorded within the Consignment and other fee revenues line-item on the Consolidated Statements of Operations. Because we are the agent in consignment model sales, our commission fee revenue, which we refer to as seller commissions, represents a percentage of the sales price the buyer pays upon completion of a transaction. We vary the percentage amount of the seller commission depending on the various value-added services we provide to the seller to facilitate the transaction. For example, we generally increase the percentage amount of the commission if we take possession, handle, ship, or provide enhanced product information for the merchandise. In most cases we collect the seller commission by deducting the appropriate amount from the sales proceeds prior to the distribution to the seller after completion of the transaction. In addition to seller commissions, we also collect buyer premiums.

Other — fee revenue. We also earn non-consignment fee revenue from our Machinio and Software Solution subscription services, auction listing service fees for foreclosed real estate at our GovDeals segment (payable regardless of whether or not an auction is completed), as well as other services including asset valuation, product handling, and storage fees. Non-consignment fee revenue is recorded within the Consignment and other fee revenues line-item on the Consolidated Statements of Operations.

Transaction Model Mix. Most of our transactions are conducted under the consignment model, which represented 82.8%, 81.3%, and 85.1% of our consolidated GMV for the years ended September 30, 2026, 2025, and 2024, respectively; however, only the consignment fee, representing a small portion of the consignment GMV, is recognized as revenue, causing consignment revenues to account for 31.8%, 29.0%, and 34.9% of our total revenues for the years ended September 30, 2026, 2025, and 2024, respectively.

Purchase model transactions are a smaller proportion of our consolidated GMV, representing 17.2%, 18.7%, and 14.9% of our consolidated GMV for the years ended September 30, 2026, 2025, and 2024, respectively. However, all of the GMV associated with the purchase model transaction can generally be recognized as revenue, causing purchase revenues to account for 61.8%, 65.1%, and 57.7% of our total revenues for the years ended September 30, 2026, 2025, and 2024, respectively.

Other fee revenues accounted for 6.4%, 5.9%, and 7.3% of our total revenues for the years ended September 30, 2026, 2025, and 2024, respectively.

Our Vendor Agreements

Commercial agreements. We have multiple vendor contracts with Amazon.com, Inc. under which it acquires and sells commercial merchandise. While purchase model transactions account for less than 20% of our total GMV, the cost of inventory for purchase model transactions is the most significant component of our consolidated Costs of goods sold. $18.7 million and $10.1 million of inventory purchased under such contracts with Amazon.com, Inc. is included in our Consolidated Inventory balances as of September 30, 2026 and 2025, respectively. The Company's vendor contracts with respect to sourcing or consigning merchandise for its RSCG segment generally reflect the concentration dynamics inherent to the retail industry. Our Amazon contracts do not require a minimum volume of inventory to be provided to us, while we are generally required to accept the inventory liquidated at the sites awarded to us. Amazon may change the volume and mix allocated to us, including through competitive allocation processes.

Key Business Metrics

Our management periodically reviews certain key business metrics for operational planning purposes and to evaluate the effectiveness of our operational strategies, allocation of resources, and our capacity to fund capital expenditures and expand our business. These key business metrics include:

Gross merchandise volume (GMV). 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 also provides a means to evaluate the effectiveness of investments that we have made and continue to make, including in the areas of buyer and seller support, value-added services, product development, sales and marketing, and operations. Our GMV for the year ended September 30, 2026, was $1.6 billion.

Total registered buyers. We grow our buyer base through a combination of internal and external marketing, as well as other promotional efforts. An individual or company becomes a registered buyer by completing our online registration process for our marketplaces. During registration, we collect personal and business information, including name, company name, address, email, phone number, taxation information, and intended use of our marketplaces. Each prospective buyer must accept our User Agreement (Terms and Conditions) to proceed.

Upon completion of registration, each buyer’s information is automatically screened against global restricted party lists maintained by government regulatory agencies. If the screening flags a buyer, our Customer Support team manually reviews the registration, typically within 24 hours, and the registration is either approved, denied, or subject to further identity verification. Only buyers who pass this vetting process are activated and permitted to bid on our marketplaces. We also conduct ongoing screening of active buyers to ensure continued compliance.

Total registered buyers, as of a given date, represent the aggregate number of persons or entities who have registered on one of our marketplaces. We use this metric to evaluate how well our marketing and promotional efforts are performing. Total registered buyers exclude duplicate registrations, buyers who are suspended from utilizing our marketplaces and buyers who have voluntarily removed themselves from our registration database. In addition, if we become aware of registered buyers that are no longer in business, we remove them from our database. As of September 30, 2026, 2025, and 2024, we had 6.5 million, 6.0 million, and 5.5 million, registered buyers, respectively.

Total auction participants. For each auction we manage, the number of auction participants represents the total number of registered buyers who have bid one or more times in that auction. As a result, a registered buyer who bids, or participates, in more than one auction is counted as an auction participant in each auction in which he or she participates. Thus, the total auction participants for a given period is the sum of the auction participants in each auction conducted during that period.

We use this metric to allow us to compare our online auction marketplaces to our competitors, including other online auction sites and traditional on-site auctioneers. In addition, we measure total auction participants on a periodic basis to evaluate the activity level of our base of registered buyers and to measure the performance of our marketing and promotional efforts. During the years ended September 30, 2026, 2025, and 2024, 4.3 million, 4.1 million, and 4.0 million participants participated in auctions on our marketplaces, respectively.

Completed transactions. Completed transactions represents the number of auctions in a given period from which we have recorded revenue. Similar to GMV, we believe that completed transactions is a key business metric because it provides an additional measurement of the volume of activity flowing through our marketplaces. During the years ended September 30, 2026, 2025, and 2024, we completed 1,243,000, 1,066,000 and 1,081,000 transactions, respectively.

Critical Accounting Policies and Estimates

The Company's consolidated financial statements, included in Part IV, Item 15(a)(1) of this Annual Report on Form 10-K with their accompanying notes, have been prepared in accordance with GAAP, which requires management of the Company to make assumptions, judgments and estimates that affect amounts reported in its consolidated financial statements. Accounting policies and estimates are considered to be "critical" when the nature of the estimate includes subjective or sensitive assumptions or judgments that can have a material impact on the financial condition or operating performance of the Company. Actual results may differ from these estimates.

We consider the following accounting policies to be critical: revenue recognition, business combinations, valuation of goodwill and intangible assets, and income taxes. Refer to Note 2 - S*ummary of Significant Accounting Policies* to the Company's consolidated financial statements for further details on these accounting policies.

We consider the following accounting estimates to be critical: business combinations (Note 3), and income taxes (Note 10). Refer to these individually referenced notes and Note 2 - *Summary of Significant Accounting Policies* to the Company's consolidated financial statements for further details on these accounting estimates. The following discussion is a supplement to the disclosures referenced.

Valuation of goodwill. Goodwill is allocated to our reporting units. The Company has determined our reporting units to consist of GovDeals, CAG, RSCG, Machinio, and Software Solutions. Only the GovDeals, CAG, Machinio, and Software Solutions reporting units maintain a goodwill balance.

As of July 1, 2026, the Company performed its annual goodwill impairment test using a quantitative fair-value based test for all reporting units maintaining a goodwill balance. The fair value test was performed utilizing the discounted cash flow method under the Income approach and the guideline company method under the Market approach, the results of which were weighted 75:25, respectively, in the ending determined fair value. Based on the results of the annual impairment test, the Company recorded a goodwill impairment charge of $0.8 million related to the Software Solutions reporting unit. The impairment was primarily driven by reductions to the reporting unit's forecasted revenue growth, operating margins and expected future cash flows since the acquisition date, primarily reflecting the Company's decision, following the resolution of certain business and legal matters in the fourth quarter of fiscal 2026, to rationalize Simple Auction Site, which had been expected to support near-term revenue while Auction.io scaled. The Company expects some near-term customer attrition as it works to migrate Simple Auction Site customers to its other platforms, while continuing to prioritize investment in Auction.io. See Note 15 – *Legal Proceedings* for the settlement relating to the prior acquisition of Auction Software.

The determination of fair value requires significant judgment regarding future operating results, long-term growth rates, discount rates, and market-based valuation multiples. Following the impairment, the fair value of the Software Solutions reporting unit approximated its carrying value, and the reporting unit had remaining goodwill of approximately $4.2 million as of September 30, 2026. Key assumptions used in the income approach for this reporting unit included a discount rate of 19.0%, which reflects a company-specific risk premium for the reporting unit's stage of development and projection risk. The valuation was also sensitive to changes in projected revenue assumptions during the forecast period. Holding all other assumptions constant, a hypothetical 100 basis point increase in the discount rate (WACC rate) would have increased the impairment charge by approximately $0.4 million, while a hypothetical 100 basis

point decrease in projected revenue assumptions would have increased the impairment charge by approximately $0.1 million. Because the reporting unit's fair value approximates its carrying value, any future unfavorable changes in forecasted revenue growth, operating margins, discount rates, or market multiples could result in additional impairment charges.

We determined the fair value of our GovDeals, CAG, and Machinio reporting units substantially exceeded their carrying value.

Components of Revenue and Expenses

Revenue. Refer to the discussion in the *Our revenue* section above, and to Note 2 - *Summary of Significant Accounting Policies* to the Company's consolidated financial statements in Part IV, Item 15(a)(1) of this Annual Report on Form 10-K for discussion of the Company's related accounting policies.

Cost of goods sold. Refer to Note 2 - *Summary of Significant Accounting Policies*, to the Company's consolidated financial statements in Part IV, Item 15(a)(1) of this Annual Report on Form 10-K for discussion of the Company's Costs of goods sold and related accounting policies.

Technology and operations. Technology expenses primarily consist of the cost of technical staff (including stock compensation), third-party services, licenses, and infrastructure, all as required to develop, configure, deploy, maintain, and secure our marketplace platforms, business operational systems, and facilities. Technology expenses are net of the required capitalization of costs associated with enhancing our marketplace platforms and other software development activities. Depreciation and amortization of capitalized software development costs, purchased software, acquired developed software intangible assets, and computer hardware are included within Depreciation and amortization in the accompanying Consolidated Statements of Operations. Technology expenses are presented separately from Costs of goods sold (excluding depreciation and amortization) in the Consolidated Statements of Operations, as these expenses provide for the general availability of our marketplace platforms and other business operational systems and are not attributable to specific revenue generating transaction activity occurring on our marketplaces.

Because our marketplaces and support systems require frequent upgrades and enhancements to maintain viability, we have determined that the useful life for certain internally developed software is less than one year. As a result, we expense those costs as incurred. However, where we determine that the useful life of the internally developed software will be greater than one year, we capitalize development costs in accordance with ASC 350-40, Internal-use software. As such, we are capitalizing certain development costs associated with our marketplaces and support systems, as well as other software development activities.

Operations expenses consist primarily of costs to operate our network of warehouses, including shipping logistics, inventory management, refurbishment, and administrative functions; costs to enhance our online auctions listings and provide customer support; and costs associated with field support and preparation and transfer of goods from sellers to buyers. Operations expenses include both internal and external labor costs, as well as other third-party charges. These costs are expensed as incurred.

Sales and marketing. Sales and marketing expenses include the cost of our sales and marketing personnel as well as the cost of lead generation, marketing and promotional activities, including buyer and seller acquisition, as well as general brand marketing. These activities include online marketing campaigns, such as paid search advertising and geofencing campaigns, as well as offline marketing efforts, trade shows, and marketing analytics.

General and administrative. General and administrative expenses include all corporate and administrative functions that support our operations and provide an infrastructure to facilitate our future growth. These expenses are generally more fixed in nature than our other operating expenses and do not vary as significantly in response to the volume of merchandise sold through our marketplaces.

Depreciation and amortization. Depreciation and amortization consist of depreciation of property and equipment, amortization of internally developed software, and amortization of intangible assets.

Other operating expenses, net. Other operating expenses, net includes acquisition-related costs, impairment of long-lived and other assets, impacts of lease terminations, as well as business realignment expenses, including those associated with restructuring initiatives and the exit of certain business operations.

Interest and other income, net. Interest and other income, net consists of interest income on interest-bearing checking accounts, money market funds, interest and unused commitment fees in connection with the Company's Credit Agreement, the components of net periodic pension cost (benefit) other than the service component and impacts of foreign currency fluctuations.

Income taxes. Income taxes include current and deferred income tax expense for the U.S. federal, state, and foreign jurisdictions.

Results of Operations

The following table presents reportable segment GMV, revenue, segment direct profit (which is calculated as total revenue less cost of goods sold (exclusive of depreciation and amortization)), and segment direct profit as a percentage of total revenue for the periods indicated ($ in thousands):

	Year Ended September 30,		
(dollars in thousands	**2026**	**2025**	**2024**
GovDeals:			
GMV	$ 952,335	$ 903,456	$ 836,288
Total revenue	$ 93,423	$ 87,404	$ 76,557
Segment direct profit	$ 88,567	$ 81,006	$ 71,727
Segment direct profit as a percentage of total revenue	94.8%	92.7%	93.7%
RSCG:			
GMV	$ 447,238	$ 418,418	$ 320,683
Total revenue	$ 317,127	$ 330,291	$ 233,003
Segment direct profit	$ 90,446	$ 74,747	$ 66,873
Segment direct profit as a percentage of total revenue	28.5%	22.6%	28.7%
CAG:			
GMV	$ 245,248	$ 249,017	$ 209,661
Total revenue	$ 45,628	$ 39,296	$ 37,668
Segment direct profit	$ 38,923	$ 34,828	$ 31,268
Segment direct profit as a percentage of total revenue	85.3%	88.6%	83.0%
Machinio & Software Solutions:			
GMV	—	—	—
Total revenue	$ 21,736	$ 19,746	$ 16,157
Segment direct profit	$ 19,805	$ 18,302	$ 15,364
Segment direct profit as a percentage of total revenue	91.1%	92.7%	95.1%
Consolidated:			
GMV	$ 1,644,821	$ 1,570,891	$ 1,366,632
Total revenue	$ 477,914	$ 476,669	$ 363,318

NM = not meaningful

Year Ended September 30, 2026 Compared to Year Ended September 30, 2025

Segment Results

GovDeals. Total revenues from our GovDeals reportable segment increased 6.9%, or $6.0 million, due to a $48.9 million, or 5.4%, increase in GMV driven by continued marketplace adoption, new seller acquisition and service expansion. Revenue grew at a higher rate than GMV due to the expansion of service offerings to higher-volume sellers. Segment direct profit increased by $7.6 million, or 9.3%, and Segment direct profit as a percentage of total revenue increased from 92.7% to 94.8%, due to lower transaction processing fees.

RSCG. Revenue from our RSCG reportable segment decreased by $13.2 million, or 4.0%, as our planned transition away from certain lower-margin purchase flows more than offset a $28.8 million, or 6.9%, increase in GMV, which was primarily driven by consignment transactions in our asset-light, sell-in-place marketplace solutions and managed direct-to-consumer channels. Segment direct profit increased by $15.7 million, or 21.0%, and Segment direct profit as a percentage of total revenue increased from 22.6% to 28.5%, driven by this shift in mix towards higher-margin purchase flows, strong multi-channel consignment channel optimization, and lower transaction processing fees. These benefits were partially offset late in the fourth quarter of fiscal 2026, when inventory removal events from selected sellers elevated inventory levels in the short term. We expect this to normalize over the next few quarters.

CAG. Revenue from our CAG reportable segment increased by $6.3 million, or 16.1%, as a decrease in GMV of $3.8 million, or 1.5%, driven by variability in project timing and regional activity levels, was more than offset by increased heavy equipment consignment transaction activity and a favorable transaction mix of complex, multinational industrial projects that command a higher take-rate. As there are inherent variations in the mix of assets sourced and sold by the CAG segment in any given period, Segment direct profit as a percentage of total revenue decreased from 88.6% to 85.3%. As a result of the increase in revenues, Segment direct profit increased by $4.1 million, or 11.8%. Global supply chains may experience heightened disruptions due to international tensions and other factors, which could limit the volume of assets made available for sale in any period.

Machinio & Software Solutions. Revenue in our Machinio & Software Solutions businesses increased 10.1%, or $2.0 million, due to modest subscription growth and pricing and expansion of our Machinio System offering to marine dealers. As a result of these increases in revenues, segment direct profit increased 8.2%, or $1.5 million. Segment direct profit as a percentage of total revenue decreased from 92.7% to 91.1% due to the Auction Software acquisition.

Consolidated Results

The following table sets forth, for the periods indicated, our operating results (dollars in thousands):

(in thousands)	Year Ended September 30,		Change	
	2026	2025	$	%
Purchase revenues	$ 295,275	$ 310,538	$ (15,263)	(4.9)%
Consignment and other fee revenues	182,639	166,131	16,508	9.9 %
Total revenue	477,914	476,669	1,245	0.3 %
Costs and expenses from operations:				
Cost of goods sold (excludes depreciation and amortization)	240,173	267,854	(27,681)	(10.3)%
Technology and operations	73,871	68,542	5,329	7.8 %
Sales and marketing	66,301	60,964	5,337	8.8 %
General and administrative	36,850	32,774	4,076	12.4 %
Depreciation and amortization	10,787	10,409	378	3.6 %
Other operating expenses, net	1,119	1,060	59	5.5 %
Total costs and expenses	429,101	441,603	(12,503)	(2.8)%
Income from operations	48,813	35,066	13,747	39.2 %
Interest and other income, net	(5,037)	(4,375)	(661)	15.1 %
Income before provision for income taxes	53,850	39,441	14,409	36.5 %
Provision for income taxes	16,552	11,348	5,204	45.9 %
Net income	$ 37,298	$ 28,093	$ 9,205	32.8 %

NM = not meaningful

Total revenues. Total consolidated revenue increased $1.2 million, or 0.3%. Purchase revenues decreased $15.3 million, or 4.9%, while Consignment and other fee revenues increased $16.5 million, or 9.9%, reflecting the planned transition in our RSCG reportable segment away from certain lower-margin purchase flows and continued growth in consignment transaction across our reportable segments. Refer to the discussion of Segment Results above for discussion of the change in revenue.

Cost of goods sold (excludes depreciation and amortization). Cost of goods sold decreased $27.7 million, or 10.3%, primarily due to lower purchase revenues from the planned transition away from certain lower-margin purchase flows in our RSCG reportable segment, a shift in mix towards higher-margin flows optimized through our multi-channel approach, as well as lower transaction processing fees during the fiscal year ended September 30, 2026. Refer to the *Segment Results* above for discussion of changes in Segment direct profit as a percentage of total revenue.

Technology and operations expenses. Technology and operations expenses increased $5.3 million, or 7.8% ($4.8 million, or 6.9%, after the effect of a $0.6 million increase in stock compensation primarily from variable stock awards tied to financial performance targets), driven by continued investment in our proprietary marketplace platform technology, costs associated with multinational industrial projects at our CAG reportable segment, and increased storage costs late in the fourth quarter of fiscal 2026 associate d with elevated inventory levels in our RSCG reportable segment, partially offset by a streamlining of operational costs including warehouse consolidation efforts in our RSCG reportable segment.

Sales and marketing expenses. Sales and marketing expenses increased $5.3 million, or 8.8% ($4.2 million, or 6.9%, after the effect of a $1.1 million increase in stock compensation primarily from variable stock awards tied to financial performance targets), driven by continued market share expansion and multi-channel buyer participation initiatives.

General and administrative expenses. General and administrative expenses increased $4.1 million, or 12.4% ($1.6 million, or 4.9%, after the effect of a $2.5 million increase in stock compensation primarily from variable stock awards tied to financial performance targets), primarily due to changes in expected attainment of certain variable compensation targets.

Depreciation and amortization. Depreciation and amortization expense increased $0.4 million, or 3.6%, primarily due higher depreciation from increased capital expenditures, including capitalized software, partially offset by lower amortization of acquired intangible assets.

Other operating expenses, net. Other operating expenses, net increased $0.1 million, or 5.5%, primarily due to a $0.8 million goodwill impairment charge in our Software Solutions reporting unit (see Note 7 - *Goodwill*), and costs associated with the acquisition of Invaluable, which closed subsequent to September 30, 2026 (see Note 17 - *Subsequent Events*). These were partially offset by a $0.8 million legal settlement in connection with the prior acquisition of Auction Software (see Note 15 - *Legal Proceedings*).

Interest and other income, net. Interest and other income, net increased $0.7 million, or 15.1%, due to higher balances held in cash equivalent and short-term investments.

Provision for income taxes. Provision for income taxes increased $5.2 million to an expense of $16.6 million from an expense of $11.3 million, primarily due to higher pre-tax income in fiscal 2026. The Company's effective tax rate was 30.7% for the fiscal year ended September 30, 2026, compared with 28.8% for the fiscal year ended September 30, 2025. The fiscal 2026 effective tax rate differed from the statutory federal rate of 21.0% primarily as a result of state and local income taxes and permanently nondeductible expenses, including performance-based compensation.

Year Ended September 30, 2025 Compared to Year Ended September 30, 2024

Segment Results

GovDeals. Total revenues from our GovDeals reportable segment increased 14.2%, or $10.8 million, due to a $67.2 million, or 8.0%, increase in GMV driven by new seller acquisition, service expansion and strong results across our personal property categories, partially offset by lower market prices for vehicles sold. Revenue grew at a higher rate than GMV due to the expansion of service offerings to new, higher-volume sellers, including through the acquisition of Sierra. Segment direct profit increased by $9.3 million, or 12.9%, and Segment direct profit as a percentage of total revenue decreased from 93.7% to 92.7%, as our expanded service offerings for higher-volume sellers have a higher revenue take-rate but require additional costs of goods sold relative to our traditional self-service model.

RSCG. Revenue from our RSCG reportable segment increased by $97.3 million, or 41.8%, concentrated in the first three quarters of fiscal 2025, due to a $97.7 million, or 30.5%, increase in GMV from expanded multi-channel buyer development efforts with existing and new retail client programs alike, and increased volumes from our client purchase model programs relative to our consignment programs, while certain inventory purchases were reduced starting in the fourth quarter of fiscal 2025.Segment direct profit increased by $7.9 million, or 11.8%, and Segment direct profit as a percentage of total revenue decreased from 28.7% to 22.6%, reflecting the increased mix of purchase model transactions, purchase rate changes, partially offset by lower transaction processing fees.

CAG. Revenue from our CAG reportable segment increased by $1.6 million, or 4.3%, due to a $39.4 million, or 18.8%, increase in GMV from continued growth of recurring sellers transacting under the consignment model in our heavy equipment category, as well as our biopharma and energy categories, partially offset by fewer large international spot purchase transactions, and certain industrial categories and regions experiencing tempered activity due to economic and tariff-related supply chain uncertainty, during the fiscal year ended September 30, 2025. Revenue increased at a lower rate than GMV due to the increase in transactions conducted under the consignment model during the current fiscal year. Segment direct profit increased by $3.6 million, or 11.4%, as the increased consignment mix, driven by the heavy equipment category, has a greater impact on Segment direct profit than total revenues. Segment direct profit as a percentage of total revenue increased from 83.0% to 88.6% due to fewer international spot purchase transactions in the current year. As a reminder, there are inherent variations in the mix of assets sourced and sold by the CAG segment in any given period. Global supply chains may experience heightened disruptions due to international tensions, including certain industrial categories and regions currently experiencing tempered activity due to economic and tariff-related supply chain uncertainty, as well as other factors, which could limit the volume of assets made available for sale in any period.

Machinio & Software Solutions. Revenue in our Machinio & Software Solutions businesses increased 22.2%, or $3.6 million, due to Machinio price increases and continued growth in its subscribers, and from the acquisition of Auction Software to form our Software Solutions business. As a result of this increase in revenues, segment direct profit increased 19.1%, or $2.9 million. Segment direct profit as a percentage of total revenue decreased from 95.1% to 92.7% as a result of the Auction Software acquisition.

Consolidated Results

The following table sets forth, for the periods indicated, our operating results (dollars in thousands):

	Year Ended September 30,			
	2025	2024	$ Change	% Change
Purchase revenues	$ 310,538	$ 209,800	$ 100,738	48.0 %
Consignment and other fee revenues	166,131	153,518	12,613	8.2 %
Total revenues	476,669	363,318	113,351	31.2 %
Costs and expenses from operations:				
Cost of goods sold (excludes depreciation and amortization)	267,854	178,152	89,702	50.4 %
Technology and operations	68,542	61,377	7,165	11.7 %
Sales and marketing	60,964	54,832	6,132	11.2 %
General and administrative	32,774	31,962	812	2.5 %
Depreciation and amortization	10,409	12,120	(1,711)	(14.1)%
Other operating expenses, net	1,060	1,471	(411)	(27.9)%
Total costs and expenses	441,603	339,914	101,689	29.9 %
Income from operations	35,066	23,404	11,662	49.8 %
Interest and other income, net	(4,375)	(3,854)	(521)	13.5 %
Income before provision for income taxes	39,441	27,260	12,181	44.7 %
Provision for income taxes	11,348	7,269	4,079	56.1 %
Net income	$ 28,093	$ 19,991	$ 8,102	40.5 %

NM = not meaningful

Total revenues. Total consolidated revenue increased $113.4 million, or 31.2%. Refer to the discussion of Segment Results above for discussion of the increase in revenue.

Cost of goods sold (excludes depreciation and amortization). Cost of goods sold increased $89.7 million, or 50.4%, primarily due to increased purchase transaction volumes at our RSCG reportable segment during the fiscal year ended September 30, 2025.

Technology and operations expenses. Technology and operations expenses increased $7.2 million, or 11.7%, primarily to support higher transaction volumes across our segments, expanded service offerings including through the acquisition of Sierra in our GovDeals segment, a $0.6 million increase in stock compensation expense, the acquisition of Auction Software (see Note 3 - *Acquisitions*). In response to higher temporary storage costs associated with elevated purchase volumes at our RSCG segment during the first half of fiscal 2025, we consolidated our RSCG warehouse locations and streamlined logistics to improve alignment between our buyers and our sources of inventory.

Sales and marketing expenses. Sales and marketing expenses increased $6.1 million, or 11.2%, due to increased sales expenses incurred to support the greater purchase transaction volumes across our segments, including RSCG and GovDeals, as well as expansion in the heavy equipment vertical at CAG, other key initiatives, and a $1.7 million increase in stock compensation expense.

General and administrative expenses. General and administrative expenses increased $0.8 million, or 2.5%, primarily due to a $1.2 million increase in stock compensation expense, partially offset by $0.5 million in litigation expense incurred during the prior year ended September 30, 2024; see Note 15 - *Legal Proceedings* for further information.

Depreciation and amortization. Depreciation and amortization expense decreased $1.7 million, or 14.1%, primarily due to certain historically acquired intangible assets reaching the end of their useful lives during the fiscal year ended September 30, 2025.

Other operating expenses, net. Other operating expenses, net decreased $0.4 million, or 27.9%, due to lower acquisition-related costs during the fiscal year ended September 30, 2025, partially offset by $0.5 million of impairment expense at our RSCG segment following the exit of a warehouse; see Note 6 - *Leases* for further information.

Interest and other income, net. Interest and other income, net increased $0.5 million, or 13.5%, due to higher balances held in cash equivalent and short-term investments, partially offset by a decline in interest rates.

Provision for income taxes. Provision for income taxes increased $4.1 million to an expense of $11.3 million from an expense of $7.3 million due to the increase in state and deferred income taxes resulting from higher pre-tax income in fiscal 2025. The Company's effective tax rate was 28.8% for the fiscal year ended September 30, 2025. The fiscal 2025 effective tax rate differed from the statutory federal rate of 21.0% primarily as a result of the impact of foreign, state, and local income taxes and permanent adjustments.

Non-GAAP Financial 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) expense, net excluding the non-service components of net periodic pension cost (benefit); Provision for income taxes; and Depreciation and amortization. Interest and other (income) expense, net, can include non-operating gains and losses, such as from foreign currency fluctuations. Our definition of Non-GAAP Adjusted EBITDA differs from Non-GAAP EBITDA because we further adjust Non-GAAP EBITDA for stock-based compensation expense, acquisition costs such as transaction expenses and changes in earn out estimates, business realignment expenses, litigation settlement losses and gains, and goodwill, long-lived, and other non-current asset impairment.

We believe Non-GAAP EBITDA and Non-GAAP Adjusted EBITDA are useful to an investor in evaluating our performance for the following reasons:

- Depreciation and amortization expense primarily relates to property and equipment and the amortization of intangible assets. These expenses are non-cash charges that have fluctuated significantly in the past. As a result, we believe that adding back these non-cash charges is useful in evaluating the operating performance of our business on a consistent basis from year-to-year.
- As a result of varying federal and state income tax rates, we believe that presenting a financial measure that adjusts for provision for income taxes is useful to investors when evaluating the operating performance of our business on a consistent basis from year to year.

- The authoritative guidance for stock-based compensation requires all share-based payments to employees, including grants of employee stock options, restricted stock and stock appreciation rights to be recognized in the income statement based on their estimated fair values over the requisite vesting period. We believe adjusting for this stock-based compensation expense is useful to investors when evaluating the operating performance of our business on a consistent basis from year to year.
- The authoritative guidance related to business combinations requires the initial recognition of contingent consideration at fair value based upon information known or knowable as of the acquisition date, with subsequent changes in fair value recorded through the Consolidated Statements of Operations and disallows the capitalization of transaction costs. We believe adjusting for these acquisition-related expenses is useful to investors when evaluating the operating performance of our business on a consistent basis from year-to-year.
- We believe adjusting for litigation settlement losses (gains) that are not expected to reoccur is useful to investors when evaluating the operating performance of our business on a consistent basis from year-to-year.
- We believe adjusting for business realignment expense is useful to investors when evaluating the operating performance of our business on a consistent basis from year-to-year, as these expenses are outside our ordinary course of business.
- We believe isolating non-cash charges, such as amortization and depreciation, and other items, such as impairment costs incurred outside our ordinary course of business, provides additional information about our cost structure, and, over time, helps track our performance.
- We believe Non-GAAP EBITDA and Non-GAAP Adjusted EBITDA are important indicators of our operational strength and the performance of our business because they provide a link between profitability and operating cash flow.
- We also believe that analysts and investors use Non-GAAP EBITDA and Non-GAAP Adjusted EBITDA as supplemental measures to evaluate the overall operating performance of companies in our industry.

Our management uses Non-GAAP EBITDA and Non-GAAP Adjusted EBITDA:

- as measurements of operating performance because they assist us in comparing our operating performance on a consistent basis as they remove the impact of items not directly resulting from our core operations;
- for planning purposes, including the preparation of our internal annual operating budget;
- to allocate resources to enhance the financial performance of our business;
- to evaluate the effectiveness of our operational strategies; and
- to evaluate our capacity to fund capital expenditures and expand our business.

Non-GAAP EBITDA and Non-GAAP Adjusted EBITDA as calculated by us are not necessarily comparable to similarly titled measures used by other companies. In addition, Non-GAAP EBITDA and Non-GAAP Adjusted EBITDA: (a) do not represent net income or cash flows from operating activities as defined by GAAP; (b) are not necessarily indicative of cash available to fund our cash flow needs; and (c) should not be considered as alternatives to net income, income from operations, cash provided by (used in) operating activities, or our other financial information as determined under GAAP.

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.

The table below reconciles Net income to Non-GAAP EBITDA and Non-GAAP Adjusted EBITDA for the periods presented.

	Year ended September 30,		
	2026	2025	2024
Net income	$ 37,298	$ 28,093	$ 19,991
Interest and other income, net[(1)]	(5,321)	(4,574)	(4,048)
Provision for income taxes	16,552	11,348	7,269
Depreciation and amortization	10,787	10,409	12,120
Non-GAAP EBITDA	$ 59,316	$ 45,276	$ 35,332
Stock compensation expense	18,668	14,490	11,087
Acquisition-related costs and litigation settlements[(2)]	291	285	1,830
Impairment of goodwill and long-lived assets[(3)]	818	—	—
Business realignment expenses[(4)]	19	765	251
Non-GAAP Adjusted EBITDA	$ 79,112	$ 60,816	$ 48,500

1 *Interest and other income, net excludes non-services pension and other postretirement expense (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 and $0.5 million of settlement loss, net of insurance recovery, recognized in General and administrative expenses during fiscal 2024. 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.*

Liquidity and Capital Resources

Our operational cash needs primarily relate to working capital, including staffing costs, technology expenses, leases of real estate, and equipment used in our operations, and capital used for inventory purchases, which we have funded through existing cash balances and cash generated from operations. The Company has not paid a dividend historically, nor do we have any intention to do so in the foreseeable future. From time to time, we may use our capital resources for other activities, such as contract start-up costs, joint ventures, share repurchases and acquisitions. As of September 30, 2026, we had $213.7 million in Cash and cash equivalents and $11.4 million in Short-term investments, which we believe is sufficient to meet the Company's anticipated cash needs for at least one year from the date these financial statements are issued.

The Company accepts multiple forms of payment including payment cards, bank transfers, and other merchant account providers. Generally, we require receipt of payment prior to shipment or buyer-arranged pick-up at the point of sale, which minimizes our collection risk on those transactions. However, for a limited number of financially qualified buyers, which can include re-sellers, we may from time-to-time extend credit for certain large purchases with negotiated payment periods. Credit terms commonly require payment to be made within 30 days but, where commercial terms or market conditions warrant, these payment terms may be extended for up to six months. As a result, our consolidated accounts receivable balances are typically a small component of our overall financial position but may, at times, be concentrated among a limited, small number of such buyers. Collection risk from and credit exposure to these financially qualified buyers is regularly reviewed by management and adjusted as needed.

Capital Expenditures

Our capital expenditures consist primarily of capitalized software, warehouse equipment, computers and purchased software, office equipment, furniture and fixtures, and leasehold improvements. The timing and volume of such capital expenditures in the future will be affected by the addition of new sellers or buyers or expansion of existing seller or buyer relationships. We intend to fund those expenditures primarily from our existing cash balances and operating cash flows. Our capital expenditures for the year ended September 30, 2026 were $9.2 million. As of September 30, 2026, we had no significant outstanding commitments for capital expenditures.

Our future capital requirements will depend on many factors including our rate of revenue growth, the timing and extent of spending to support development efforts, the expansion of sales and marketing activities, the development and deployment of new marketplaces, the introduction of new value-added services and the costs to maintain, modernize, and, where appropriate, consolidate or relocate our technology and warehouse infrastructure. We may seek to enter agreements with respect to potential investments in, or acquisitions of, complementary businesses, products or technologies, which could also require us to seek additional equity or debt financing. The sale of additional equity securities or convertible debt securities would result in additional dilution to our stockholders. Additional debt would result in increased interest expense and could result in covenants that would restrict our operations. Such financing, if required, may not be available in amounts or on terms acceptable to us, if at all.

Credit Agreement

The Company maintains a $35.0 million revolving credit facility with Wells Fargo Bank, National Association (the Credit Agreement). During the fiscal year ended September 30, 2026, the Credit Agreement was amended to extend the maturity date by 12 months to March 31, 2028 (the Fourth Amendment). No other changes, including regarding the borrowing terms or capacities, were made to the Credit Agreement.

The Company may draw upon the Credit Agreement for general corporate purposes. Repayments of any borrowings under the Credit Agreement shall become available for redraw at any time by the Company. The interest rate on borrowings under the Credit Agreement is a variable rate per annum equal to the Daily Simple Secured Overnight Financing Rate (SOFR) in effect plus a margin ranging from 1.25% to 1.75%. Interest is payable monthly. During the fiscal year ended September 30, 2026, the Company did not make any draws under the Credit Agreement. As of September 30, 2026, the Company had no outstanding borrowings under the Credit Agreement and had $10.8 million of standby letters of credit outstanding, an increase of $1.8 million from September 30, 2025, which support collateral requirements under certain RSCG purchase programs. The amount of standby letters of credit are reserved against the Credit Agreement and are not available for borrowing, resulting in $24.2 million of remaining borrowing capacity under the Credit Agreement as of September 30, 2026.

The obligations under the Credit Agreement are unconditionally guaranteed by us and each of our existing and subsequently acquired or organized domestic subsidiaries and secured on a first priority basis by a security interest (subject to permitted liens) in substantially all assets owned by us, and each of our other domestic subsidiaries, subject to limited exceptions. The Credit Agreement contains certain financial and non-financial restrictive covenants including, among others, the requirement to maintain a minimum level of earnings before interest, income taxes, depreciation and amortization (EBITDA). The Credit Agreement contains a number of affirmative and restrictive covenants including limitations on mergers, consolidations and dissolutions, investments and acquisitions, indebtedness and liens, and dividends and other restricted payments. As of September 30, 2026, the Company was in full compliance with the terms and conditions of the Credit Agreement.

Working Capital Management

Most of our sales are recorded subsequent to receipt of payment authorization, utilizing credit cards, wire transfers, ACH, and other secure electronic payment platforms as methods of payment. These platforms generally provide immediate authorization and timely settlement. As a result, we are not subject to significant collection risk, as goods are generally not shipped before payment is received. We expect to continue to invest in enhancements to our e-commerce technology platform, marketplace capabilities, and tools for data-driven product recommendations, omni-channel behavioral marketing, expanded analytics, and buyer/seller payment optimization.

We intend to indefinitely reinvest the earnings of our foreign subsidiaries outside the United States. As a result, we did not record a provision for deferred U.S. tax expense on the $9.8 million of undistributed foreign earnings as of September 30, 2026. An aggregate

of $27.3 million and $22.5 million of cash and cash equivalents and short-term investments was held outside of the U.S. as of September 30, 2026 and 2025, respectively. These amounts are not currently considered in our evaluation of near-term liquidity needs in the U.S. due to the potential for adverse tax consequences upon repatriation.

Other Uses of Capital Resources

Strategic Acquisitions. We may pursue strategic acquisitions as part of our capital allocation strategy when we identify opportunities that complement our existing marketplaces and solutions, expand our capabilities or market reach, and represent an attractive use of capital relative to alternatives. We evaluate potential acquisitions based on factors such as strategic fit, expected financial returns, integration risk and valuation. Recent acquisitions include:

- *Invaluable Acquisition*. Subsequent to fiscal year 2026, on October 1, 2026, we completed the acquisition of Invaluable, which operates two online auction marketplaces: Invaluable, a global marketplace for fine art, antiques, jewelry and collectibles, and AuctionZip, a U.S.-focused marketplace and directory for local and regional auctioneers. Invaluable's marketplaces provide access to approximately four million registered bidders and processes more than $500 million of gross merchandise volume annually. Auction houses list their upcoming events and auction catalogs on these marketplaces to extend their reach beyond their own salerooms and websites, allowing registered bidders to discover their lots and bid either during the live sale or in timed online auctions. Invaluable earns listing fees from auction houses, charged per auction event or on a subscription basis, and commissions based on the hammer price of lots won through its platforms. Invaluable also provides auction houses with private-label auction websites, auction-management software, marketing services and integrated payment processing, and offers buyers managed shipping and subscription access to its historical auction price database. These generate recurring software and subscription fees, as well as marketing, payment processing and shipping revenue. The base purchase price was $80.0 million in cash, funded with cash on hand and subject to customary adjustments for cash, indebtedness, working capital and transaction expenses, including post-closing adjustments. The acquired business is not included in our fiscal 2026 operating results. See Note 17 - *Subsequent Events*.
- *Auction Software Acquisition*. On January 31, 2025, the Company acquired Auction Software, a private-label marketplace and SaaS solutions provider. Auction Software results are reported within our Machinio & Software Solutions reportable segment. See Note 3 - *Acquisitions* for more information regarding this transaction.
- *Sierra Acquisition*. On January 1, 2024, the Company acquired all the issued and outstanding equity securities associated with Sierra Auction Management, Inc. (Sierra), a full-service auction company specializing in the sale of vehicles, equipment and surplus assets for government agencies, commercial businesses, and charities in the southwestern U.S. See Note 3 - *Acquisitions* for more information regarding this transaction.

Share Repurchases. From time to time, we have been authorized to repurchase issued and outstanding shares of our common stock under a share repurchase program approved by our Board of Directors. Share repurchases may be made through open-market purchases, privately negotiated transactions, or otherwise, at times and in such amounts as management deems appropriate. The timing and actual number of shares repurchased will depend on a variety of factors including price, corporate and regulatory requirements, and other market conditions. The repurchase program may be discontinued or suspended at any time and will be funded using our available cash.

The Company repurchased 623,687 shares for $16.1 million during the year ended September 30, 2025. As of September 30, 2025, the Company had $1.5 million of remaining authorization to repurchase shares through December 31, 2026.

On November 17, 2025, the Company's Board of Directors authorized the repurchase of up to an additional $15.0 million of the Company's outstanding shares of common stock through December 31, 2027.

The Company repurchased 56,676 shares for $1.5 million during the fiscal year ended September 30, 2026. As of September 30, 2026, the Company had $15.0 million of remaining authorization to repurchase shares through December 31, 2027.

Off-Balance Sheet Arrangements. We do not have any transactions, agreements or other contractual arrangements that could be considered material off-balance sheet arrangements.

Changes in Cash Flows: 2026 Compared to 2025

Net cash provided by operating activities was $58.0 million and $66.8 million for the twelve months ended September 30, 2026 and 2025, respectively. While our Net income as adjusted for non-cash items increased by $13.4 million, this was more than offset by changes in our working capital accounts.

Our working capital accounts are subject to natural variations depending on the rate of change of our transaction volumes, the timing of cash receipts and payments, and variations in our transaction volumes related to settlements between our buyers and sellers. Inventory used $18.7 million of cash in fiscal 2026, compared with providing $5.2 million in fiscal 2025, reflecting an approximately $10.5 million reduction in related payables following our transition to shorter payment terms under certain RSCG purchase programs during the fourth quarter of fiscal 2026, and an approximately $8.2 million increase in inventory primarily from removal events by selected sellers during the fourth quarter of fiscal 2026 that elevated inventory levels in the short term. We expect inventory levels to normalize over the next few quarters. Under normal conditions, we generally collect buyer proceeds before payment is due to sellers for purchased inventory. When inventory levels are elevated or sell-through slows, as occurred in the fourth quarter of fiscal 2026, this timing reverses and we fund inventory before the related buyer proceeds are collected, increasing our working capital requirements during that time. We believe our existing cash, cash equivalents and available borrowing capacity will be sufficient to fund these requirements.

As GovDeals real estate sales with settlement services increase, operating cash flow fluctuations from Accounts payable and Payables to sellers may become more variable. The amount of cash received and settled will be substantially higher than our take-rate on such transactions, and the timing of auction events, cash collection period, and payment of settlements relative to period end dates can potentially drive substantial cash movements to the extent the timing of such activities cross fiscal periods. Cash paid for income taxes increased by $5.1 million to $14.3 million in fiscal 2026 from $9.2 million in fiscal 2025, reflecting higher pre-tax income and the first full fiscal year following the full utilization of our remaining federal net operating loss carryforwards. There have been no other significant changes to the working capital requirements for the Company.

Net cash used in investing activities was $9.7 million and $23.0 million for the twelve months ended September 30, 2026 and 2025, respectively. The $13.3 million decrease in cash used in investing activities was primarily driven by a $7.4 million decrease in the purchase of short-term investments, a $6.5 million decrease in cash paid for business acquisitions as the prior year included the Auction Software acquisition (see Note 3 - *Acquisitions*), and an increase of $0.9 million in maturities of short-term investments. These were partially offset by a $1.4 million increase in capital expenditures.

Net cash used in financing activities was $9.0 million and $21.8 million for the twelve months ended September 30, 2026 and 2025, respectively. The $12.8 million decrease in cash used in financing activities was primarily driven by a $14.7 million decrease in share repurchases and a $1.2 million increase in proceeds from the exercise of common stock options. These were partially offset by a $3.1 million increase in taxes paid associated with the net settlement of stock compensation awards.

Changes in Cash Flows: 2025 Compared to 2024

Net cash provided by operating activities was $66.8 million and $70.2 million for the twelve months ended September 30, 2025 and 2024, respectively. While our Net income as adjusted for non-cash items increased by $7.3 million, this was more than offset by a combined $15.8 million decrease in cash inflows associated with our Accounts payable and Payables to sellers accounts as the prior year benefited from the receipt of buyer payments for certain, larger consignment asset sales near the end of the year.

Our working capital accounts are subject to natural variations depending on the rate of change of our transaction volumes, the timing of cash receipts and payments, and variations in our transaction volumes related to settlements between our buyers and sellers. RSCG's purchase program volume changes may cause operating cash flows from Accounts receivable, Accounts payable and Inventory to fluctuate. As GovDeals real estate sales with settlement services increase, operating cash flow fluctuations from Accounts payable and Payables to sellers may become more variable. The amount of cash received and settled will be substantially higher than our take-rate on such transactions, and the timing of auction events, cash collection period, and payment of settlements relative to period end dates can potentially drive substantial cash movements to the extent the timing of such activities cross fiscal periods. Our US federal income tax payments increased in fiscal 2025 as our remaining federal net operating loss carryforwards were fully utilized. There have been no other significant changes to the working capital requirements for the Company.

Net cash used in investing activities was $23.0 million and $16.1 million for the twelve months ended September 30, 2025 and 2024, respectively. The $6.9 million increase in cash used in investing activities was primarily driven by a $16.8 million increase in the purchase of short-term investments, partially offset by an increase of $2.0 million in maturities of short-term investments, a $1.0 million

decrease in capital expenditures, and a $6.7 million decrease in cash paid for business acquisitions; see Note 3 - *Acquisitions*.

Net cash used in financing activities was $21.8 million and $11.2 million for the twelve months ended September 30, 2025 and 2024, respectively. The $10.6 million increase in cash used in financing activities was primarily driven by a $6.8 million increase in share repurchases and a $3.5 million increase in taxes paid associated with the net settlement of stock compensation awards.

New Accounting Pronouncements

Information regarding our adoption of new accounting and reporting standards is discussed in Note 2 - *Summary of Significant Accounting Policies*, to the consolidated financial statements included in Part IV, Item 15(a)(1) of this Annual Report on Form 10-K.

Item 7A. Quantitative and Qualitative Disclosures about Market Risk.

Interest rate sensitivity. Our investment policy requires us to invest funds in excess of current operating requirements. The principal objectives of our investment activities are to preserve principal, provide liquidity, and maximize income consistent with minimizing risk of material loss. As of September 30, 2026, we hold cash and cash equivalents and short-term investments that are subject to varying interest rates based upon their maturities. A hypothetical 100 basis point decline in interest rates would impact our pre-tax earnings by less than $2.3 million on an annualized basis.

As of September 30, 2026, we do not have any debt; however, should the Company borrow under our revolving credit facility in the future, such draw would incur interest as determined by the SOFR in effect plus a margin ranging from 1.25% to 1.75%.

Exchange rate sensitivity. Because of the number of countries and currencies we operate in, movements in currency exchange rates may affect our results. We report our operating results and financial condition in U.S. dollars. Our U.S. operations earn revenues and incur expenses primarily in U.S. dollars.

Outside the U.S., we generate revenues and incur expenses in both U.S. dollars and local currencies. Our primary foreign exchange exposures include British Pounds, Canadian Dollars, Chinese Yuan, Euros, and Hong Kong Dollars. When we translate the results and net assets of our international operations into U.S. dollars for financial reporting purposes, movements in exchange rates will affect our reported results. Volatile market conditions arising from ongoing macroeconomic conditions, such as changes in interest rates set by central banks and armed conflicts around the world, may result in significant changes in exchange rates, which could affect our results of operations expressed in U.S. dollars. A hypothetical 10% decrease in foreign exchange rates would reduce our total expected revenues by approximately 1%. The potential impact on pre-tax earnings would be less as total expected expenses would also decrease.

Item 8. Financial Statements and Supplementary Data.

The consolidated financial statements and accompanying notes are included in Part IV, Item 15(a)(1) of this Annual Report on Form 10-K.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls and Procedures.

Attached as exhibits to this Form 10-K are certifications of our Chief Executive Officer (CEO) and Chief Financial Officer (CFO), which are required in accordance with Rule 13a-14 of the Securities Exchange Act of 1934, as amended (the Exchange Act). This "Controls and Procedures" section includes information concerning the controls and controls evaluation referred to in the certifications. The report of Deloitte & Touche LLP, our independent registered public accounting firm, regarding its audit of our internal control over financial reporting is set forth below in this section. This section should be read in conjunction with the certifications and the Deloitte & Touche LLP report for a more complete understanding of the topics presented.

Evaluation of Disclosure Controls and Procedures

Management conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures and our internal control over financial reporting as of the end of the period covered by this Form 10-K. The controls evaluation was conducted under the supervision and with the participation of our CEO and CFO. Disclosure controls and procedures are controls and procedures designed to ensure that information required to be disclosed in our reports filed under the Exchange Act, such as this Form 10-K, is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures are also designed to reasonably assure that such information is accumulated and communicated to our management, including the CEO and CFO, as appropriate to allow timely decisions regarding required disclosure. Our quarterly evaluation of disclosure controls includes an evaluation of some components of our internal control over financial reporting. Internal control over financial reporting is also separately evaluated on an annual basis for purposes of providing the management report which is set forth below.

The evaluation of our disclosure controls included a review of the controls' objectives and design, our implementation of the controls and their effect on the information generated for use in this Form 10-K. In the course of the controls evaluation, we reviewed identified data errors, control deficiencies and, where appropriate, sought to confirm that appropriate corrective actions, including process improvements, were being undertaken. This type of evaluation is performed on a quarterly basis so that the conclusions of management, including the CEO and CFO, concerning the effectiveness of the disclosure controls can be reported in our periodic reports on Form 10-Q and Form 10-K. Many of the components of our disclosure controls are also evaluated on an ongoing basis by our finance organization. The overall goals of these various evaluation activities are to monitor our disclosure controls, and to modify them as necessary. Our intent is to maintain the disclosure controls as dynamic systems that change as conditions warrant.

Based upon the controls evaluation, our CEO and CFO have concluded that, as of the end of the period covered by this Form 10-K, our disclosure controls were effective to provide reasonable assurance that information required to be disclosed in our Exchange Act reports is recorded, processed, summarized, and reported within the time periods specified by the SEC, and that material information related to Liquidity Services and our consolidated subsidiaries is made known to management, including the CEO and CFO, particularly during the period when our periodic reports are being prepared. We reviewed the results of management's evaluation with the Audit Committee of our Board of Directors.

Management Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining effective internal control over financial reporting to provide reasonable assurance regarding the reliability of our financial reporting and the preparation of financial statements for external purposes in accordance with GAAP. Internal control over financial reporting includes those policies and procedures that (a) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the Company; (b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP; and (c) provide reasonable assurance regarding authorization to effect the acquisition, use, or disposition of Company assets, as well as the prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Management assessed our internal control over financial reporting as of September 30, 2026, the end of our fiscal year. Management based its assessment on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 Framework). Management's assessment included evaluation of such elements as the design and operating effectiveness of key financial reporting controls, process documentation, accounting policies and our overall control environment. This assessment is supported by testing and monitoring performed by our finance organization.

Based on this assessment, management has concluded that our internal control over financial reporting was effective as of the end of the fiscal year to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external reporting purposes in accordance with GAAP.

Our independent registered public accounting firm, Deloitte & Touche LLP, independently assessed the effectiveness of the Company's internal control over financial reporting. Deloitte & Touche LLP has issued an attestation report, which is included at the end of this section.

Inherent Limitations on Effectiveness of Controls

A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. The design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Other inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple error or mistake. Controls can also be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. Projections of any evaluation of effectiveness of controls to future periods are subject to risks. Over time, controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with policies or procedures.

Changes in Internal Control over Financial Reporting

During the three months ended September 30, 2026, no change occurred in our internal controls over financial reporting that materially affected, or is reasonably likely to materially affect, our internal controls over financial reporting.

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Liquidity Services, Inc.

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of Liquidity Services, Inc. and subsidiaries (the "Company") as of September 30, 2026, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of September 30, 2026, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended September 30, 2026, of the Company and our report dated November 19, 2026, expressed an unqualified opinion on those financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Deloitte & Touche LLP

McLean, Virginia

November 19, 2026

Item 9B. Other Information.

None.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections.

Not applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance.

The information required by Items 401(a), 401(b), 401(c), 401(d), 401(e)(1), 401(e)(2), 401(f), 401(g), 405(a), 407(c)(3), 407(d)(4), and 407(d)(5) of Regulation S-K is incorporated by reference from the Company's Proxy Statement relating to its 2027 Annual Meeting of Stockholders to be filed with the SEC within 120 days after September 30, 2026.

Code of Ethics, Governance Guidelines and Committee Charters

We have adopted a Code of Conduct that applies to all of our directors, officers and employees, including our principal executive, principal financial and principal accounting officers, or persons performing similar functions. The Code of Conduct is available on our website at http://investors.liquidityservices.com. We intend to disclose future amendments to certain provisions of the Code of Conduct, and waivers of the Code of Conduct granted to executive officers and directors, on the website within four business days following the date of the amendment or waiver.

Insider Trading Policy

We have adopted an Insider Trading Policy and procedures to protect the Company from legal liability, promote its business interest in maintaining its reputation for integrity, and to govern purchases, sales, and other dispositions of our securities by our directors, officers, employees, and other covered persons, as well as by the Company itself. We believe these policies and procedures are reasonably designed to promote compliance with insider trading laws, rules, regulations, and applicable Nasdaq listing standards A copy of the policy is filed as Exhibit 19.1 to this Form 10-K.

Item 11. Executive Compensation.

The information required by Items 402(b), 402(c), 402(d), 402(e), 402(f), 402(g), 402(h), 402(i), 402(j), 402(k), 402(s), 402(t), 402(u), 402(v), 402(w), 402(x), 407(e)(4), and 407(e)(5) of Regulation S-K is incorporated by reference from the Company's Proxy Statement relating to its 2027 Annual Meeting of Stockholders to be filed with the SEC within 120 days after September 30, 2026.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The information required by Items 201(d), 403(a), and 403(b) of Regulation S-K is incorporated by reference from the Company's Proxy Statement relating to its 2027 Annual Meeting of Stockholders to be filed with the SEC within 120 days after September 30, 2026.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

The information required by Items 404(a), 404(b), 407(a)(1), 407(a)(2), and 407(a)(3) of Regulation S-K is incorporated by reference from the Company's Proxy Statement relating to its 2027 Annual Meeting of Stockholders to be filed with the SEC within 120 days after September 30, 2026.

Item 14. Principal Accountant Fees and Services.

The information required by Items 9(e)(1)-(4), 9(e)(5), and 9(e)(6) of Schedule 14A is incorporated by reference from the Company's Proxy Statement relating to its 2027 Annual Meeting of Stockholders to be filed with the SEC within 120 days after September 30, 2026.

PART IV

Item 15. Exhibits and Financial Statement Schedules.

(a)

	Page
(1) The following documents related to the financial statements are filed as part of this report:	
Report of Independent Registered Public Accounting Firm (PCAOB ID No.34)	70
Consolidated Balance Sheets as of September 30, 2026, and 2025	72
Consolidated Statements of Operations for the years ended September 30, 2026, 2025, and 2024	73
Consolidated Statements of Comprehensive Income for the years ended September 30, 2026, 2025, and 2024	74
Consolidated Statements of Stockholders' Equity for the years ended September 30, 2026, 2025, and 2024	75
Consolidated Statements of Cash Flows for the years ended September 30, 2026, 2025, and 2024	76
Notes to the Consolidated Financial Statements	77
(2) The following financial statement schedule is filed as part of this report:	
Schedules for the three years ended September 30, 2026, 2025, and 2024:	
II—Valuation and Qualifying Accounts	108

All other schedules for which provision is made in the applicable accounting regulation of the Securities and Exchange Commission are not required or are inapplicable and therefore have been omitted.

(3) The documents required to be filed as exhibits to this report under Item 601 of Regulation S-K are listed in the Exhibit Index included elsewhere in this report, which list is incorporated herein by reference.

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Liquidity Services, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Liquidity Services, Inc. and subsidiaries (the "Company") as of September 30, 2026 and September 30, 2025, the related consolidated statements of operations, comprehensive income, stockholders' equity, and cash flows, for each of the three years in the period ended September 30, 2026, and the related notes and the schedule listed in the Index at Item 15(a) (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of September 30, 2026 and September 30, 2025, and the results of its operations and its cash flows for each of the three years in the period ended September 30, 2026, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of September 30, 2026, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated November 19, 2026, expressed an unqualified opinion on the Company's internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Revenue - Refer to Note 2 to the financial statements

Critical Audit Matter Description

The Company earns revenue (1) on transactions where they resell inventory that they purchase from sellers, (2) from the sale of inventory that is sold on a consignment basis, and (3) from other non-consignment fee transactions. When acting as a principal, the Company purchases an asset or assets from a seller and then seeks to sell the asset or assets to a buyer. The Company then recognizes as purchase revenue the gross proceeds from the sale, including buyer's premiums. When the Company is acting as an agent, its performance obligation is to arrange for the seller to sell an asset or assets to the buyer directly. The Company recognizes consignment and other fee revenues based on the sales commissions that are paid to the Company by the sellers for utilizing the Company's services. Consideration

is variable based on units, final auction prices, or other factors, until the buyer's purchase of the asset or assets is complete, or the service has been provided.

We identified a critical audit matter related to revenue transactions recorded, which required an increased extent of effort, including the need for us to involve professionals with expertise in information technology ("IT"), to identify, test, and evaluate the Company's systems, applications, and automated controls.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the Company's revenue transactions included the following, among others:

- With the assistance of our IT specialists, we:
  - Identified the significant systems used to process revenue transactions and tested the general IT controls over each of these systems, including testing of user access controls, change management controls, and IT operations controls.
  - Performed testing of system interface controls and automated controls relevant to the revenue processes.
- We tested internal controls within the relevant revenue processes, including those in place to reconcile the various systems to the Company's general ledger.
- We performed detailed transaction testing for a sample of revenue transactions, which included the following:
  - Agreeing the selected revenue transactions recognized to underlying source documents.
  - Testing the classification of each transaction as either purchase revenue, where the Company acts as a principal and records revenue based on the gross value of the asset sale, or commission and other fee revenue, where the Company acts as an agent and records only the fee earned net of the sale transaction value.

/s/ Deloitte & Touche LLP

McLean, Virginia
November 19, 2026
We have served as the Company's auditor since 2021.

Liquidity Services, Inc. and Subsidiaries
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

See accompanying notes to the consolidated financial statements.

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

	Year Ended September 30,		
	2026	**2025**	**2024**
Purchase revenues	$ 295,275	$ 310,538	$ 209,800
Consignment and other fee revenues	182,639	166,131	$ 153,518
Total revenue	477,914	476,669	363,318
Costs and expenses from operations:			
Cost of goods sold (excludes depreciation and amortization)	240,173	267,854	178,152
Technology and operations	73,871	68,542	61,377
Sales and marketing	66,301	60,964	54,832
General and administrative	36,850	32,774	31,962
Depreciation and amortization	10,787	10,409	12,120
Other operating expenses, net	1,119	1,060	1,471
Total costs and expenses	429,101	441,603	339,914
Income from operations	48,813	35,066	23,404
Interest and other income, net	(5,037)	(4,375)	(3,854)
Income before provision for income taxes	53,850	39,441	27,260
Provision for income taxes	16,552	11,348	7,269
Net income	$ 37,298	$ 28,093	$ 19,991
Basic income per common share	$ 1.20	$ 0.91	$ 0.66
Diluted income per common share	$ 1.14	$ 0.87	$ 0.63
Basic weighted average shares outstanding	31,070,449	30,932,459	30,496,306
Diluted weighted average shares outstanding	32,614,475	32,411,075	31,634,192

See accompanying notes to the consolidated financial statements.

Liquidity Services, Inc. and Subsidiaries
Consolidated Statements of Comprehensive Income
(Dollars In Thousands)

	Year Ended September 30,		
	2026	**2025**	**2024**
Net income	$ 37,298	$ 28,093	$ 19,991
Other comprehensive (loss) income:			
Defined benefit pension plan—unrecognized amounts	(721)	(922)	(485)
Foreign currency translation and other	(568)	(291)	1,516
Other comprehensive (loss) income	(1,289)	(1,213)	1,031
Comprehensive income	$ 36,009	$ 26,880	$ 21,022

See accompanying notes to the consolidated financial statements.

Liquidity Services, Inc. and Subsidiaries
Consolidated Statements of Stockholders' Equity
(Dollars In Thousands)

	Common Stock			Treasury Stock				
	Shares	Amount	Additional Paid-in Capital	Shares	Amount	Accumulated Other Comprehensive Income (Loss)	Retained Earnings (Accumulated Loss)	Total
Balance at September 30, 2023	36,142,345	$ 36	$ 265,945	(5,433,045)	$ (84,031)	$ (10,458)	$ (9,958)	$ 161,533
Net income	—	—	—	—	—	—	19,991	19,991
Exercise of common stock options, grants of restricted stock awards, and vesting of restricted stock units	684,745	1	597	—	—	—	—	598
Taxes paid associated with net settlement of stock compensation awards	(119,250)	—	(2,254)	—	—	—	—	(2,254)
Common stock repurchases	—	—	—	(564,887)	(9,426)	—	—	(9,426)
Common stock surrendered in the exercise of stock options	—	—	397	(17,564)	(397)	—	—	—
Forfeiture of restricted stock awards	—	—	—	—	—	—	—	—
Stock compensation expense	0	—	11,087	—	—	—	—	11,087
Defined benefit pension plan—unrecognized amounts, net of taxes	—	—	—	—	—	(485)	—	(485)
Foreign currency translation	—	—	—	—	—	1,516	—	1,516
Balance at September 30, 2024	36,707,840	$ 37	$ 275,771	(6,015,496)	$ (93,854)	$ (9,427)	$ 10,033	$ 182,560
Net income	—	—	—	—	—	—	28,093	28,093
Exercise of common stock options, grants of restricted stock awards, and vesting of restricted stock units	788,108	—	211	—	—	—	—	211
Taxes paid associated with net settlement of stock compensation awards	(183,533)	—	(5,743)	—	—	—	—	(5,743)
Acquisition consideration paid in common stock (Note 3)	27,260	—	945	—	—	—	—	945
Common stock repurchases	—	—	—	(623,687)	(16,101)	—	—	(16,101)
Common stock surrendered in the exercise of stock options	—	—	47	(1,397)	(47)	—	—	—
Forfeiture of restricted stock awards	(22,500)	—	—	—	—	—	—	—
Stock compensation expense	—	—	14,490	—	—	—	—	14,490
Defined benefit pension plan—unrecognized amounts, net of taxes	—	—	—	—	—	(922)	—	(922)
Foreign currency translation	—	—	—	—	—	(291)	—	(291)
Balance at September 30, 2025	37,317,175	$ 37	$ 285,721	(6,640,580)	$ (110,002)	$ (10,640)	$ 38,126	$ 203,242
Net income	—	—	—	—	—	—	37,298	37,298
Exercise of common stock options, grants of restricted stock awards, and vesting of restricted stock units	1,083,105	1	1,415	—	—	—	—	1,416
Taxes paid associated with net settlement of stock compensation awards	(272,687)	—	(8,812)	—	—	—	—	(8,812)
Common stock repurchases	—	—	—	(56,676)	(1,513)	—	—	(1,513)
Common stock surrendered in the exercise of stock options	—	—	120	(4,012)	(120)	—	—	—
Forfeiture of restricted stock awards	(51,093)	—	—	—	—	—	—	—
Stock compensation expense	—	—	18,668	—	—	—	—	18,668
Defined benefit pension plan—unrecognized amounts, net of taxes	—	—	—	—	—	(721)	—	(721)
Foreign currency translation and other	—	—	—	—	—	(568)	—	(568)
Balance at September 30, 2026	38,076,500	$ 38	$ 297,112	(6,701,268)	$ (111,635)	$ (11,929)	$ 75,424	$ 249,010

See accompanying notes to the consolidated financial statements.

Liquidity Services, Inc. and Subsidiaries
Consolidated Statements of Cash Flows
(Dollars In Thousands)

	Year Ended September 30,		
	2026	2025	2024
Operating activities			
Net income	$ 37,298	$ 28,093	$ 19,991
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	10,787	10,409	12,120
Stock compensation expense	18,668	14,490	11,087
Inventory adjustment to net realizable value	193	539	163
Provision for doubtful accounts	531	356	839
Deferred tax expense	1,814	2,396	5,323
Impairment of long-lived and other non-current assets	818	459	—
Loss (gain) on disposal of property and equipment	36	36	(14)
Changes in operating assets and liabilities:			
Accounts receivable	1,697	233	(4,269)
Inventory and related payables	(18,736)	5,241	4,949
Prepaid taxes and tax refund receivable	(1,302)	(239)	264
Prepaid expenses and other assets	759	1,452	(3,036)
Operating lease assets and liabilities	(556)	(345)	1,447
Accounts payable	4,639	(68)	8,374
Accrued expenses and other current liabilities	1,701	2,519	4,212
Deferred revenue	(554)	(204)	87
Payables to sellers	(1,471)	1,337	8,684
Other liabilities	1,662	54	—
Net cash provided by operating activities	57,984	66,758	70,221
Investing activities			
Purchases of property and equipment, including capitalized software	(9,216)	(7,800)	(8,907)
Purchase of short-term investments	(11,608)	(19,020)	(2,264)
Maturities of short-term investments	11,049	10,142	8,161
Cash paid for business acquisition, net of cash acquired	—	(6,496)	(13,157)
Other investing activities, net	99	190	54
Net cash used in investing activities	(9,676)	(22,984)	(16,113)
Financing activities			
Payments of the principal portion of finance lease liabilities	(107)	(102)	(89)
Proceeds from exercise of common stock options, net of tax	1,416	212	598
Taxes paid associated with net settlement of stock compensation awards	(8,813)	(5,743)	(2,254)
Common stock repurchases	(1,513)	(16,180)	(9,426)
Net cash used in financing activities	(9,017)	(21,813)	(11,171)
Effect of exchange rate differences on cash and cash equivalents	(171)	(580)	8
Net increase in cash and cash equivalents	39,120	21,381	42,945
Cash and cash equivalents at beginning of year	174,607	153,226	110,281
Cash and cash equivalents at end of year	$ 213,727	$ 174,607	$ 153,226
Supplemental disclosure of cash flow information			
Cash paid for income taxes, net	$ 14,285	$ 9,201	$ 1,710
Non-cash: Common stock surrendered in the exercise of stock options	$ 120	$ 47	$ 397
Non-cash: Acquisition consideration paid in common stock	$ —	$ 945	$ —

See accompanying notes to the consolidated financial statements.

1. Organization

Liquidity Services, Inc. (Liquidity Services, the Company) is the leading global provider of e-commerce marketplaces and software solutions powering the circular economy. We create a better future for organizations, individuals, and the planet by using technology to capture and unleash the intrinsic value of surplus. We connect millions of buyers and thousands of sellers through our leading e-commerce auction marketplaces, search engines, asset management and auction software, and related services. Our comprehensive solutions enable the transparent, efficient, sustainable recovery of value from excess items owned by business and government sellers.

Our business delivers value to shareholders by unleashing the intrinsic value of surplus through our online marketplace platforms. These platforms ignite and enable a self-reinforcing cycle of value creation where buyers and sellers attract one another in greater numbers. The result of this cycle is a continuous flow of goods that becomes increasingly valuable as more participants join the platforms, thereby creating positive network effects that benefit sellers, buyers, and shareholders.

Incorporated in Delaware as Liquidation.com in November 1999, Liquidity Services has over 25 years of industry experience.

Reportable Segments

The Company has five operating segments and three reportable segments under which we conduct business: GovDeals, Retail Supply Chain Group (RSCG), and Capital Assets Group (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. Further information and operating results of our reportable segments can be found in Note 16 - *Segment Information*.

- *GovDeals*. The GovDeals reportable segment provides solutions that enable government entities including city, county, state and federal agencies located in the United States and Canada and related commercial businesses to sell surplus property and real estate assets through its GovDeals, Bid4Assets and Sierra marketplaces. See Note 3 - *Acquisitions*.
- *RSCG*. The RSCG reportable segment consists of marketplaces that enable corporations located in the United States and Canada to sell excess, returned, and overstocked consumer goods. RSCG also offers a suite of services that includes returns management, asset recovery, and e-commerce solutions. This segment uses multiple selling channels across our network of marketplaces and others to optimize the best combination of velocity, volume, and value. This segment primarily conducts its business-to-business sales on its Liquidation.com marketplace and through Direct Sales, and managed direct-to-consumer sales across a network of online sale channels, including Retail Rush, AllSurplus Deals, Secondipity and other online marketplaces and social-selling channels.
- *CAG*. The CAG reportable segment enables commercial businesses to sell surplus assets on our AllSurplus and GovDeals marketplaces, specializing in asset categories such as heavy equipment, industrial manufacturing, oil and gas, biopharma, fast-moving consumer goods and electronics. CAG also offers a suite of services that includes surplus management, asset valuation, asset sales and marketing. CAG clients benefit from our global base of buyers and sellers, enabling the sale and redeployment of assets wherever they generate the best value and highest use across the world.
- *Machinio & Software Solutions*. The Machinio operating segment operates the Machinio marketplace, a global search engine platform for listing equipment for sale in the construction, machine tool, processing, transportation, printing, agriculture, and laboratory/medical sectors, and the Machinio System platform that provides equipment sellers with a suite of software tools including website hosting, email marketing, and inventory management, to support and enable equipment sellers' online business. The Software Solutions operating segment separately serves as the Company's private-label auction and software-as-a-service (SaaS) arm, offering scalable auction platform services to entrepreneurs and businesses.

The Company's operations are subject to certain risks and uncertainties, many of which are associated with technology-oriented companies, including, but not limited to, the Company's dependence on use of the Internet; the effect of general business and economic trends including inflationary pressures and impacts from interest rate changes; tariffs and other trade barriers; ongoing international armed and geopolitical conflicts; susceptibility to rapid technological change; actual and potential competition by entities with greater financial and other resources; collectability of payment from our buyers; and the potential for the commercial sellers from which the Company derives a significant portion of its inventory to change the way they conduct their disposition of surplus assets or to otherwise terminate or not renew their contracts with the Company.

2. Summary of Significant Accounting Policies

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect amounts in the consolidated financial statements and accompanying notes. Actual results could differ significantly from those estimates.

Principles of Consolidation and Basis of Presentation

The accompanying consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America. In addition, in the opinion of management, all adjustments (consisting of normal, recurring accruals) considered necessary for a fair presentation of the results for the periods presented have been included.

Business Combinations

The Company recognizes all of the assets acquired, liabilities assumed, contractual contingencies, and contingent consideration at their fair value on the acquisition date. Acquisition-related costs are recognized separately from the acquisition and expensed as incurred. Restructuring costs incurred in periods subsequent to the acquisition date are expensed when incurred. Subsequent changes to the purchase price (i.e., working capital adjustments) or other fair value adjustments determined during the measurement period are recorded as an adjustment to goodwill, with the exception of contingent consideration, which is recognized in the Consolidated Statements of Operations in the period it is modified. All subsequent changes to a valuation allowance or uncertain tax position that relate to the acquired company and existed at the acquisition date that occur both within the measurement period and as a result of facts and circumstances that existed at the acquisition date, are recognized as an adjustment to goodwill. All other changes in valuation allowances are recognized as a reduction or increase to income tax expense or as a direct adjustment to additional paid-in capital as required.

Cash and Cash Equivalents

The Company considers all highly liquid securities purchased with an initial maturity of three months or less to be cash equivalents and are included as a current asset in the line-item Cash and cash equivalents within our Consolidated Balance Sheets. Interest income earned through our cash and cash equivalents are recorded to Interest and other income, net within the Consolidated Statements of Operations.

Short-term Investments

The Company's short-term investments are designated as held-to-maturity investment securities, recorded at amortized cost, and are included as a current asset in the line-item Short-term investments within our Consolidated Balance Sheets as their maturity is less than one year from the balance sheet date. Interest income earned through our short-term investments are recorded to Interest and other income, net within the Consolidated Statements of Operations.

Accounts Receivable

Accounts receivable are recorded at the invoiced amount and are non-interest-bearing. The Company maintains an allowance for doubtful accounts to reserve for potentially uncollectible receivables. Changes in allowances, which are included in Sales and marketing within the Consolidated Statements of Operations, are based on management's judgment, which considers historical bad debt experience, a specific review of all significant outstanding invoices, customer-specific information and relevant conditions, and an assessment of general economic conditions. The Company's allowance for doubtful accounts was $0.8 million as of both September 30, 2026 and 2025.

Inventory

Inventory consists of property obtained for resale, generally through the online auction process, and is stated at the lower of cost or net realizable value in the line-item Inventory, net on the Consolidated Balance Sheets. Cost is generally determined using the specific identification method. Costs associated with our warehouse operations are expensed as incurred and included within Technology and operations expenses in the Consolidated Statements of Operations. Charges for unsellable inventory, as well as for inventory written down to net realizable value, are included in Cost of goods sold in the period in which they have been determined to occur. As of September 30, 2026 and 2025, the Company's Inventory, net on its Consolidated Balance Sheet is stated at net realizable value.

Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets includes prepaid insurance, software subscriptions, and other prepaid services, along with the short-term portion of contract assets (described in "Contract Assets and Liabilities"), prepaid income taxes and income tax refunds receivable, recoverable value-added tax, and capitalized sales commissions paid (described in "Contract Costs").

Property and Equipment

Property and equipment are recorded at cost, and depreciated or amortized on a straight-line basis over the following estimated useful lives:

Computers and purchased software	One to five years
Equipment	Two to five years
Furniture and fixtures	Five to seven years
Internally developed software for internal-use	Two to five years
Leasehold improvements	Shorter of lease term or useful life
Buildings	Thirty-nine years
Vehicles	Five years
Land	Not depreciated

Leases

The Company determines if an arrangement is a lease upon inception. A contract is or contains a lease if the contract provides the right to control the use of an identified asset for a period of time.

Lease assets and liabilities are recognized at the lease commencement date at an amount equal to the present value of the lease payments to be made over the lease term. The lease payments represent the combination of lease and nonlease components. The discount rate used to determine the present value is the Company's incremental borrowing rate for a duration that is consistent with the lease term, as the rates implicit in the Company's leases are generally not determinable. The Company's incremental borrowing rate is estimated using publicly available information for companies with comparable financial profiles, adjusted for the impact of collateralization. The lease term includes the impacts of options to extend or terminate the lease only if it is reasonably certain that the option will be exercised.

Lease expense related to operating lease assets and liabilities is recognized on a straight-line basis over the lease term. Lease expense related to finance lease assets is recognized on a straight-line basis over the shorter of the useful life of the asset or the lease term, while

lease expense related to finance lease liabilities is recognized using the interest method. Lease-related payments not included in the determination of the lease assets and liabilities, such as variable lease payments, are expensed as incurred.

Lease assets and liabilities are not recognized when the lease term is 12 months or less; however, short-term lease expense is still recognized on a straight-line basis over the lease term.

Balances related to the Company's operating leases are included within Operating lease assets, Current portion of operating lease liabilities, and Operating lease liabilities (non-current portion of operating lease liabilities) on the Consolidated Balance Sheets.

Balances related to the Company's finance leases are included within Other assets (finance lease assets), Accrued expenses and other current liabilities (current portion of finance lease liabilities), and Other long-term liabilities (non-current portion of finance lease liabilities) on the Consolidated Balance Sheets.

Lease assets are assessed for impairment in accordance with the Company’s accounting policy for the impairment of long-lived assets.

Intangible Assets

Intangible assets consist of customer and supplier relationships, technology, trade names, and other intangibles (comprised of patents and related assets). Intangible assets are amortized using the straight-line method over their estimated useful lives.

Impairment of Long-Lived Assets

Long-lived assets, including definite-lived intangible assets, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be fully recoverable. If an impairment indicator is present, the Company evaluates recoverability by comparing the carrying amount of the assets to future undiscounted net cash flows expected to be generated by the assets. If the assets are impaired, the impairment recognized is measured by the amount by which the carrying amount exceeds the estimated fair value of the assets.

Goodwill

Goodwill represents the costs in excess of the fair value of net assets acquired through acquisitions by the Company. The Company reviews goodwill for impairment annually on July 1, or more frequently if events or circumstances indicate impairment may exist. Examples of such events or circumstances could include a significant change in business climate or the loss of a significant contract.

In evaluating goodwill for impairment, the Company may first assess qualitative factors to determine whether it is more likely than not (that is, a likelihood of more than 50 percent) that the fair value of a reporting unit is less than its carrying amount. If the Company concludes that it is not more likely than not that the fair value of the reporting unit is less than its carrying value, no further testing of goodwill assigned to the reporting unit is required. If the Company concludes that it is more likely than not that the fair value of a reporting unit is less than its carrying value, the Company applies a fair value-based test.

In applying a fair value-based test, the Company determines the fair value of each of its reporting units and compares that amount to the carrying amount of the respective reporting units, including goodwill. If the fair value of the reporting unit exceeds its carrying amount, no impairment loss is recognized. If, instead, the carrying value of the reporting unit exceeds its fair value, an impairment loss is recognized in the amount of the excess carrying value.

Net Investment Hedges

The Company may designate certain derivative instruments (e.g., foreign-currency forwards or cross-currency swaps) as hedges of the foreign-currency exposure of its net investments in foreign operations in accordance with ASC 815 and ASC 830. At hedge inception, management prepares contemporaneous documentation that identifies the hedged net investment, the hedging instrument, the risk being hedged, and the method used to assess hedge effectiveness. The Company applies the spot method to assess effectiveness and expects relationships to be highly effective when the derivative's currency pair and notional amount match the portion of the net investment designated as hedged; changes in fair value attributable to spot-rate movements are recorded in accumulated other comprehensive income (loss) within the cumulative translation adjustment (CTA) to the extent the hedge is effective.

Under the Company's policy, forward points (the excluded component) are recognized in current-period earnings on a rational, systematic straight-line basis over the hedge term; any difference between the change in fair value of the excluded component and the straight-line recognition is recorded in CTA. The Company monitors hedge ratios each reporting period and will rebalance or prospectively de-designate a portion of a hedge if the notional of the hedged net investment decreases below the derivative notional; amounts previously recognized in CTA are not reclassified to earnings solely due to such de-designations. As of September 30, 2026, the Company had no outstanding net investment hedges. As of September 30, 2025, the Company had one outstanding net investment hedge applied to its Canadian subsidiary, however, such hedge was not material to its consolidated financial statements.

Deferred Revenue

Deferred revenue is primarily derived from subscriptions from our Machinio & Software Solutions segment that range primarily from one to twenty-four months. Subscription fees are recognized ratably over the term of the agreements.

Revenue Recognition

In the Consolidated Statements of Operations, revenue from the resale of inventory that the Company purchases from sellers is recognized within Purchase revenues. Revenue from the sale of inventory that the Company sells on a consignment basis, and other non-consignment fee revenue, which includes subscription services from our Machinio & Software Solutions segment, is recognized within Consignment and other fee revenues.

The Company recognizes revenue when or as performance obligations are satisfied and control is transferred to the customer. Revenue is recognized in the amount that reflects the consideration to which the Company expects to be entitled.

Revenue is also evaluated to determine whether the Company should report the gross proceeds as revenue (when the Company acts as the principal in the arrangement) or report its revenue on a net basis (when the Company acts as an agent). Specifically, when other parties are involved in providing goods or services to a customer, the Company must determine whether the nature of its promise is a performance obligation to provide the specified goods or services itself, or to arrange for another party to provide them. The Company evaluates the following factors to determine if it is acting as a principal: (a) whether the Company is primarily responsible for fulfilling the promise to provide the asset or assets; (b) whether the Company has inventory risk of the asset or assets before they are transferred to the buyer; and (c) whether the Company has discretion in establishing the price for the asset or assets.

The Company enters into contracts with buyers and sellers. The Company has master agreements with some sellers pertaining to the sale of a flow of surplus assets over the term of the master agreement; however, a revenue contract for accounting purposes exists when the Company agrees to sell a specific asset or assets. When acting as a principal (a "purchase" arrangement), the Company purchases an asset or assets from a seller and then the Company seeks to sell the asset or assets to a buyer. The Company recognizes as Purchase revenues the gross proceeds from the sale, including buyer's premiums. In purchase arrangements, the contract with the seller is not a revenue contract in the scope of the revenue recognition guidance; rather, it is a purchase of inventory.

When the Company is acting as an agent (a “consignment” arrangement), its performance obligation is to arrange for the seller to sell an asset or assets to the buyer directly. The Company recognizes Consignment revenues, which are composed of buyer's premiums and/or sales commissions, based on the amounts that are paid to the Company by the buyers and sellers for utilizing the Company's services, which represent a percentage of the gross transaction proceeds.

For the Company’s CAG segment, certain transactions may involve cooperation with third parties to satisfy the performance obligation of arranging for the sale of assets to a buyer, with proceeds shared among the parties. When a seller requests multiple parties to fulfill its performance obligation, the Company recognizes revenue in the amount of the portion of purchase or consignment proceeds to be retained by the Company. When the Company controls whether to use third parties to fulfill its performance obligation, it is considered the principal and revenue is recognized on a gross basis, with amounts due to third parties recognized as an expense.

In both purchase and consignment arrangements, the Company sometimes provides varying levels of services to the seller, such as returns management, refurbishment of assets, or valuation services. These services are considered integrated with the broader performance obligation to sell the seller’s assets to a buyer. Other services provided to sellers are not capable of being distinct, like providing access to the Company’s e-commerce marketplaces or promoting the asset or assets for sale, because they could not benefit the seller separately from the sale of their assets.

The consideration received from buyers and sellers includes (a) buyer’s premiums, (b) seller’s commissions, and (c) fees for services, including reimbursed expenses. Consideration is variable based on units, final auction prices, or other factors, until the buyer’s purchase of the asset or assets is complete, or the service has been provided. Recognition of variable consideration based on the results of auctions or purchases by buyers is constrained until those transactions have been finalized. The Company estimates and recognizes amounts related to sales returns, discounts, or rebates promised to customers, and reimbursed expenses; however, those estimates are not significant relative to the Company's consolidated revenues. Revenue is recognized when or as the performance obligation is satisfied. Variable consideration is allocated to individual performance obligations when the variable consideration is related to satisfying that performance obligation. The Company's revenue is generally recorded following receipt of payment authorization, utilizing credit cards, wire transfers, and other methods of payments. Goods are generally not shipped before payment is received. For certain transactions, payment is due upon invoice, and the payment terms vary depending on the segments.

The Company collects and remits sales taxes on merchandise that it purchases and sells and has elected the practical expedient to exclude such sales tax amounts from the transaction price. The Company also provides shipping and handling services in some arrangements and has elected the practical expedient to treat those activities as fulfillment costs and will recognize the costs of these services at the time revenue is recognized for the related assets sold. If the Company is acting as a principal for the combined obligation, amounts received from customers for shipping are recognized as Revenue, and amounts paid for shipping are recognized as Costs of goods sold. If the Company is acting as an agent for the combined obligation, shipping revenue and costs will be netted and recognized within Costs of goods sold.

The Company’s purchase and consignment performance obligations are satisfied at the point in time when control of the asset is transferred to the buyer or when the service is completed. The Company determines when control has transferred by evaluating the following five indicators: (a) whether the Company has a present right to payment for the asset or assets; (b) whether the buyer has legal title to the asset; (c) whether the buyer has physical possession of the asset or assets; (d) whether the buyer has the significant risks and rewards of ownership; and (e) whether the buyer has accepted the asset or assets.

For the Company's Machinio & Software Solutions segment, the performance obligation has been identified as the stand ready obligation to provide access to subscription services offered by our Machinio and Software Solutions businesses, which are satisfied over time and recognized as other fee revenues in the line-item Consignment and other fee revenues on the Consolidated Statements of Operations. As of September 30, 2026, the Machinio & Software Solutions segment had a remaining performance obligation of $4.5 million; the Company expects to recognize the substantial majority of that amount as Fee Revenue over the next 12 months.

Cost of Goods Sold

Cost of goods sold includes direct and incremental costs of purchasing inventory, transporting property for auction, shipping and handling costs, and payment processing and other transaction fees. For transactions where the Company resells inventory that was purchased from sellers, the cost of goods sold includes the cost of that inventory, generally using specific identification. There are no inventory costs associated with consignment sales.

Contract Assets and Liabilities

Contract assets reflect an estimate of expenses that will be reimbursed upon settlement with a seller. The contract asset balance was $2.1 million and $1.3 million as of September 30, 2026 and 2025, respectively, and is included in the line-item Prepaid expenses and other current assets on the Consolidated Balance Sheets.

Contract liabilities reflect obligations to provide services or transfer goods for which the Company has already received consideration. Contract liabilities primarily arise from (i) up-front payments received in connection with our Machinio and Software Solutions subscription services, which are included in the line-item Deferred revenue on the Consolidated Balance Sheets, and (ii) prepayments received from buyers in our RSCG segment in advance of revenue recognition, which are included in the line-item Accrued expenses and other current liabilities on the Consolidated Balance Sheets.

The contract liability balance, primarily consisting of the aforementioned items, was $5.8 million and $6.4 million as of September 30, 2026 and 2025, respectively. Of this, Deferred revenue was $4.5 million and $5.1 million, and RSCG buyer prepayments were $1.3 million and $1.3 million, respectively. Of the September 30, 2025 contract liability balance, $5.4 million was recognized as revenue during the year ended September 30, 2026.

Contract Costs

Contract costs relate to sales commissions paid on subscription contracts that are capitalized within our Machinio and Software Solutions businesses. Contract costs are amortized on a straight-line basis over the expected life of the customer contract. The contract cost balance was $2.3 million and $2.3 million as of September 30, 2026 and 2025, respectively, and is included in the line-item Prepaid expenses and other current assets and Other assets on the Consolidated Balance Sheets. Amortization expense was $1.6 million and $1.6 million during the year ended September 30, 2026 and 2025, respectively.

Income Taxes

The Company accounts for income taxes using an asset and liability approach for measuring deferred taxes based on temporary differences between the financial statement and income tax bases of assets and liabilities existing at each balance sheet date using enacted tax rates for the years in which the taxes are expected to be paid or recovered. The Company recognizes deferred tax assets to the extent that it believes that these assets are more likely than not to be realized. In making such determination, the Company considers all available positive and negative evidence to estimate whether future taxable income will be generated to permit use of the existing deferred tax asset. The resulting net tax asset reflects management's estimate of the amount that will be realized.

The Company applies the authoritative guidance related to uncertainty in income taxes. Accounting Standards Codification (ASC) 740 states that a benefit from an uncertain tax position may be recognized when it is more likely than not that the position will be sustained upon examination, including resolutions of any related appeals or litigation processes, on the basis of technical merits. The Company’s policy is to recognize interest and penalties in the period in which they occur in the income tax provision. The Company and its subsidiaries file income tax returns in the U.S. federal jurisdiction, various state and local jurisdictions, and in foreign jurisdictions including, among others, Canada and the U.K.

Stock-Based Compensation

The Company has incentive plans under which stock options, restricted stock units, restricted stock awards, and stock appreciation rights are issued. The awards issued can contain service conditions, performance conditions based upon Company financial results, and/or market conditions based upon changes in the Company's stock price.

Service- and performance-based stock awards are measured at fair value on their grant date. Stock options and stock appreciation rights are measured at fair value using the Black-Scholes option-pricing model; however, because the stock appreciation rights are cash settled, they are also measured at fair value in each reporting period. The Black-Scholes option-pricing model includes assumptions for the expected term, volatility, and dividend yield, each of which are determined in reference to the Company's historical results. Where applicable, the expected term assumption is derived separately for homogenous groups within the overall award population. Restricted stock units and restricted stock awards are measured at fair value using the closing price of the Company's stock on the grant date. For service-based stock awards, the Company recognizes expense on a straight-line basis over the service period, which is generally a period of one to four years. For performance-based stock awards, the Company recognizes expense on a straight-line basis over the derived service period expected to be required to achieve the performance condition. The Company records a cumulative adjustment to compensation expense for performance-based awards if there is a change in determination of whether it is probable that the performance condition will be achieved.

Market-based stock awards are measured at fair value on their grant date using a Monte Carlo simulation. The Monte Carlo simulation includes assumptions for the expected term, volatility, and dividend yield, each of which are determined in reference to the Company's historical results. For market-based stock option and restricted stock awards, the Company recognizes expense on a straight-line basis over the derived service period determined by the Monte Carlo simulation, for each stock price target within the award. The Company accelerates expense when a stock price target is achieved prior to the derived service period. The Company, however, does not reverse expense recognized if the stock price target(s) are not ultimately achieved, as required by equity accounting for market-based awards. For market-based stock appreciation rights, because they are cash settled, they are measured at fair value in each reporting period. The Company recognized expense on a straight-line basis over the derived service period determined by the Monte Carlo simulation in each reporting period, for each stock price target within the award. The Company accelerates expense when a stock price target is achieved prior to the derived service period, and reverses expense recognized if the stock price target(s) are not ultimately achieved, as required by liability accounting for market-based awards.

The Company recognizes the impact of forfeitures in the period they occur.

Compensation expense from the stock awards is included in the same lines on the Consolidated Statements of Operations as cash compensation to the employees receiving the stock awards.

Excess tax benefits realized from stock awards are reported as cash flows from operating activities on the Consolidated Statements of Cash Flows.

Advertising Costs

Advertising expenditures are expensed as incurred. Advertising costs charged to expense were $4.1 million, $3.9 million, and $5.2 million for the years ended September 30, 2026, 2025, and 2024, respectively.

Treasury Stock

Treasury stock is presented at cost, including any applicable excise taxes, commissions and fees, as a reduction of stockholders’ equity in the Consolidated Balance Sheets and Consolidated Statement of Stockholders' Equity. Treasury stock held by the Company may be retired or reissued in the future.

Foreign Currency Translation

The functional currency of the Company's foreign subsidiaries is primarily the local currency. The translation of the subsidiary's financial statements into U.S. dollars is performed for balance sheet accounts using exchange rates in effect at the balance sheet date and for revenue and expense accounts using an average exchange rate during the period. The resulting translation adjustments are recognized in Accumulated other comprehensive loss, a separate component of stockholders' equity. Realized and unrealized foreign currency transaction gains and losses are included in Interest and other income, net in the Consolidated Statements of Operations.

Accumulated Other Comprehensive Loss

The following table shows the changes in accumulated other comprehensive loss, net of taxes (in thousands):

	Foreign Currency Translation Adjustments and Other	Net Change Pension and Other Postretirement Benefit Plans	Accumulated Other Comprehensive (Loss) Income
Balance at September 30, 2023	$ (9,356)	$ (1,102)	$ (10,458)
Current-period other comprehensive income (loss)	1,516	(485)	1,031
Balance at September 30, 2024	(7,840)	(1,587)	(9,427)
Current-period other comprehensive (loss)	(291)	(922)	(1,213)
Balance at September 30, 2025	(8,131)	(2,509)	(10,640)
Current-period other comprehensive (loss)	(568)	(721)	(1,289)
Balance at September 30, 2026	$ (8,699)	$ (3,230)	$ (11,929)

Risk Associated with Certain Concentrations

For the majority of buyers that receive goods before payment to the Company is made, credit evaluations are performed; however, for the remaining buyers, goods are not shipped before payment is made, and as a result the Company is not subject to significant collection risk from those buyers. However, for a limited number of financially qualified buyers, which can include re-sellers, we may from time-to-time extend credit for certain large purchases with negotiated payment periods. Credit terms commonly require payment to be made within 30 days, but where commercial terms or market conditions warrant these payment terms may be extended for up to six months. As a result, our consolidated accounts receivable balances are typically a small component of our overall financial position but may, at times, be concentrated among a limited, small number of such buyers. Collection risk from and credit exposure to these financially qualified buyers is regularly reviewed by management and adjusted as needed.

For consignment sales transactions, funds are typically collected from buyers and are held by the Company on the sellers' behalf. The funds are included in Cash and cash equivalents on the Consolidated Balance Sheets. The Company releases the funds to the seller, less the Company's commission and other fees due, through Accounts payable after the buyer has accepted the goods or within 30 days, depending on the state where the buyer and seller conduct business.

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist principally of cash in banks within non-interest bearing, interest-bearing, and earnings allowance checking accounts, as well as cash equivalent money market funds, all of which exceed the applicable U.S. federal (FDIC and/or SIPC) or local jurisdiction (foreign banking institutions) insurance limits, and Accounts receivable.

The Company deposits its cash in interest bearing checking accounts, acquires cash equivalent money market funds, and holds short-term investments designated as held-to-maturity investment securities, each with financial institutions that the Company considers to be of high credit quality. Management continually monitors the financial institutions with whom we conduct business and responds appropriately, when necessary, to manage potential risk exposure to our cash balances above the insurance limits.

The Company has multiple vendor contracts with Amazon.com, Inc. under which it acquires and sells commercial merchandise. While purchase model transactions account for less than 20% of our total GMV, the cost of inventory for purchase model transactions is the most significant component of our consolidated Costs of goods sold. $18.7 million and $10.1 million of inventory purchased under such contracts with Amazon.com, Inc. is included in our Consolidated Inventory balances as of September 30, 2026 and 2025, respectively. The Company's vendor contracts with respect to sourcing or consigning merchandise for its RSCG segment generally reflect the concentration dynamics inherent to the retail industry. Our Amazon contracts do not require a minimum volume of inventory to be provided to us, while we are generally required to accept the inventory liquidated at the sites awarded to us. Amazon may change the volume and mix allocated to us, including through competitive allocation processes.

Recent Accounting Pronouncements

Accounting Standards Adopted

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. The ASU requires disclosure of specified categories in the tax rate reconciliation, additional information about reconciling items meeting a quantitative threshold, and disaggregated income taxes paid. The Company adopted the ASU in this Annual Report on Form 10-K for the fiscal year ended September 30, 2026 on a retrospective basis. Adoption expanded income tax disclosures and did not affect the Company's consolidated financial position, results of operations, or cash flows. See Note 10 - *Income Taxes*.

In November 2023, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*. It requires organizations to provide enhanced disclosures primarily regarding significant segment expenses. The Company adopted the new standard effective with our Annual Report on Form 10-K for the fiscal year ended September 30, 2025. In accordance with the ASU, we have disclosed on a retrospective basis the significant expense, by segment, in deriving our segment profit (loss) measure; see Note 16 - *Segment Information* for further information.

In June 2016, the FASB issued ASU 2016-13, *Measurement of Credit Losses on Financial Instruments (Topic 326)*. The majority of the Company’s sales require payment in advance of the sale, but a limited number of buyers are approved to conduct sales on credit. Accounts receivable related to those sales are generally short-term in nature and do not require the posting of collateral. The Company estimates its allowances for expected credit loss based on historical collection trends, the age of outstanding receivables, existing economic conditions, and the specific facts and circumstances of individual customers. If events or changes in circumstances indicate that specific receivable balances may be impaired, further consideration is given to the collectability of those balances and the allowance is adjusted accordingly. Past-due account balances are written off when the Company’s internal collection efforts have been unsuccessful in collecting the amounts due. The Company adopted the new standard effective October 1, 2023. The adoption of ASU 2016-13 did not have a material impact on our consolidated financial statements.

Accounting Standards Not Yet Adopted

In November 2024, the FASB issued ASU 2024-03, *Income Statement-Reporting Comprehensive Income (Topic 220): Disaggregation of Income Statement Expenses*. This ASU will require organizations to disaggregate certain expense captions an entity presents on the face of the income statement into specific categories in disclosures within the footnotes to the financial statements. This guidance will be effective for the Company beginning with its Annual Report on Form 10-K for the fiscal year ending September 30, 2028. The guidance is required to be applied on a prospective basis; however, retrospective application is permitted. The Company is currently evaluating the effect that the adoption of this ASU may have on its consolidated financial statements.

In September 2025, the FASB issued ASU 2025-06, *Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software*. This ASU modernizes the accounting for internal-use software, removing all references to software development stages and instead, requires capitalization of software costs when management has committed to the software project and it is probable the software will be completed and perform its intended use. This guidance will be effective for the Company beginning with its Annual Report on Form 10-K for the fiscal year ended September 30, 2029. Early adoption is permitted. The Company is currently evaluating the effect that the adoption of this ASU may have on its consolidated financial statements.

3. Acquisitions

Auction Software

On January 31, 2025, the Company acquired Auction Software, a private-label marketplace and SaaS solutions provider offering scalable auction platform services to entrepreneurs and businesses, for $6.5 million in cash paid and $0.9 million in stock issuance at closing, for a total purchase price of $7.4 million. During the three months ended June 30, 2025, the Company recorded a measurement period adjustment of $0.3 million for the acquired intangible assets' fair value with a corresponding increase to goodwill. In connection with its acquisition of Auction Software, the Company allocated the fair value to acquired intangible assets totaling $2.6 million, and goodwill of $5.1 million. The total goodwill arising from the acquisition is included in the Software Solutions operating segment and is deductible for tax purposes. Auction Software's financial results are reported within the Software Solutions operating segment. See Note 15 - *Legal Proceedings* for the fiscal 2026 settlement with the former owners of Auction Software.

Sierra Auction Management, Inc.

On January 1, 2024, the Company acquired all the issued and outstanding equity securities associated with Sierra Auction Management, Inc. (Sierra), a full-service auction company specializing in the sale of vehicles, equipment and surplus assets for government agencies, commercial businesses, and charities. Total purchase consideration was approximately $13.7 million, paid in cash.

In connection with its acquisition of Sierra, the Company recorded the fair value of acquired supplier relationships and trade name assets for $5.1 million and $0.3 million, respectively, and goodwill of $7.9 million. The supplier relationships and trade name shall be amortized on a straight-line basis over a useful life of six and three years, respectively. The total goodwill arising from the acquisition is included in the GovDeals reportable segment and is deductible for tax purposes.

Sierra's financial results are reported within the GovDeals reportable segment. Revenue, net income (loss), and pro forma information related to the Sierra acquisition was immaterial to the consolidated financial statements and its related notes for the twelve months ended September 30, 2025 and 2024.

4. Earnings Per Share

The Company calculates basic EPS by dividing net income by the weighted-average number of common shares outstanding during the reporting period, excluding unvested restricted stock awards.

The Company calculates diluted EPS by dividing net income by the weighted-average number of common shares and potentially dilutive common shares outstanding during the reporting period using the treasury stock method.

The Company's potentially dilutive common shares include stock options, restricted stock units, and restricted stock awards. For such awards that have performance- or market-conditions, they are considered dilutive only when those performance- or market-conditions have been satisfied as of the reporting date; however, in periods of a net loss, the Company's diluted EPS will equal its basic EPS, as all its potential common shares are anti-dilutive in that case. In periods of net income, the calculation of diluted net income per share will exclude all anti-dilutive common shares.

The computation of basic and diluted net income per share is as follows:

	Year Ended September 30,		
	2026	2025	2024
Numerator:			
Net income	$ 37,298	$ 28,093	$ 19,991
Denominator:			
Basic weighted average shares outstanding	31,070,449	30,932,459	30,496,306
Dilutive impact of stock options, RSUs and RSAs	1,544,026	1,478,616	1,137,886
Diluted weighted average shares outstanding	32,614,475	32,411,075	31,634,192
Basic income per common share	$ 1.20	$ 0.91	$ 0.66
Diluted income per common share	$ 1.14	$ 0.87	$ 0.63
Stock options, RSUs and RSAs excluded from income per diluted share because their effect would have been anti-dilutive	236,257	401,418	1,286,030

5. Property and Equipment

Property and equipment, including equipment under capital lease obligations, consists of the following:

	September 30,	
	2026	2025
	(in thousands)	
Computers and purchased software	$ 3,813	$ 2,504
Developed software for internal-use	38,664	37,169
Equipment	8,948	9,383
Leasehold improvements	3,641	4,470
Building	2,213	2,213
Furniture and fixtures	495	515
Vehicles	1,815	1,687
Land	753	753
Construction in progress	2,015	2,441
Total property and equipment	62,357	61,135
Less: Accumulated depreciation and amortization	(42,582)	(42,876)
Total property and equipment, net	$ 19,775	$ 18,259

Depreciation and amortization expense related to property and equipment for the years ended September 30, 2026, 2025, and 2024, was $7.6 million, $7.1 million, and $8.1 million, respectively. Included in those amounts is amortization of internally developed software for internal use of $5.2 million, $4.8 million, and $6.0 million, respectively.

The Company did not record impairment charges on material property and equipment during the years ended September 30, 2026, 2025, and 2024.

6. Leases

The Company has operating leases for its corporate offices, warehouses, vehicles and equipment.

The operating leases have remaining terms of up to 4.6 years. Some of the leases have options to extend or terminate the leases. The exercise of such options is generally at the Company’s discretion. The lease agreements do not contain any significant residual value guarantees or restrictive covenants. The Company also subleases excess office and warehouse space, when applicable. The Company's finance leases and related balances are not significant.

The components of lease expense are:

	September 30,	
	2026	2025
Finance lease – lease asset amortization	$ 73	$ 69
Finance lease – interest on lease liabilities	16	20
Operating lease cost	5,043	5,928
Operating lease impairment expense [1]	—	459
Short-term lease cost	988	460
Variable lease cost [2]	1,831	1,319
Sublease income	(648)	(84)
Total net lease cost	$ 7,303	$ 8,171

[1] During the twelve months ended September 30, 2025, the Company exited from an RSCG warehouse in an effort to consolidate its warehouse operations and incurred $0.5 million of impairment expense.
[2] Variable lease costs primarily relate to the Company's election to combine non-lease components such as common area maintenance, insurance and taxes related to its real estate leases. To a lesser extent, the Company's equipment leases have variable costs associated with usage and subsequent changes to costs based upon an index.

Maturities of lease liabilities are:

	September 30, 2026	
	Operating Leases	Finance Leases
2027	$ 4,611	$ 73
2028	3,730	51
2029	2,913	47
2030	1,721	50
2031	478	30
Thereafter	—	—
Total lease payments [1]	13,452	251
Less: imputed interest [2]	$ (1,157)	$ (28)
Total lease liabilities	$ 12,295	$ 223

[1] The weighted average remaining lease term is 3.3 years for operating leases and 4.0 years for finance leases as of September 30, 2026, and 3.4 years for operating leases and 4.2 years for finance leases as of September 30, 2025.
[2] The weighted average discount rate is 5.6% for operating leases and 5.9% for finance leases as of September 30, 2026, and 5.9% for operating leases and 5.8% for finance leases as of September 30, 2025.

The Company's lease for its North Las Vegas, Nevada warehouse, associated with our RSCG reportable segment, expired on June 30, 2026, and was extended on a short-term basis through the Company's relocation in October 2026 to a replacement warehouse in Las Vegas, Nevada. The Company entered into a 46,080 square foot replacement warehouse operating lease with a 65-month term in June 2026. Because the lease had not commenced as of September 30, 2026, it is not reflected in the Company's right-of-use assets, operating lease liabilities, or maturity analysis as of September 30, 2026. Upon commencement in October 2026, the Company recognized a right-of-use asset and lease liability of approximately $2.7 million. Total undiscounted fixed payments under the lease are approximately $3.1 million through March 31, 2032, and the lease includes one five-year renewal option that the Company is not reasonably certain to exercise.

Supplemental disclosures of cash flow information related to leases are:

	Years Ended September 30,	
	2026	2025
Cash paid for amounts included in operating lease liabilities	$ 5,538	$ 5,581
Cash paid for amounts included in finance lease liabilities	$ 107	$ 102
Non-cash: lease liabilities arising from new operating lease assets obtained	$ 2,964	$ 2,209
Non-cash: lease liabilities arising from new finance lease assets obtained	$ —	$ 240
Non-cash: adjustments to lease assets and liabilities[1]	$ 1,074	$ 2,944

[1] These include adjustments due to lease modifications, renewals, and other related adjustments.

The increase in lease liabilities arising from new operating lease assets obtained during the year ended September 30, 2026, is primarily due to execution of a new warehouse lease in Garland, Texas associated with our RSCG reportable segment, and the Company's renewal of an existing auction staging lot lease in Tucson, Arizona associated with our GovDeals reportable segment.

The increase in adjustments to lease assets and liabilities during the year ended September 30, 2025, is due to execution of renewal of an existing warehouse lease in Brampton, Ontario (Canada) associated with our RSCG reportable segment. The increase in lease liabilities arising from new operating lease assets obtained during the year ended September 30, 2025, was primarily driven by our new Retail Rush store in Columbus, Ohio, and auction staging lot in Montclair, California for our GovDeals reportable segment.

7. Goodwill

The carrying value and changes in the carrying value of goodwill attributable to each reportable segment were as follows:

Goodwill (in thousands)	GovDeals	CAG	Machinio & Software Solutions	Total
Balance at September 30, 2023	$ 53,814	$ 21,016	$ 14,558	$ 89,388
Sierra acquisition (see Note 3)	$ 7,869	$ —	$ —	$ 7,869
Translation adjustments	—	535	—	535
Balance at September 30, 2024	$ 61,683	$ 21,551	$ 14,558	$ 97,792
Translation adjustments	—	17	—	17
Auction Software acquisition (see Note 3)	—	—	5,066	5,066
Balance at September 30, 2025	$ 61,683	$ 21,568	$ 19,624	$ 102,875
Translation adjustments	—	(92)	—	(92)
Goodwill impairment	—	—	(816)	(816)
Balance at September 30, 2026	$ 61,683	$ 21,476	$ 18,808	$ 101,967

The increase in the goodwill balance of approximately $5.1 million at the Software Solutions business during the fiscal year ended September 30, 2025, was due to the Auction Software acquisition; see Note 3 - *Acquisitions* for further information. Our RSCG reportable segment does not maintain a goodwill balance as of September 30, 2026.

The increase in the goodwill balance of approximately $7.9 million at the GovDeals reportable segment and reporting unit during the year ended September 30, 2024, is due to the Sierra acquisition; see Note 3 - *Acquisitions* for further information.

Our RSCG reportable segment did not maintain a goodwill balance during any of the fiscal year ends presented above. Accumulated goodwill impairment losses as of September 30, 2026 and 2025 were $169.4 million and $168.6 million, respectively.

Impairment Analysis

Goodwill is tested for impairment at the beginning of the fourth quarter and during interim periods whenever events or circumstances indicate that the carrying value may not be recoverable. As of July 1, 2026, the Company performed its annual goodwill impairment test for all reporting units with goodwill using a quantitative fair value analysis. Fair value was estimated using a combination of the Income Approach, utilizing a discounted cash flow methodology, and the Market Approach, utilizing guideline company market multiples, weighted 75% and 25%, respectively. Based on the results of the annual impairment test, the Company recorded a goodwill impairment charge of $0.8 million related to the Software Solutions reporting unit. The impairment was primarily driven by reductions to the reporting unit's forecasted revenue growth, operating margins and expected future cash flows since the acquisition date, primarily reflecting the Company's decision, following the resolution of certain business and legal matters in the fourth quarter of fiscal 2026, to rationalize Simple Auction Site, which had been expected to support near-term revenue while Auction.io scaled. The Company expects some near-term customer attrition as it works to migrate Simple Auction Site customers to its other platforms, while continuing to prioritize investment in Auction.io.

No impairment was identified for the GovDeals, CAG, or Machinio reporting units, whose estimated fair values exceeded their respective carrying values.

The Company did not record impairment charges on goodwill during the years ended September 30, 2025, and 2024.

Following the annual goodwill impairment test performed as of July 1, 2026, the Company did not identify any indicators of impairment that required an interim goodwill impairment test during the three months ended September 30, 2026.

8. Intangible Assets

Intangible assets consist of the following:

			September 30, 2026			September 30, 2025		
(in thousands)	Useful Life (in years)	Weighted average useful Life (in years)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Customer and supplier relationships	6 - 8	7	$ 23,600	$ (14,292)	$ 9,308	$ 23,600	$ (11,518)	$ 12,082
Technology	3 - 5	4	5,800	(5,200)	600	5,800	(5,020)	780
Trade names	3 - 7	5	2,412	(2,237)	175	2,412	(2,100)	312
Other intangibles	10	10	992	(824)	168	949	(784)	165
Total intangible assets, net			$ 32,804	$ (22,553)	$ 10,251	$ 32,761	$ (19,421)	$ 13,340

Future expected amortization of intangible assets at September 30, 2026, is as follows:

Year Ending September 30,	Amortization (in thousands)
2027	$ 3,052
2028	3,016
2029	3,012
2030	669
2031	453
Thereafter	49
Total	$ 10,251

Amortization expense related to intangible assets for the years ended September 30, 2026, 2025, and 2024 was $3.1 million, $3.2 million, and $4.0 million, respectively. The decrease in intangible amortization expense during the year ended September 30, 2026, was due to the completion of previously acquired intangible assets in the normal course.

The Company did not record impairment charges on any intangible assets during the years ended September 30, 2026, 2025, and 2024.

In connection with the Company's annual goodwill impairment test as of July 1, 2026, which resulted in a $0.8 million goodwill impairment charge in the Software Solutions reporting unit (see Note 7 - *Goodwill*), the Company evaluated the recoverability of the long-lived asset group within that reporting unit, including its definite-lived intangible assets, before testing goodwill for impairment. The estimated undiscounted future cash flows expected to result from the use and eventual disposition of the asset group exceeded its carrying amount, so no impairment of these long-lived assets was indicated. The Company did not identify any other events or changes in circumstances indicating that the carrying amount of its material long-lived assets may not be recoverable during the year ended September 30, 2026.

9. 401(k) Benefit Plan

The Company has a retirement plan (the Plan), which is intended to be a qualified plan under Section 401(k) of the Internal Revenue Code of 1986, as amended. The Plan is a defined contribution plan available to all eligible employees and allows participants to contribute up to the legal maximum of their eligible compensation, not to exceed the maximum tax-deferred amount allowed by the Internal Revenue Service. The Plan also allows the Company to make discretionary matching contributions.

During the fiscal year ended September 30, 2023, the Company stopped accepting investments in the Company's stock fund under the Plan and all shares of the Company and other Plan interests held in the stock fund under the Plan were reinvested into non-Company investment vehicles. On March 28, 2023, the Company filed a post-effective amendment on Form S-8 with the SEC to deregister all of the previously registered shares and other Plan interests that remained unissued and unsold under the Plan. As a result, interests in the Plan no longer require registration under the Securities Exchange Act of 1934, as amended. On October 2, 2023, the Company filed a Form 15 to suspend the duty of the Plan to file reports under Section 15(d) of the Securities Exchange Act of 1934, as amended.

For the years ended September 30, 2026, 2025, and 2024, discretionary matching contributions by the Company totaled $1.6 million, $1.4 million, and $1.3 million, respectively.

10. Income Taxes

The following table presents the components of Income before provision for income taxes for the periods indicated:

	Year Ended September 30,		
	2026	2025	2024
		(in thousands)	
United States	$ 55,144	$ 40,801	$ 26,993
International	(1,294)	(1,360)	267
	$ 53,850	$ 39,441	$ 27,260

The components of the provision for income taxes of continuing operations are as follows:

	Year Ended September 30,		
	2026	2025	2024
		(in thousands)	
Current tax provision (benefit):			
U.S. Federal	$ 11,176	$ 7,411	$ 710
State	2,695	1,559	1,105
Foreign	867	(18)	131
	14,738	8,952	1,946
Deferred tax provision (benefit):			
U.S. Federal	1,122	633	3,811
State	651	1,721	1,468
Foreign	41	42	44
	1,814	2,396	5,323
Total provision (benefit)	$ 16,552	$ 11,348	$ 7,269

The following table summarizes the cash paid for income taxes, net of refunds, for the periods indicated:

	Year Ended September 30,		
	2026	2025	2024
		(in thousands)	
U.S. Federal	$ 11,528	$ 7,350	$ 700
State and local			
California	147	543	96
Illinois	80	100	100
Pennsylvania	528	395	281
South Carolina	85	125	90
Texas	175	156	175
Other	895	193	218
Foreign	847	339	50
Total	$ 14,285	$ 9,201	$ 1,710

Deferred taxes reflect the net tax effect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company's deferred tax assets and liabilities are as follows:

	September 30,	
	2026	2025
	(in thousands)	
Deferred tax assets:		
Net operating losses—Foreign	$ 18,503	$ 17,444
Net operating losses—U.S.	1,872	2,770
Accrued vacation and bonus	2,612	920
Inventory capitalization	659	271
Inventory reserves	33	22
Allowance for doubtful accounts	170	168
Stock compensation expense	4,296	4,968
Operating lease liabilities	2,858	2,059
Other	142	195
Total deferred tax assets before valuation allowance	31,145	28,817
Less: valuation allowance	(18,243)	(17,050)
Net deferred tax assets	12,902	11,767
Deferred tax liabilities:		
Amortization of intangibles	648	1,163
Amortization of goodwill	8,881	8,597
Depreciation	871	737
Capitalized Section 174 costs	2,273	—
Operating/right of use assets	2,452	1,543
Pension liability	258	394
Total deferred tax liabilities	$ 15,383	$ 12,434
Net deferred taxes	$ (2,481)	$ (667)

The reconciliation of the U.S. federal statutory rate to the effective rate for continuing operations is as follows:

	Year Ended September 30,					
	2026		2025		2024	
	Dollars in thousands					
US statutory tax rate	$ 11,309	21.0%	$ 8,283	21.0%	$ 5,725	21.0%
State and local income taxes, net of federal income tax effect [1]	3,187	5.9%	2,945	7.5%	2,042	7.5%
Foreign tax effects:						
United Kingdom						
Foreign rate differential	(95)	(0.2)%	(26)	(0.1)%	(209)	(0.8)%
Other expense (benefit) of tax loss	(1,098)	(2.0)%	(139)	(0.4)%	(1,100)	(4.0)%
Changes in valuation allowance	1,193	2.2%	165	0.4%	1,309	4.8%
Other foreign jurisdictions	1,189	2.2%	363	0.9%	120	0.4%
Effect of cross-border tax laws						
Foreign derived intangible income	(895)	(1.7)%	-	0.0%	-	0.0%
Tax credits deducted (credited)	167	0.3%	(49)	(0.1)%	-	0.0%
Nontaxable or nondeductible items						
Nondeductible compensation	3,441	6.3%	1,602	4.1%	325	1.2%
Share-based compensation	(1,854)	(3.4)%	(1,902)	(4.8)%	(634)	(2.3)%
Other nondeductible expenses	46	0.1%	106	0.3%	227	0.8%
Changes in unrecognized tax benefits	90	0.2%		0.0%		
Other adjustments						
Amendment of prior year tax return	(128)	(0.2)%	-	0.0%	(536)	(1.9)%
Effective tax rate	$ 16,552	30.7%	$ 11,348	28.8%	$ 7,269	26.7%

[1]State taxes in Pennsylvania, California, Florida, Texas, Arizona, South Carolina, and Illinois made up the majority (greater than 50%) of the tax effect in this category during the years ending September 30, 2026, 2025, and 2024.

As of September 30, 2026 and 2025, the Company had federal and state deferred tax liabilities) of $3.0 million and $1.2 million, respectively, related to available federal and state net operating loss (NOL) carryforwards, book basis intangible assets, book basis capitalized software, and other U.S. temporary differences. The federal NOL carryforward from fiscal year 2024 was fully utilized as of September 30, 2025. At September 30, 2026 and 2025, the Company had deferred tax assets related to available state NOL carryforwards of $1.9 million and $2.8 million, respectively. The state NOL carryforwards expire beginning in 2026. The Company's ability to use these various carryforwards to offset any taxable income generated in future taxable periods may be limited under Section 382 and state tax provisions. At September 30, 2026 and 2025, the Company had deferred tax assets related to available foreign NOL carryforwards of $18.5 million and $17.4 million, respectively. All but $0.3 million of our foreign NOLs maintain an indefinite carry forward life. The NOLs with limited carryforward periods will expire beginning in 2027.

The following is a tabular reconciliation of the total amounts of unrecognized tax benefits (in thousands):

	Year Ended September 30,		
	2026	2025	2024
Beginning balance at October 1	$ -	$ -	$ -
Additions based on positions related to the current year	1,627	-	-
Additions for tax positions of prior years	1,648	-	-
Reductions for tax positions of prior years	(1,648)	-	-
Settlements	-	-	-
Balance at September 30	$ 1,627	$ -	$ -

The Company applies the authoritative guidance related to uncertainty in income taxes. ASC 740 states that a benefit from an uncertain tax position may be recognized when it is more likely than not that the position will be sustained upon examination, including resolutions of any related appeals or litigation processes, on the basis of the technical merits. During 2026, the Company identified an uncertain tax position related to the timing of deductions claimed under certain U.S. federal income tax accounting methods. As a result, the Company recorded a net increase in unrecognized tax benefits of $1.6 million. The Company is currently evaluating corrective actions, including a potential accounting method change filing with the Internal Revenue Service. Accordingly, it is reasonably possible that the amount of unrecognized tax benefits associated with this position could change during the next twelve months. No portion of the $1.6 million unrecognized tax benefits would impact the effective tax rate if recognized.

The Company evaluates the recoverability of its deferred tax assets on a jurisdictional basis by considering whether deferred tax assets will be realized on a more likely than not basis. To the extent a portion or all of the applicable deferred tax assets do not meet the more likely than not threshold, a valuation allowance is recorded. Consideration was given to the tax planning strategies and, when applicable, future taxable income as to how much of the relevant deferred tax asset could be realized on a more likely than not basis. As of September 30, 2026, the Company determined that there was sufficient positive evidence to conclude that it is more likely than not that all of its U.S. deferred tax assets are realizable. However, the Company has determined there is not sufficient positive evidence to conclude it is more likely than not that certain Non-U.S. deferred tax assets are realizable. Based on the Company's cumulative operating results and lack of a consistent history of earnings in the relevant jurisdiction, management concluded that sufficient negative evidence exists to outweigh available positive evidence. Accordingly, the Company has recorded a valuation allowance of $18.2 million and $17.1 million against its gross deferred tax asset balance at September 30, 2026 and 2025, respectively. At each reporting date, the Company considers new evidence, both positive and negative, that could affect its view of the future realization of deferred tax assets.

On July 4, 2025, the One Big Beautiful Bill Act (OBBBA) was signed into law in the U.S., which contains a broad range of tax reform provisions affecting businesses. The OBBBA allows 100% bonus depreciation for property acquired and placed in service on or after January 19, 2025 and permits companies to expense, rather than amortize over a five-year period, domestic research and development costs paid or incurred in tax years beginning after December 31, 2024. This rule is effective for the Company beginning with its tax return for the fiscal year ending September 30, 2026. We have evaluated the effects of the legislation on our effective tax rate and cash tax position and the impact to our financial statements is not material.

On January 1, 2024, the Company acquired all the issued and outstanding equity securities associated with Sierra for $13.7 million paid in cash. The purchase of the equity securities of Sierra was treated as an asset acquisition for U.S. federal income tax purposes.

On January 31, 2025, the Company acquired Auction Software, a private-label marketplace and SaaS solutions provider offering scalable auction platform services to entrepreneurs and businesses, for $6.5 million in cash paid and $0.9 million in stock issuance at closing, for a total purchase price of $7.4 million.

The Company has not recorded a provision for deferred U.S. tax expense on the undistributed earnings of foreign subsidiaries since the Company intends to indefinitely reinvest the earnings of these foreign subsidiaries outside the U.S. The amount of such undistributed foreign earnings was $9.8 million as of September 30, 2026. As of September 30, 2026 and 2025, $27.3 million and $22.5 million, respectively, of cash and cash equivalents was held overseas and not available for dividend distributions to fund domestic operations without incurring taxes upon repatriation. If these earnings were distributed, the Company would incur additional withholding and other income taxes. The Company estimates that the unrecognized deferred tax liability related to these undistributed earnings is approximately $0.5 million as of September 30, 2026.

The Company recognizes interest and penalties in the period in which they occur in the income tax provision. The Company and its subsidiaries file income tax returns in the U.S. federal jurisdiction, various state and local jurisdictions and in foreign jurisdictions, primarily Canada and the U.K. The Company has no open income tax examinations in the U.S. and the statute of limitations for years prior to fiscal year 2023 is now closed; however, certain tax attribute carryforwards that were generated prior to fiscal year 2023 may be adjusted upon examination by tax authorities if they are utilized.

11. Debt

The Company maintains a $35.0 million revolving credit facility with Wells Fargo Bank, National Association (the Credit Agreement). During the three months ended June 30, 2026, the Credit Agreement was amended to extend the maturity date by 12 months to March 31, 2028 (the Fourth Amendment). No other changes, including regarding the borrowing terms or capacities, were made to the Credit Agreement.

The applicable interest rate on any draws under the Credit Agreement is a variable rate per annum equal to the Daily Simple Secured Overnight Financing Rate (SOFR) in effect plus a margin ranging from 1.25% to 1.75%. Interest is payable monthly. The Company pays an Unused Commitment Fee (as defined in the Credit Agreement), on a quarterly basis, equal to 0.05% per annum on the daily amount of the available, but unused, balance on the Credit Agreement. The Company also pays a Line of Credit Fee (as defined in the Credit Agreement), on a quarterly basis, equal to 1.25% on the daily amount available to be drawn for standby letters of credit. Interest incurred on any draws under the Credit Agreement, as well as the Unused Commitment Fee and Line of Credit Fee, are included within Interest and other income, net in the Consolidated Statements of Operations.

The Company may draw upon the Credit Agreement for general corporate purposes. Repayments of any borrowings under the Credit Agreement shall become available for redraw at any time by the Company.

The Credit Agreement contains certain financial and non-financial restrictive covenants including, among others, the requirement to maintain a minimum level of earnings before interest, income taxes, depreciation and amortization (EBITDA). The Credit Agreement contains affirmative and restrictive covenants including covenants placing limitations on mergers, consolidations and dissolutions, investments and acquisitions, indebtedness and liens, and dividends and other restricted payments. As of September 30, 2026, the Company was in full compliance with the terms and conditions of the Credit Agreement.

During the fiscal year ended September 30, 2026, the Company did not make any draws under the Credit Agreement, had no outstanding borrowings under the Credit Agreement and had $10.8 million of standby letters of credit outstanding. The amount of standby letters of credit are reserved against the Credit Agreement and are not available for borrowing, resulting in $24.2 million of remaining borrowing capacity under the Credit Agreement as of September 30, 2026.

During the year ended September 30, 2026, interest expense incurred by the Company under the Credit Agreement was immaterial to the consolidated financial statements.

12. Equity Transactions

Stock Compensation Incentive Plans

The Company has several incentive plans under which stock options, restricted stock units (RSUs), restricted stock awards (RSAs), and cash-settled stock appreciation rights (SARs) have been issued, including the Third Amended and Restated 2006 Omnibus Long-Term Incentive Plan (as amended, the LTIP) and a plan and private placement issuances related to the Company’s acquisition of Machinio and Bid4Assets. During the year ended September 30, 2026, the Company's shareholders approved an amendment to the LTIP to increase the authorized number of shares of common stock under the LTIP from 22,800,000 to 25,725,000. Vesting of RSUs and grants of RSAs count as 1.5x shares against the plan reserves. As of September 30, 2026, 3,336,054 shares of common stock remained available for use.

Stock Compensation Expense

The table below presents the components of share-based compensation expense (in thousands):

	Year Ended September 30,		
	2026	2025	2024
Equity-classified awards:			
Stock options	$ 3,001	$ 2,445	$ 2,329
RSUs & RSAs	15,667	12,045	8,758
Total stock compensation expense	18,668	14,490	11,087

The table below presents the components of share-based compensation expense by line item within our Consolidated Statements of Operations (in thousands):

	Year Ended September 30,		
	2026	2025	2024
Stock Compensation Expense by Line Item			
Technology and operations	$ 2,862	$ 2,292	$ 1,698
Sales and marketing	5,770	4,646	2,989
General and administrative	10,036	7,552	6,400
Total stock compensation expense:	$ 18,668	$ 14,490	$ 11,087

Share-Based Award Activity

Stock Options

The table below presents stock option activity (aggregate intrinsic value in thousands):

	Stock Options	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term (years)	Aggregate Intrinsic Value
Outstanding as of September 30, 2025	2,171,925	$ 13.13	4.87	$ 31,061
Granted	335,600	$ 24.52		$ —
Exercised	(414,964)	$ 12.93		$ 8,080
Forfeited	(122,017)	$ 20.57		$ (1,295)
Expired	—	$ —		$ —
Outstanding as of September 30, 2026	1,970,544	$ 14.65	5.18	$ 55,543
Vested and expected to vest as of September 30, 2026	1,970,544	$ 14.65	5.18	$ 55,543
Exercisable as of September 30, 2026	1,460,517	$ 11.68	4.05	$ 45,495

Of the 510,777 stock options not yet exercisable as of September 30, 2026, 294,958 can become exercisable by satisfying service conditions only, and 215,819 can become exercisable by satisfying service and performance conditions.

Stock options containing only service conditions generally vest over periods of one to four years and expire five to ten years from the date of grant. Stock compensation cost is expensed ratably over the entire service period. As of September 30, 2026, there was $2.5 million of unrecognized compensation cost related to stock options containing only service conditions, which is expected to be recognized over a weighted-average period of 2.5 years.

The range of assumptions used to determine the fair value of stock options using the Black-Scholes option-pricing model during the years ended September 30, 2026, 2025, and 2024 were as follows:

	Year Ended September 30,		
	2026	2025	2024
Dividend yield	—	—	—
Expected volatility	45.9% - 53.5%	56.1% - 58.0%	59.1% - 60.8%
Risk-free interest rate	3.6% - 3.7%	4.1% - 4.1%	3.8% - 3.9%
Expected term	4.4 - 5 years	4.4 - 5 years	4.5 - 5 years

The weighted-average grant date fair value of options granted during the year-ended September 30, 2026, 2025, and 2024 was $10.36, $11.14, and $8.96, respectively. The total intrinsic value of options exercised during 2026, 2025, and 2024 was $8.1 million, $4.1 million, and $6.6 million, respectively. Stock options containing performance conditions are discussed separately in the section below.

RSUs & RSAs

The table below presents RSU & RSA activity (aggregate fair value in thousands):

	RSU & RSA	Weighted-Average Grant Date Fair Value	Weighted-Average Remaining Contractual Term (years)	Aggregate Fair Value
Outstanding as of September 30, 2025	1,677,171	$ 20.70	2.08	$ 46,005
Granted	712,750	$ 27.70		$ 19,746
Vested	(798,297)	$ 20.56		$ 25,000
Forfeited	(296,941)	$ 20.69		$ 9,201
Outstanding as of September 30, 2026	1,294,683	$ 24.65	2.39	$ 55,451
Expected to vest as of September 30, 2026	1,294,683	$ 24.65	2.39	$ 55,451

Of the outstanding RSUs & RSAs as of September 30, 2026, 864,943 can vest by satisfying service conditions only, and 429,740 can vest by satisfying service and performance conditions.

RSUs containing only service conditions vest ratably each year over periods of one to four years. Stock compensation cost is expensed ratably over the entire service period. As of September 30, 2026, there was $15.1 million of unrecognized compensation cost related to RSUs containing only service conditions, which is expected to be recognized over a weighted-average period of 2.7 years. RSUs and RSAs containing performance conditions and market conditions are discussed separately in the section below.

Stock Awards Containing Performance Conditions

Stock awards containing performance conditions vest upon the achievement of specified financial targets of the Company or its business units. Vesting is generally measured on the first day of each fiscal quarter over the four-year terms of the awards, starting with the first fiscal quarter after the first anniversary of the grant date, based upon the trailing twelve months performance of the Company or its business units. When it is probable that the performance targets will be achieved, stock compensation expense is recognized ratably over the derived service period. If the Company determines that achievement of the performance targets is no longer probable, the Company no longer records expense and reverses all previously recognized expense. As of September 30, 2026, there was $2.4 million of unrecognized compensation costs related to stock options and RSUs & RSAs, containing performance conditions that are considered probable of being met, which is expected to be recognized over a weighted-average period of approximately 1 year.

Share Repurchase Program

From time to time, we may be authorized to repurchase issued and outstanding shares of our common stock under a share repurchase program approved by our Board of Directors. Share repurchases may be made through open market purchases, privately negotiated transactions, or otherwise, at times and in such amounts as management deems appropriate. The timing and actual number of shares repurchased will depend on a variety of factors including price, corporate and regulatory requirements and other market conditions. The repurchase program may be discontinued or suspended at any time and will be funded using our available cash.

The Company repurchased 623,687 shares for $16.1 million during the year ended September 30, 2025. As of September 30, 2025, the Company had $1.5 million of remaining authorization to repurchase shares through December 31, 2026.

On November 17, 2025, the Company's Board of Directors authorized the repurchase of up to an additional $15.0 million of the Company's outstanding shares of common stock through December 31, 2027.

The Company repurchased 56,676 shares for $1.5 million during the fiscal year ended September 30, 2026. As of September 30, 2026,

the Company had $15.0 million of remaining authorization to repurchase shares through December 31, 2027.

Other Share Repurchases

Separate from the share repurchase program, our stock incentive plans allow participants to exercise stock options by surrendering shares of common stock equivalent in value to the exercise price due.

During the years ended September 30, 2026, 2025, and 2024, participants surrendered 4,012, 1,397, and 17,564, shares of common stock in the exercise of stock options, respectively. Any shares surrendered to the Company in this manner are not available for future grant.

13. Fair Value Measurement

The Company measures and records in the accompanying consolidated financial statements certain assets and liabilities at fair value on a recurring basis. Authoritative guidance issued by the FASB establishes a fair value hierarchy for those instruments measured at fair value that distinguishes between assumptions based on market data (observable inputs) and the Company's assumptions (unobservable inputs). The hierarchy consists of three levels:

Level 1	Quoted market prices in active markets for identical assets or liabilities;
Level 2	Inputs other than Level 1 inputs that are either directly or indirectly observable; and
Level 3	Unobservable inputs developed using estimates and assumptions developed by the Company, which reflect those that a market participant would use.

Cash and cash equivalents. The Company had $51.0 million and $79.3 million of money market funds considered cash equivalents as of September 30, 2026 and 2025, respectively. These assets were measured at fair value as of September 30, 2026, and 2025, and were classified as Level 1 assets within the fair value hierarchy. There were no transfers between levels during the periods presented.

Short-term investments. The Company had $11.4 million and $11.2 million of guaranteed investment certificates considered investments as of September 30, 2026 and 2025, respectively. As these investments have maturity dates of 12 months or less from the balance sheet date, they have been classified as short-term in nature. These assets were measured at fair value as of September 30, 2026, and 2025, and were classified as Level 1 assets within the fair value hierarchy. There were no transfers between levels during the periods presented.

Other Current Assets and Liabilities. The Company had a short-term foreign exchange derivative instrument that had an immaterial fair value as of September 30, 2025, using Level 2 in the fair value hierarchy.

The Company’s financial assets and liabilities not measured at fair value are cash, accounts receivable, accounts payable, and payables to sellers. The Company believes the carrying values of these instruments approximate fair value.

Assets Measured at Fair Value on a Non-Recurring Basis. In connection with its annual goodwill impairment test as of July 1, 2026, the Company remeasured its Software Solutions reporting unit determining a fair value of $6.5 million and recognized a goodwill impairment charge of $0.8 million; see Note 7 - *Goodwill*. The fair value of the reporting unit was estimated using an income approach (discounted cash flow method) weighed 75% and a market approach (guideline public company method) weighed 25%. The fair value measurement is classified within Level 3 of the fair value hierarchy because it relies on significant unobservable inputs. The significant unobservable inputs used in the discounted cash flow method included the discount rate, long-term growth rate, projected revenue growth, and terminal-period adjusted EBITDA margin.

The discount rate includes a company-specific risk premium reflecting the early stage of the reporting unit's operations and the risk of achieving its projected cash flows. Other than the measurement described above, the Company did not have any material assets or liabilities measured at fair value on a non-recurring basis during the years ended September 30, 2026, 2025, and 2024.

14. Defined Benefit Pension Plan

Certain employees of Liquidity Services UK Limited (GoIndustry), which the Company acquired in July 2012, are covered by the Henry Butcher Pension Fund and Life Assurance Scheme (the Scheme), a qualified defined benefit pension plan. The Scheme was closed to new members on January 1, 2002. The Company guaranteed GoIndustry's performance on all present and future obligations to make payments to the Scheme for up to a maximum of £10 million British pounds. Subsequent to fiscal year-end, the trustees of the Scheme commenced a buy-in process to secure the Scheme's pension obligations with an insurer. In connection with this process, the Company's guarantee of GoIndustry's obligations to the Scheme was released on November 18, 2026.

The Company recognizes the funded status of its postretirement benefit plans, with a corresponding noncash adjustment to accumulated other comprehensive loss, net of tax, in stockholders' equity. The funded status is measured as the difference between the fair value of the Scheme's assets and the benefit obligation of the Scheme.

The net periodic pension cost (benefit) is recognized within Interest and other income, net in the Consolidated Statements of Operations, and for the years ended September 30, 2026, 2025, and 2024, included the following components:

	Year Ended September 30,		
	2026	2025	2024
		(in thousands)	
Interest cost	$ 799	$ 761	$ 796
Expected return on plan assets	(585)	(589)	(600)
Amortization of prior service cost	28	28	27
Amortization of net loss	41	—	—
Total net periodic pension cost	$ 283	$ 200	$ 223

The following table provides a reconciliation of benefit obligations, plan assets, and funded status related to the Company's qualified defined benefit pension plan for the years ended September 30, 2026 and 2025:

	Year Ended September 30,	
	2026	2025
	(in thousands)	
Change in benefit obligation		
Beginning balance	$ 14,325	$ 16,027
Interest cost	799	761
Benefits paid	(1,053)	(1,063)
Actuarial gain	(279)	(1,464)
Foreign currency exchange rate changes	(227)	64
Ending balance	$ 13,565	$ 14,325

	Year Ended September 30,	
	2026	2025
	(in thousands)	
Change in plan assets		
Beginning balance at fair value	$ 15,902	$ 18,382
Actual return on plan assets	(480)	(1,793)
Benefits paid	(1,053)	(1,063)
Employer's contributions	480	322
Foreign currency exchange rate changes	(243)	54
Ending balance at fair value	$ 14,606	$ 15,902
Overfunded status of the Scheme	$ 1,041	$ 1,577

The pension asset of $1.0 million is recorded in Other long-term assets in the Consolidated Balance Sheets. Because the Scheme is closed to new participants, the accumulated benefit obligation is equal to the projected benefit obligation, which was $13.6 million and $14.3 million at September 30, 2026 and 2025, respectively.

The amounts recognized in Other comprehensive income (loss) related to the Company's qualified defined benefit pension plan, net of taxes, and the related foreign currency translation adjustments, for the years ended September 30, 2026 and 2025, are shown in the following table:

	Year Ended September 30,	
	2026	2025
	(in thousands)	
Accumulated other comprehensive (loss) at beginning of year	$ (2,570)	$ (1,662)
Net actuarial loss	(279)	(312)
Foreign currency translation adjustments	(394)	(596)
Accumulated other comprehensive (loss) at end of year	$ (3,243)	$ (2,570)

The Plan complies with the funding provisions of the U.K. Pensions Act 2004 and the Occupational Pension Schemes Regulations Act 2005. The Company does not plan to make contributions to the Plan in the near future.

Actuarial Assumptions

The actuarial assumptions used to determine the benefit obligations at September 30, 2026 and 2025, and to determine the net periodic (benefit) cost for the year were as follows:

	September 30, 2026	September 30, 2025
Discount rate to determine net periodic (benefit) cost	5.80%	5.00%
Expected return on plan assets	3.77%	3.59%
Discount rate to determine benefit obligations	6.40%	5.80%
Rate of increases to deferred CPI linked benefits	3.10%	2.70%
Rate of increases to deferred RPI linked benefits	3.30%	3.20%

Mortality—101% for males and 99% for females of S4PMA and S4PFA mortality tables, projected in line with the 2023 Continuous Mortality Investigation projection model and a 1.3% per annum long-term rate of improvement.

Estimated Future Benefit Payments

The Company's pension plan expects to make the following benefit payments to participants over the next 10 years:

	Pension Benefits (in thousands)
Year ending September 30,	
2027	$ 921
2028	886
2029	959
2030	1,073
2031	1,127
2032 through 2035	4,973
Total	$ 9,940

Fair Value Measurements

The investment policy and strategy of the plan assets, as established by the Trustees (the "Trustees") of the plan, strive to maximize the likelihood of achieving primary objectives of the investment policy established for the plan, which are:

- Funding—to ensure that the Plan is fully funded using assumptions that contain a modest margin for prudence. Where an actuarial valuation reveals a deficit, a recovery plan will be put in place which will take into account the financial covenant of the employer;
- Stability—to have due regard to the likely level and volatility of required contributions when setting the Plan's investment strategy; and
- Security—to ensure that the solvency position of the Scheme is expected to improve. The Trustees will take into account the strength of employer's covenant when determining the expected improvement in the solvency position of the Plan.

The assets are allocated among government bonds, corporate bonds, and diversified funds. The assets are not rebalanced, but the allocation is reviewed on a periodic basis to ensure that the investments are appropriate to the Scheme's circumstances. The Trustees review the investment policy on an ongoing basis, to determine whether a change in the policy or asset allocation targets is necessary. The basis of the Trustees' strategy is to divide the Scheme's assets between a "growth" portfolio, comprising assets such as multi-asset / diversified growth funds, and a "stabilizing" portfolio, comprising assets such as government bonds (both fixed and inflation-linked) and corporate bonds. The Trustees recognize the benefits of diversification across asset classes, as well as within them, in reducing the risk that results from investing in any one particular market. The Company has elected to use a bid value of Scheme assets to calculate the expected return on assets in the net periodic benefit cost. The assets consisted of the following as of September 30, 2026 and 2025:

	September 30, 2026	September 30, 2025
Government bonds	59.4%	58.4%
Corporate bonds	20.2%	29.0%
Diversified fund	—	9.7%
Cash	20.4%	2.9%
Total	100.0%	100.0%

The expected long-term rate of return for the plan's total assets is based on the expected returns of each of the above categories, weighted based on the current target allocation for each class. The Trustees evaluate whether adjustments are needed based on historical returns to more accurately reflect expectations of future returns.

The Company is required to present certain fair value disclosures related to its post-retirement benefit plan assets, even though those assets are not included in the Company's Consolidated Balance Sheets. The following table presents the fair value of the assets of the Company's qualified defined benefit pension plan by asset category and their level within the fair value hierarchy.

Balance as of September 30, 2026	**Level 1**	**Level 2**	**Level 3**	**Total**
		(in thousands)		
Government bonds	$ —	$ 8,676	$ —	$ 8,676
Corporate bonds	—	2,952	—	2,952
Cash	2,978	—	—	2,978
Total	$ 2,978	$ 11,628	$ —	$ 14,606

Balance as of September 30, 2025	**Level 1**	**Level 2**	**Level 3**	**Total**
		(in thousands)		
Equity securities	$ —	$ 9,280	$ —	$ 9,280
Corporate bonds	—	4,611	—	4,611
Diversified fund	—	1,542	—	1,542
Cash	469	—	—	469
Total	$ 469	$ 15,433	$ —	$ 15,902

Valuation Techniques

The Company relies on pricing inputs from investment fund managers to value investments. The fund manager prices the underlying securities using independent external pricing sources.

15. Legal Proceedings

The Company reserves for contingent liabilities based on ASC 450, Contingencies, when it determines that a liability is probable and reasonably estimable. From time to time, the Company may become involved in litigation relating to claims arising in the ordinary course of the business; however, unless otherwise noted, there are no claims or actions pending or threatened against the Company that, if adversely determined, would in the Company's management's judgment have a material adverse effect on the Company.

Acquisition Related Matters

During fiscal year 2026, the Company entered into a settlement agreement resolving litigation the Company initiated against the former

owners of Auction Software, which the Company acquired during fiscal 2025. Pursuant to the settlement, the Company received a cash payment of $0.8 million, which was recognized as a litigation settlement gain within Other operating expenses, net on the Consolidated Statements of Operations during the fiscal year ended September 30, 2026.

Former Employee Matters

On December 28, 2022, the Company's former Chief Marketing Officer (the "Former CMO") filed a complaint (the "Original Complaint") in the United States District Court for the District of Maryland, alleging that his termination constituted race and age discrimination and that the Company retaliated against him. The Former CMO subsequently voluntarily dismissed his age discrimination claims. In July 2026, following a jury trial on the race discrimination and retaliation claims, the jury returned a unanimous verdict in favor of the Company. The court subsequently entered judgment in favor of the Company. The period for post-trial motions or an appeal expired in September 2026.

In May 2021, the Company's former Vice President, Human Resources filed a complaint against the Company in the United States District Court for the District of Maryland (the "District Court"), alleging wrongful termination on the basis of gender, race, and age. The Company's employment practices liability insurance carrier, CNA, accepted tender of these claims. In December 2022, the District Court dismissed the plaintiff's age discrimination claim but the court allowed the race and gender claims to go to trial. Trial on the race and gender claims began late October 2023. The jury was unable to reach a unanimous verdict on either claim, and accordingly, the judge declared a mistrial in November 2023. On August 1, 2024, plaintiff and the Company entered into a settlement agreement under which the Company agreed to pay the plaintiff $3.5 million in exchange for a full release and dismissal with prejudice of plaintiff's claims. The Company entered into the Agreement as a negotiated compromise and settlement of litigation, and not in any way as an admission of liability or fault by the Company. CNA funded $3.0 million of the settlement pursuant to the terms of the Company's insurance policy. As a result of the settlement agreement, the Company recorded a $0.5 million litigation settlement expense net of insurance recovery during the year ended September 30, 2024, which is included in General and administrative expenses on the Consolidated Statements of Operations.

16. Segment Information

The Company has five operating segments and three reportable segments under which we conduct business: GovDeals, Retail Supply Chain Group (RSCG), and Capital Assets Group (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.

- *GovDeals*. The GovDeals reportable segment provides solutions that enable government entities including city, county, state and federal agencies located in the United States and Canada and related commercial businesses to sell surplus property and real estate assets through its GovDeals, Bid4Assets and Sierra marketplaces. See Note 3 - *Acquisitions*.
- *RSCG*. The RSCG reportable segment consists of marketplaces that enable corporations located in the United States and Canada to sell excess, returned, and overstocked consumer goods. RSCG also offers a suite of services that includes returns management, asset recovery, and e-commerce solutions. This segment uses multiple selling channels across our network of marketplaces and others to optimize the best combination of velocity, volume, and value. This segment primarily conducts its business-to-business sales on its Liquidation.com marketplace and through Direct Sales, and managed direct-to-consumer sales across a network of online sale channels, including Retail Rush, AllSurplus Deals, Secondipity and other online marketplaces and social-selling channels.
- *CAG*. The CAG reportable segment enables commercial businesses to sell surplus assets on our AllSurplus and GovDeals marketplaces, specializing in asset categories such as heavy equipment, industrial manufacturing, oil and gas, biopharma, fast-moving consumer goods and electronics. CAG also offers a suite of services that includes surplus management, asset valuation, asset sales and marketing. CAG clients benefit from our global base of buyers and sellers, enabling the sale and redeployment of assets wherever they generate the best value and highest use across the world.

- *Machinio & Software Solutions*. The Machinio operating segment operates the Machinio marketplace, a global search engine platform for listing equipment for sale in the construction, machine tool, processing, transportation, printing, agriculture, and laboratory/medical sectors, and the Machinio System platform that provides equipment sellers with a suite of software tools including website hosting, email marketing, and inventory management, to support and enable equipment sellers' online business. The Software Solutions operating segment separately serves as the Company's private-label auction and software-as-a-service (SaaS) arm, offering scalable auction platform services to entrepreneurs and businesses.

Decisions concerning the allocation of the Company's resources are made by the Company's Chief Operating Decision Maker (CODM), which is the Company's Chief Executive Officer, with oversight by the Board of Directors. The Company reports reportable segment information based on the internal performance measures used by the CODM to assess the performance of each operating segment in a given period. In connection with that assessment, the CODM uses segment direct profit to evaluate the performance of each segment. Segment direct profit is calculated as total revenue less cost of goods sold (excludes depreciation and amortization).

The following table sets forth certain financial information for the Company's reportable segments:

	Year Ended September 30,		
(in thousands)	**2026**	**2025**	**2024**
GovDeals:			
Purchase revenue	$ 178	$ 690	$ 191
Consignment and other fee revenues	93,245	86,714	76,366
Total revenue	93,423	87,404	76,557
Cost of goods sold (excludes depreciation and amortization)	(4,856)	(6,398)	(4,830)
Segment direct profit	$ 88,567	$ 81,006	$ 71,727
RSCG:			
Purchase revenue	$ 286,183	$ 303,854	$ 201,034
Consignment and other fee revenues	30,945	26,437	31,969
Total revenue	317,127	330,291	233,003
Cost of goods sold (excludes depreciation and amortization)	(226,681)	(255,544)	(166,130)
Segment direct profit	$ 90,446	$ 74,747	$ 66,873
CAG:			
Purchase revenue	$ 8,915	$ 5,994	$ 8,575
Consignment and other fee revenues	36,713	33,302	29,093
Total revenue	45,628	39,296	37,668
Cost of goods sold (excludes depreciation and amortization)	(6,705)	(4,468)	(6,400)
Segment direct profit	$ 38,923	$ 34,828	$ 31,268
Machinio & Software Solutions:			
Purchase revenue	$ —	$ —	$ —
Consignment and other fee revenues	21,736	19,746	16,157
Total revenue	21,736	19,746	16,157
Cost of goods sold (excludes depreciation and amortization)	(1,931)	(1,444)	(793)
Segment direct profit	$ 19,805	$ 18,302	$ 15,364
Total segment direct profit	$ 237,741	$ 208,884	$ 185,232
Corporate expenses, including elimination adjustments	(0)	(69)	(66)
Consolidated direct profit	$ 237,741	$ 208,815	$ 185,166

The following table reconciles segment direct profit used in the reportable segments to the Company's consolidated results:

	Year Ended September 30,		
(in thousands)	**2026**	**2025**	**2024**
Reconciliation:			
Total segment direct profit	$ 237,741	$ 208,815	$ 185,166
Other costs and expenses from operations [1]	187,809	172,689	160,290
Interest and other (income) expense, net[2]	(3,918)	(3,315)	(2,383)
Income before provision for income taxes	$ 53,850	$ 39,441	$ 27,260

(1) Other costs and expenses from operations is defined as Total costs and expenses from operations per the Consolidated Statements of Operations, less Cost of goods sold (which is included in the calculation of Segment direct profit).
(2) Interest and other (income) expense, net includes Other operating expenses, net and Interest and other income, net per the Consolidated Statements of Operations.

Total segment assets reconciled to consolidated amounts are as follows:

	September 30,	
(in thousands)	**2026**	**2025**
Segment Assets:		
GovDeals	$ 421,299	$ 381,654
RSCG	179,792	141,046
CAG	114,695	100,643
Machinio & Software Solutions	58,530	54,364
Corporate and eliminations	(357,929)	(302,606)
Total Segment Assets:	$ 416,387	$ 375,101

Revenue attributed to countries that represent a significant portion of consolidated revenues are as follows:

	Year Ended September 30,		
(in thousands)	**2026**	**2025**	**2024**
Revenue by geographic area			
United States	$ 428,093	$ 433,258	$ 323,303
Rest of the world	49,821	43,411	40,015
Consolidated	$ 477,914	$ 476,669	$ 363,318

Total long-lived assets by geographic areas are as follows:

	September 30,	
(in thousands)	**2026**	**2025**
Assets by geographic area		
United States	$ 19,534	$ 18,039
Rest of the world	241	220
Total Long-lived Assets	$ 19,775	$ 18,259

No single external customer exceeded 10% of consolidated revenues for the fiscal year ended September 30, 2026. For the fiscal years ended September 30, 2025 and 2024, transactions with a single RSCG external customer represented approximately 13% and 12% of the Company’s consolidated revenues, respectively.

17. Subsequent Events

On October 1, 2026, the Company acquired all of the outstanding equity interests of Auction Holdings, Inc., a Delaware corporation, through a merger in which Auction Holdings survived as a wholly owned subsidiary. Auction Holdings operates Invaluable, AuctionZip and RFC Auction Systems, providing online marketplaces and technology services for auction houses, collectors and buyers in the fine art, antiques, jewelry, decorative arts and estate markets. The acquisition expands the Company's marketplace and software offerings into these categories. The base purchase price was $80.0 million in cash, funded with cash on hand and subject to customary adjustments for cash, indebtedness, working capital and transaction expenses, including post-closing adjustments. Of the cash consideration otherwise payable to former stockholders at closing, $9.4 million was deposited into escrow accounts supporting specified indemnification obligations and downward purchase-price adjustments. The escrow is included in, and is not additional to, the purchase consideration. Subject to unresolved claims and the merger agreement, portions of the remaining escrow balances are scheduled for release following the 12-month and three-year anniversaries of closing. The acquired business is not included in the Company's fiscal 2026 consolidated operating results.

LIQUIDITY SERVICES, INC.
SCHEDULE II—VALUATION AND QUALIFYING ACCOUNTS
(Dollars in Thousands)

	Balance at beginning of period	Charged (credited) to expense	Reductions	Balance at end of period
Deferred tax valuation allowance (deducted from net deferred tax assets)				
Year ended September 30, 2024	$ 16,029	1,164	—	$ 17,193
Year ended September 30, 2025	17,193	(143)	—	17,050
Year ended September 30, 2026	$ 17,050	1,193	—	$ 18,243
Allowance for doubtful accounts (deducted from accounts receivable)				
Year ended September 30, 2024	$ 1,424	839	(583)	$ 1,680
Year ended September 30, 2025	1,680	395	(1,298)	777
Year ended September 30, 2026	$ 777	528	(494)	$ 811
Provision for inventory allowance (deducted from inventory)				
Year ended September 30, 2024	$ 1,044	163	(1,204)	$ 3
Year ended September 30, 2025	3	540	(459)	84
Year ended September 30, 2026	$ 84	193	(147)	$ 130

EXHIBIT INDEX

Exhibit No.	Description
2.1	Agreement and Plan of Merger, dated October 1, 2026, by and among (i) Liquidity Services, Inc., (ii) Auction Holdings, Inc. (iii) certain stockholders of Auction Holdings, Inc., (iv) Liquidity Services Alpha Ventures, Inc., and (v) Shareholder Representative Services LLC (solely in its capacity as the representative, agent and attorney-in-fact of the Company Securityholders)., incorporated herein by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K, filed with the SEC on October 1, 2026.
3.1	Fourth Amended and Restated Certificate of Incorporation, incorporated herein by reference to Exhibit 3.1 to Amendment No. 2 to the Company's Registration Statement on Form S-1 (Registration No. 333-129656), filed with the SEC on January 17, 2006.
3.1.1	Certificate of Amendment to the Company's Fourth Amended and Restated Certificate of Incorporation, incorporated herein by reference to Appendix A to the Company's Schedule 14A filed with the SEC on January 24, 2023.
3.2	Amended and Restated Bylaws, incorporated herein by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, filed with the SEC on August 5, 2022.
4.1	Form of Certificate of Common Stock of the Company, incorporated herein by reference to Exhibit 4.1 to Amendment No. 5 to the Company's Registration Statement on Form S-1 (Registration No. 333-129656), filed with the SEC on February 21, 2006.
4.2	Description of Securities
10.1	Credit Agreement, dated February 10, 2022, by and between Liquidity Services, Inc., and Wells Fargo Bank, National Association, incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed with the SEC on February 10, 2022.
10.1.1	First Amendment to Credit Agreement, incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed with the SEC on April 4, 2023.
10.1.2	Second Amendment to Credit Agreement, dated March 27, 2024, by and between Liquidity Services, Inc., and Wells Fargo Bank, National Association, incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed with the SEC on March 27, 2024.
10.1.3	Third Amendment to Credit Agreement, dated May 7, 2025, by and between Liquidity Services, Inc., and Wells Fargo Bank, National Association, incorporated herein by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q, filed with the SEC on May 8, 2025.
10.1.4	Fourth Amendment to Credit Agreement, dated June 22, 2026, by and between Liquidity Services, Inc., and Wells Fargo Bank, National Association, incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed with the SEC on June 26, 2026.
10.2#	Form of Amended and Restated Executive Employment Agreement, incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed with the SEC on January 20, 2023.
10.3#	Form of Change in Control Agreement, incorporated herein by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, filed with the SEC on January 20, 2023.
10.4#	Form of Indemnification Agreement for directors and officers, incorporated herein by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q, filed with the SEC on February 2, 2023
10.5#	Form of Employee Agreement Regarding Confidentiality, Intellectual Property, and Competitive Activities, incorporated herein by reference to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q, filed with the SEC on February 2, 2023.

10.6#	Liquidity Services, Inc. Third Amended and Restated 2006 Omnibus Long-Term Incentive Plan, incorporated by reference to Appendix A to the Company's Definitive Proxy Statement on Schedule 14A, filed with the SEC on January 28, 2020.
10.6.1#	2022 Amendment to the Liquidity Services, Inc. Third Amended and Restated 2006 Omnibus Long-Term Incentive Plan, incorporated by reference to Appendix A to the Company's Definitive Proxy Statement on Schedule 14A, filed with the SEC on January 24, 2022.
10.6.2#	2024 Amendment to the Liquidity Services, Inc. Third Amended and Restated 2006 Omnibus Long-Term Incentive Plan, incorporated herein by reference to Appendix A to the Company's Definitive Proxy Statement on Schedule 14A, filed with the SEC on January 19, 2024.
10.6.3#	2026 Amendment to the LTIP, incorporated herein by reference to Appendix A to the Company's Definitive Proxy Statement on Schedule 14A, filed with the SEC on January 16, 2026.
10.7#	Form of Notice of Time-Based Stock Option Grant (Officers).
10.8#	Form of Notice of Time-Based Restricted Stock Unit Grant (Officers)
10.9#	Form of Notice of Time-Based Restricted Stock Unit Grant (Directors).
10.10#	Form of Notice of Performance Based Stock Options Grant (Officers).
10.11#	Form of Notice of Performance-Based Restricted Stock Unit Grant (Officers).
10.12#	Liquidity Services Inc. Annual Incentive Plan, adopted on December 2, 2020, incorporated herein by reference to Exhibit 10.20 to the Company's Annual Report on Form 10-K, filed with the SEC on December 11, 2020.
19.1	Liquidity Services, Inc. Insider Trading Policy
21.1	List of Subsidiaries.
23.1	Consent of Deloitte & Touche LLP.
24.1	Power of Attorney (included on signature page).
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
97.1	Revised Liquidity Services, Inc. Clawback Policy, incorporated herein by reference to Exhibit 99.1 to the Company's Quarterly Report on Form 10-Q, filed with the SEC on August 3, 2023.
101	The following materials from the Registrant's Annual Report on Form 10-K for the year ended September 30, 2026, formatted in Extensible Business Reporting Language (XBRL): (i) Consolidated Balance Sheets as of September 30, 2026 and 2025, (ii) Consolidated Statements of Operations for each of the three years in the period ended September 30, 2026, (iii) Consolidated Statements of Comprehensive Income (Loss) for each of the three years in the period ended September 30, 2026, (iv) Consolidated Statements of Stockholders' Equity for each of the three years in the period ended September 30, 2026, (v) Consolidated Statements of Cash Flows for each of the three years in the period ended September 30, 2026, and (vi) Notes to Consolidated Financial Statements.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

# Indicates management contract or compensatory plan.

Item 16. Form 10-K Summary.

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized on November 19, 2026.

LIQUIDITY SERVICES, INC.
By: /s/ WILLIAM P. ANGRICK, III
William P. Angrick, III
Chairman of the Board of Directors and Chief Executive Officer

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We, the undersigned directors and officers of Liquidity Services, Inc., hereby severally constitute William P. Angrick, III, Jorge A. Celaya, and Mark A. Shaffer, and each of them singly, our true and lawful attorneys with full power to them and each of them to sign for us, in our names in the capacities indicated below, any and all amendments to this Annual Report on Form 10-K filed with the Securities and Exchange Commission.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities indicated on November 19, 2026.

Signature	Title
/s/ WILLIAM P. ANGRICK, III William P. Angrick, III	Chairman of the Board of Directors and Chief Executive Officer (Principal Executive Officer)
/s/ JORGE A. CELAYA Jorge A. Celaya	Executive Vice President and Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)
/s/ KATHARIN S. DYER Katharin S. Dyer	Director
/s/ THIERNO A. FALL Thierno A. Fall	Director
/s/ BEATRIZ V. INFANTE Beatriz V. Infante	Director
/s/ PAUL J. HENNESSY Paul J. Hennessy	Director
/s/ EDWARD J. KOLODZIESKI Edward J. Kolodzieski	Director
/s/ JAIME MATEUS-TIQUE Jaime Mateus-Tique	Director

DESCRIPTION OF COMMON STOCK

Our authorized capital stock consists of 120,000,000 shares of common stock, $0.001 par value, and 5,000,000 shares of preferred stock, $0.001 par value. The following description summarizes important terms of our common stock. Because it is only a summary, it does not contain all the information that may be important to you. For a complete description, you should refer to our certificate of incorporation and bylaws, copies of which have been filed as exhibits to the Annual Report on Form 10-K for the fiscal year ended September 30, 2026, as well as the relevant portions of the Delaware General Corporation Law (the "DGCL").

Common Stock

General. As of November 10, 2026, there were 31,387,628 shares of our common stock outstanding. As of November 10, 2026, there were approximately 27,353 beneficial holders of our common stock and 16 holders of record of our common stock.

Voting Rights. The holders of our common stock are entitled to one vote for each share held of record on all matters submitted to a vote of the stockholders, including the election of directors, and do not have cumulative voting rights. Unless otherwise required by law, matters submitted to a vote of our stockholders require the approval of a majority of votes cast by stockholders represented in person or by proxy and entitled to vote on such matter, except that directors are elected by a plurality of votes cast. Accordingly, the holders of a majority of the shares of common stock entitled to vote in any election of directors can elect all of the directors standing for election, if they so choose.

Dividends. Subject to preferences that may be applicable to any then outstanding preferred stock, holders of common stock are entitled to receive ratably those dividends, if any, as may be declared by the board of directors out of legally available funds.

Liquidation, Dissolution and Winding Up. Upon our liquidation, dissolution or winding up, the holders of common stock will be entitled to share ratably in the net assets legally available for distribution to stockholders after the payment of all of our debts and other liabilities, subject to the prior rights of any preferred stock then outstanding.

Preemptive Rights. Holders of common stock have no preemptive or conversion rights or other subscription rights and there are no redemption or sinking funds provisions applicable to the common stock.

Assessment. All outstanding shares of common stock are fully paid and nonassessable.

Preferred Stock

The board of directors has the authority, without further action by the stockholders, to issue from time to time up to 5,000,000 undesignated shares of preferred stock in one or more series and to fix the number of shares, designations, preferences, powers, and relative, participating, optional or other special rights and the qualifications or restrictions thereof. The preferences, powers, rights and restrictions of different series of preferred stock may differ with respect to dividend rates, amounts payable on liquidation, voting rights, conversion rights, redemption provisions, sinking fund provisions, and purchase funds and other matters. The issuance of preferred stock could decrease the amount of earnings and assets available for distribution to holders of common stock or adversely affect the rights and powers, including voting rights, of the holders of common stock and may have the effect of delaying, deferring or preventing a change in control of our company.

Anti-Takeover Effects of Provisions of our Certificate of Incorporation, Bylaws and the DGCL

Some provisions of the DGCL and our certificate of incorporation and bylaws contain provisions that could make the following transactions more difficult: (1) acquisition of us by means of a tender offer; (2) acquisition of us by means of a proxy contest or otherwise; or (3) removal of our incumbent officers and directors. These provisions, summarized below, are intended to encourage persons seeking to acquire control of us to first negotiate with our board of directors. These provisions also serve to discourage hostile takeover practices and inadequate takeover bids. We believe that

these provisions are beneficial because the negotiation they encourage could result in improved terms of any unsolicited proposal.

Undesignated Preferred Stock. Our board of directors has the ability to authorize undesignated preferred stock, which allows the board of directors to issue preferred stock with voting or other rights or preferences that could impede the success of any unsolicited attempt to change control of our company. This ability may have the effect of deferring hostile takeovers or delaying changes in control or management of our company.

Stockholder Meetings. Our bylaws provide that a special meeting of stockholders may be called only by our President, our Chairman of the board of directors or by a resolution adopted by a majority of our board of directors.

Requirements for Advance Notification of Stockholder Nominations and Proposals. Our bylaws establish advance notice procedures with respect to stockholder proposals and the nomination of candidates for election as directors, other than nominations made by or at the direction of our board of directors or a committee of our board of directors.

Elimination of Stockholder Action by Written Consent. Our certificate of incorporation eliminates the right of stockholders to act by written consent without a meeting.

Election and Removal of Directors. Our board of directors is divided into three classes. The directors in each class will serve for a three-year term, one class being elected each year by our stockholders. Once elected, directors may be removed only for cause and only by the affirmative vote of at least $66^{2/3}$% of our outstanding common stock. This system of electing and removing directors may tend to discourage a third party from making a tender offer or otherwise attempting to obtain control of us because it generally makes it more difficult for stockholders to replace a majority of the directors.

Amendment of Certain Provisions in Our Organizational Documents. The amendment of any of the above provisions would require approval by holders of at least $66^{2/3}$% of our then outstanding common stock.

The provisions of the DGCL and our certificate of incorporation and bylaws could have the effect of discouraging others from attempting hostile takeovers and, as a consequence, they may also inhibit temporary fluctuations in the market price of our common stock that often result from actual or rumored hostile takeover attempts. Such provisions may also have the effect of preventing changes in our management. It is possible that these provisions could make it more difficult to accomplish transactions which stockholders may otherwise deem to be in their best interests.

Transfer Agent and Registrar

The transfer agent and registrar for the common stock is Computershare Trust Company, N.A.

LIQUIDITY SERVICES, INC.
THIRD AMENDED AND RESTATED
2006 OMNIBUS LONG-TERM INCENTIVE PLAN
NOTICE OF STOCK OPTION GRANT

Unless otherwise defined herein, the terms defined in the Liquidity Services, Inc. Third Amended and Restated 2006 Omnibus Long-Term Incentive Plan, as amended (the "Plan") shall have the same defined meanings in this Notice of Stock Option Grant ("Notice of Grant").

The person named below (the "Optionee") has been granted an option (the "Award") to purchase shares of common stock, par value $0.001, of the Company (the "Stock"), subject to the terms and conditions of the Plan, this Notice of Grant, and the Stock Option Agreement attached hereto as Exhibit A (the "Option Agreement"), as follows:

Optionee Name:	
Grant Date:	
Total Number of Shares of Stock Subject to the Option:	
Exercise Price per Share:	$
Total Exercise Price:	$
Type of Option (check one):	☐ Incentive Stock Option ☐ Non-Qualified Stock Option
Term/Expiration Date:	
Vesting Schedule:	The option may be exercised, in whole or in part, in accordance with the following schedule, subject to Optionee's continuing to serve as a Service Provider through the applicable date: 12/48th of this Award will vest on January 1, 2026 and, thereafter, 1/48th of this Award will vest each month for thirty-six months.

	Section 17.3 of the Plan shall determine the impact of a Corporate Transaction on this Award.

By electronically accepting this Notice of Grant, the Optionee acknowledges receipt of, and understands and agrees to, this Notice of Grant, the Option Agreement and the Plan. Optionee further acknowledges that as of the Grant Date, this Notice of Grant, the Option Agreement, and the Plan set forth the entire understanding between Optionee and the Company regarding the acquisition of Stock in the Company and supersede all prior oral and written agreements on that subject with the exception of (i) options, restricted stock or other awards previously granted and delivered to Optionee under the Plan, and (ii) the following agreements only:

Other Agreements (if any): _____

Optionee acknowledges that if no other agreements are listed above, no other agreements on the subject hereof exist.

Optionee further acknowledges that by electronically accepting this Notice of Grant, he or she hereby consents to the delivery of information (including, without limitation, information required to be delivered to the Optionee pursuant to applicable securities laws) regarding the Company and the Subsidiaries, the Plan, and the Award via Company web site or other electronic delivery.

Exhibit A

LIQUIDITY SERVICES, INC.
STOCK OPTION AGREEMENT

1. Grant of Option. The Company hereby grants to the Optionee named in the Notice of Grant provided to said Optionee herewith (the "Optionee") an option (the "Option") to purchase the number of shares of Stock ("Shares") as set forth in the Notice of Grant, at the exercise price per share set forth in the Notice of Grant (the "Exercise Price"), subject to the terms and conditions of the Plan, which is incorporated herein by reference. In the event of a conflict between the terms and conditions of the Plan and the terms and conditions of this Option Agreement, the terms and conditions of the Plan shall prevail.

If designated in the Notice of Grant as an Incentive Stock Option ("ISO"), this Option is intended to qualify as an Incentive Stock Option under Section 422 of the Code. However, if this Option is intended to be an Incentive Stock Option, to the extent that it exceeds the $100,000 rule of Code Section 422(d) it shall be treated as a Nonstatutory Stock Option ("NSO").

2. Exercise of Option.

(a) Right to Exercise. This Option is exercisable only before it expires and then only in accordance with the Vesting Schedule set out in the Notice of Grant and the applicable provisions of the Plan and this Option Agreement. The minimum number of Shares with respect to which this Option may be exercised, in whole or in part, shall be the lesser of (i) 100 Shares or (ii) the maximum number of Shares available under this Option at the time of exercise. This Option may not be exercised for a fraction of a share. No portion of the Option which has not become vested and exercisable at the date of the Optionee's termination of Service shall thereafter become vested and exercisable, except as may be otherwise provided in the Notice of Grant or as set forth in a written agreement between the Company and the Optionee.

(b) Duration of Exercisability. The installments provided in the Vesting Schedules set forth in the Notice of Grant are cumulative. Each such installment which becomes vested and exercisable pursuant to the Vesting Schedule set forth in the Notice of Grant shall remain vested and exercisable until it becomes unexercisable under Section 5.

(c) Method of Exercise. This Option is exercisable by delivery of an exercise notice, in the form attached as Exhibit B (or such other form as may then be required by the Company at the time of exercise) (the "Exercise Notice"), which shall state the election to exercise the Option, the number of Shares in respect of which the Option is being exercised (the "Exercised Shares"), and such other representations and agreements as may be required by the Company pursuant to the provisions of the Plan. The Exercise Notice shall be completed by the Optionee and delivered to the VP, Controller or such other person as designated by the Company from time to time. The Exercise Notice shall be accompanied by payment of the aggregate Exercise Price as to all Exercised Shares. The Optionee shall also be required to make adequate provision for all withholding taxes relating to the exercise as a condition to the exercise of the Option. This Option shall be deemed to be exercised upon receipt by the Company of such fully executed Exercise

Notice accompanied by the payment of such aggregate Exercise Price and arrangement for the adequate provision for the withholding taxes relating to the exercise.

(d) No Shares shall be issued pursuant to the exercise of this Option unless such issuance, exercise, and the method of payment of consideration for such Shares complies with applicable laws or the requirements of any stock exchange upon which the Shares may then be listed. Assuming such compliance, for income tax purposes the Exercised Shares shall be considered transferred to the Optionee on the date the Option is exercised with respect to such Exercised Shares.

3. Method of Payment. Payment of the aggregate Exercise Price shall be by any of the following, or a combination thereof, at the election of the Optionee:

(a) cash; or

(b) check; or

(c) by delivery (on a form prescribed by the Company) of an irrevocable direction to a licensed securities broker acceptable to the Company to sell Stock and to deliver all or part of the sale proceeds to the Company in payment of the aggregate Exercise Price and any withholding taxes; or

(d) surrender of other shares of Stock which have a Fair Market Value on the date of the exercise equal to the aggregate Exercise Price of the shares of Stock with respect to which the Option or portion thereof is being exercised.

4. Non-Transferability of Option. This Option may not be transferred in any manner otherwise than by will or by the laws of descent or distribution and may be exercised during the lifetime of Optionee only by the Optionee. The terms of the Plan and this Option Agreement shall be binding upon the executors, administrators, heirs, successors and assigns of the Optionee.

5. Expiration of Option. This Option will expire and may not be exercised to any extent by anyone after the first to occur of the following events:

(a) The expiration of ten years from the Grant Date;

(b) If this Option is designated as an Incentive Stock Option and the Optionee owned (within the meaning of Section 424(d) of the Code), at the time the Option was granted, more than 10% of the total combined voting power of all classes of stock of the Company or any "subsidiary" of the Company or any "parent corporation" of the Company (each within the meaning of Section 424 of the Code), the expiration of five years from the Grant Date;

(c) The expiration of three (3) months from the date of the Optionee's termination of Service, unless the Optionee's Service is terminated for Cause or such termination occurs by reasons of the Optionee's death, Disability, or termination without Cause or for Good Reason;

(d) The expiration of one year from the date of the Optionee's termination of Service by reason of the Optionee's death, Disability or termination without Cause or for Good Reason;

(e) Except as the Board or Committee may otherwise approve, the date of the Optionee's termination of Service if the Optionee's Service is terminated for Cause. Except as the Board or Committee may otherwise approve, all rights under the Option will be forfeited and the Option will immediately expire on the date the Optionee's Service is terminated for Cause; or

(f) Such earlier date established by the Board or the Committee in accordance with the provisions of Section 17.3 of the Plan, if applicable.

6. Notice of Disqualifying Disposition of ISO Shares. If the Optionee sells or otherwise disposes of any of the Shares acquired pursuant to an ISO on or before the later of (i) two years after the grant date, or (ii) one year after the exercise date, the Optionee shall immediately notify the Company in writing of such disposition. The Optionee agrees that he or she may be subject to income tax withholding by the Company on the compensation income recognized from such early disposition of ISO Shares by payment in cash or out of the current earnings paid to the Optionee.

7. Clawback. The Award is subject to any clawback policy of the Company as in effect from time to time and, in accordance with such policy, may be subject to recoupment by the Company under certain circumstances.

8. Entire Agreement; Governing Law. The Plan is incorporated herein by reference. The Plan and this Option Agreement constitute the entire agreement of the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements of the Company and Optionee with respect to the subject matter hereof. The Company may amend the terms of the Option; provided that the rights under any Option shall not be materially impaired by any such amendment except by means of a writing signed by the Company and Optionee. This agreement is governed by the internal substantive laws, but not the choice of law rules, of the State of Delaware.

9. NO GUARANTEE OF CONTINUED SERVICE. OPTIONEE ACKNOWLEDGES AND AGREES THAT THE VESTING OF SHARES PURSUANT TO THE VESTING SCHEDULE HEREOF IS EARNED ONLY BY CONTINUING AS AN EMPLOYEE, DIRECTOR, OR CONSULTANT AT THE WILL OF THE COMPANY (AND NOT THROUGH THE ACT OF BEING HIRED, BEING GRANTED AN OPTION OR PURCHASING SHARES HEREUNDER). OPTIONEE FURTHER ACKNOWLEDGES AND AGREES THAT THIS AGREEMENT, THE TRANSACTIONS CONTEMPLATED HEREUNDER AND THE VESTING SCHEDULE SET FORTH HEREIN DO NOT CONSTITUTE AN EXPRESS OR IMPLIED PROMISE OF CONTINUED ENGAGEMENT AS AN EMPLOYEE, DIRECTOR, OR CONSULTANT FOR THE VESTING PERIOD, FOR ANY PERIOD, OR AT ALL, AND SHALL NOT INTERFERE WITH OPTIONEE'S RIGHT OR THE COMPANY'S RIGHT TO TERMINATE OPTIONEE'S RELATIONSHIP (I) AS AN EMPLOYEE AT ANY TIME, WITH OR WITHOUT CAUSE; (II) AS A CONSULTANT PURSUANT TO THE TERMS OF OPTIONEE'S AGREEMENT WITH THE COMPANY OR AN AFFILIATE; OR (III) AS A

DIRECTOR PURSUANT TO THE BYLAWS OF THE COMPANY, AND ANY APPLICABLE PROVISIONS OF THE CORPORATE LAW OF THE STATE OR OTHER JURISDICTION IN WHICH THE COMPANY IS DOMICILED, AS THE CASE MAY BE.

Upon Optionee's acknowledgment of the Notice of Stock Option Grant, Optionee and the Company agree that this Option is granted under and governed by the terms and conditions of the Plan and this Option Agreement. Optionee has reviewed the Plan and this Option Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to agreeing to this Option Agreement and fully understands all provisions of the Plan and Option Agreement. Optionee hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Board of Directors (or any Committee to whom the Board has delegated administration of the Plan) upon any questions relating to the Plan and Option Agreement.

Exhibit B

LIQUIDITY SERVICES, INC. THIRD AMENDED AND RESTATED 2006 OMNIBUS LONG-TERM INCENTIVE PLAN EXERCISE NOTICE

Liquidity Services, Inc.
6931 Arlington Road, Suite 460
Bethesda, MD 20814
Attention: Legal Department

1. Exercise of Option. Effective as of today, _____, the undersigned ("Purchaser") hereby elects to purchase _____ shares (the "Shares") of the Stock of Liquidity Services, Inc. (the "Company") under and pursuant to the Third Amended and Restated 2006 Omnibus Long-Term Incentive Plan, as amended (the "Plan") and the Stock Option Agreement dated, _____ (the "Option Agreement"). The total purchase price for the Shares shall be $_____, as required by the Option Agreement.

2. Delivery of Payment. Purchaser herewith delivers to the Company the full purchase price for the Shares in the form of (check one or more):

_____ Cash or check in the amount of $_____

_____ Delivery (on the form prescribed by the Company) of an irrevocable direction to a licensed securities broker acceptable to the Company to sell Stock and to deliver all or part of the sale proceeds to the Company in payment of the aggregate Exercise Price and any withholding taxes; or

_____ Surrender of other shares of Stock.

3. Representations of Purchaser.

(a) Purchaser has received, read and understood the Plan and the Option Agreement and agrees to abide by and be bound by their terms and conditions.

(b) Purchaser agrees: (i) to provide such additional documents as the Company may require pursuant to the terms of the Plan, (ii) to provide for the payment by Purchaser to the Company (in the manner designated by the Company) of the Company's withholding obligation, if any, relating to the exercise of this Option, and (iii) if this exercise relates to an incentive stock option, to notify the Company in writing promptly after the date of any disposition of any of the shares of Common Stock issued upon exercise of this Option that occurs within two (2) years after the date of grant of this Option or within one (1) year after such shares of Company Stock are issued upon exercise of this Option.

(c) Purchaser hereby makes the following certifications and representations with respect to the Shares, which are being acquired by the Purchaser for his or her own account (or otherwise in compliance with applicable law) upon exercise of the Option as set forth above:

(i) If Purchaser is an officer and/or director of the Company, Purchaser has communicated with the Company to determine whether he or she is subject to Section 16 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and if so:

- Purchaser has reviewed his or her transactions relative to Section 16 of the Exchange Act ("Section 16");
- The Company has informed the Purchaser that the grant of the Option is exempt from Section 16(b) of the Exchange Act either because (i) it was approved by the Company's board of directors or a committee of the board of directors that is composed solely of two (2) or more "non-employee directors" (as that term is defined in the rules issues under Section 16), or (ii) Purchaser has held the Option for six (6) months or more, and, therefore, this transaction may not be matched with a nonexempt purchase; and
- Purchaser understands that the filing of a Form 4 with the U.S. Securities and Exchange Commission will be required because of this transaction.

(ii) Purchaser understands that if he or she is an officer and/or director of the Company, Purchaser may be deemed an "affiliate" of the Company and is therefore subject to certain of the conditions set forth in Rule 144 of the Securities Act.

(iii) Purchaser further acknowledges that all certificates representing any of the Shares subject to the provisions of the Option shall have endorsed thereon appropriate legends reflecting the foregoing limitations, as well as any legends reflecting restrictions pursuant to applicable securities laws. Purchaser agrees that the Shares are being acquired in accordance with and subject to the terms, provisions and conditions of his or her option documents and the Plan, to all of which the Purchaser hereby expressly assents. This Agreement shall inure to the benefit of and be binding upon the Purchaser's heirs, executors, administrators, successors and assigns.

(iv) If Purchaser is selling some or all of the Shares, Purchaser does not have access to, nor is Purchaser aware of, any nonpublic, material information regarding the Company that could or has influenced his or her decision to sell these Shares.

(v) Purchaser hereby agrees to notify the Company upon the transfer or sale or other disposition of the shares acquired under any incentive stock option exercise and agrees to hold harmless s the Company regarding the reporting of income subject to the disposition of these Shares.

(vi) Purchaser further acknowledges that he or she has received a copy of the prospectus prepared by the Company, which provides information regarding the Company, the Plan and the Shares.

(vii) Purchaser represents that he or she is entitled to exercise the Option with respect to the number of Shares that the Purchaser wishes to purchase hereby.

4. Rights as Stockholder. Until the issuance (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company) of the Shares, no right to vote or receive dividends or any other rights as a stockholder shall exist with respect to the shares of the Company's Stock subject to the Option, notwithstanding the exercise of the Option. The Shares so acquired shall be issued to the Purchaser as soon as practicable after exercise of the Option. No adjustment will be made for a dividend or other right for which the record date is prior to the date of issuance, except as provided in Section 17 of the Plan.

5. Tax Consultation. Purchaser understands that Purchaser may suffer adverse tax consequences as a result of Purchaser's purchase or disposition of the Shares. Purchaser represents that Purchaser has consulted with any tax consultants Purchaser deems advisable in connection with the purchase or disposition of the Shares and that Purchaser is not relying on the Company for any tax advice.

6. Entire Agreement; Governing Law. The Plan and Option Agreement are incorporated herein by reference. This Agreement, the Plan and the Option Agreement constitute the entire agreement of the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements of the Company and Purchaser with respect to the subject matter hereof, and may not be modified adversely to the Purchaser's interest except by means of a writing signed by the Company and Purchaser. This agreement is governed by the internal substantive laws, but not the choice of law rules, of the State of Delaware.

Submitted by: Accepted by:

PURCHASER: LIQUIDITY SERVICES INC.

_____ _____

(Signature) By:
Title:

_____ _____

(Print Name) (Print Name)

[Address]

Liquidity Services, Inc.
6931 Arlington Road, Suite 460
Bethesda, MD 20814

____ ____

(Date Received) (Date Received)

LIQUIDITY SERVICES, INC.
THIRD AMENDED AND RESTATED
2006 OMNIBUS LONG-TERM INCENTIVE PLAN
NOTICE OF RESTRICTED STOCK UNIT GRANT

Unless otherwise defined herein, capitalized terms used in this Notice of Restricted Stock Unit Grant ("Notice of Grant") have the meaning set forth in the Liquidity Services, Inc. Third Amended and Restated 2006 Omnibus Long-Term Incentive Plan, as amended (the "Plan").

FOR GOOD AND VALUABLE CONSIDERATION, Liquidity Services, Inc. (the "Company"), hereby grants to Grantee named below the number of restricted stock units (the "Restricted Stock Units") specified below (the "Award"). Each Restricted Stock Unit represents the right to receive one share of the Company's common stock, par value $0.001. The Award is granted pursuant to the Plan and is subject to the conditions set forth in this Notice of Grant, the Plan and the Standard Terms and Conditions attached hereto as Exhibit A (the "Standard Terms and Conditions"), each as amended from time to time.

Name of Grantee:	
Grant Date:	
Number of Restricted Stock Units:	
Vesting Schedule:	The Restricted Stock Units subject to this Award shall vest in accordance with the following schedule, subject to Grantee's continuing to serve as a Service Provider through the applicable date: • 25% of the Restricted Stock Units subject to this Award shall vest on January 1, 2026. • 25% of the Restricted Stock Units subject to this Award shall vest on January 1, 2027. • 25% of the Restricted Stock Units subject to this Award shall vest on January 1, 2028. • 25% of the Restricted Stock Units subject to this Award shall vest on January 1, 2029.

	Section 17.3 of the Plan shall determine the impact of a Corporate Transaction on this Award.

By electronically accepting this Notice of Grant, Grantee acknowledges that he or she has received and read, and agrees that this Award shall be subject to, the terms of this Notice of Grant, the Plan and the Standard Terms and Conditions.

EXHIBIT A
LIQUIDITY SERVICES, INC.
STANDARD TERMS AND CONDITIONS FOR RESTRICTED STOCK UNITS

These Standard Terms and Conditions apply to any Award of Restricted Stock Units (the "Restricted Stock Units") granted to an employee of Liquidity Services, Inc., a Delaware corporation (the "Company"), under the Liquidity Services, Inc. Third Amended and Restated 2006 Omnibus Long-Term Incentive Plan, as amended (the "Plan"), which are evidenced by a Notice of Grant or an action of the Committee that specifically refers to these Standard Terms and Conditions. Unless otherwise defined herein, capitalized terms used in these Standard Terms and Conditions have the meaning set forth in Plan.

1. TERMS OF RESTRICTED STOCK UNITS

The Company has granted to the Grantee named in the Notice of Grant provided to said Grantee herewith (the "Notice of Grant") an award of a number of Restricted Stock Units specified in the Notice of Grant (the "Award") with each Restricted Stock Unit representing the right to receive one share of the Company's common stock, $0.001 par value per share. The Award is subject to the terms and conditions set forth in the Notice of Grant, these Standard Terms and Conditions, and the Plan, each as amended from time to time. For purposes of these Standard Terms and Conditions and the Notice of Grant, any reference to the Company shall, unless the context requires otherwise, include a reference to any Subsidiary, as such term is defined in the Plan.

2. VESTING OF RESTRICTED STOCK UNITS

The Award shall not be vested as of the Grant Date set forth in the Notice of Grant and shall be forfeitable unless and until otherwise vested pursuant to the terms of the Notice of Grant and these Standard Terms and Conditions. After the Grant Date, subject to termination or acceleration as provided in these Standard Terms and Conditions and the Plan, the Award shall become vested as described in the Notice of Grant with respect to that number of Restricted Stock Units as set forth in the Notice of Grant. Restricted Stock Units that have vested and are no longer subject to forfeiture are referred to herein as "Vested RSUs." Restricted Stock Units awarded hereunder that are not vested and remain subject to forfeiture are referred to herein as "Unvested RSUs." Vested RSUs shall be settled by the delivery of Stock.

Notwithstanding anything contained in these Standard Terms and Conditions or the Plan to the contrary, if the Grantee's Service terminates for any reason, any then Unvested RSUs held by the Grantee shall be forfeited and canceled as of the date of such termination of Service.

3. CLAWBACK

This Award is subject to any clawback policy of the Company as in effect from time to time and, in accordance with such policy, may be subject to recoupment by the Company under certain circumstances.

4. GRANTEE'S RIGHTS AS A STOCKHOLDER WITH RESPECT TO RESTRICTED STOCK UNITS

The Grantee shall not be, nor have any of the rights or privileges of, a stockholder of the Company in respect of any Restricted Stock Units unless and until shares of Stock settled for such Restricted Stock Units shall have been issued by the Company to Grantee (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company). For avoidance of doubt, there shall not be any dividend or dividend equivalent rights with respect to Unvested RSUs.

5. CORPORATE TRANSACTION

In the event of a Corporate Transaction, Section 17.3 of the Plan shall determine the impact of the Corporate Transaction on this Award.

6. RESTRICTIONS ON RESALES OF STOCK

The Company may impose such restrictions, conditions or limitations as it determines appropriate as to the timing and manner of any resales by the Grantee or other subsequent transfers by the Grantee of any shares of Stock issued pursuant to Vested RSUs, including without limitation (a) restrictions under an insider trading policy, (b) restrictions designed to delay and/or coordinate the timing and manner of sales by Grantee and other holders, and (c) restrictions as to the use of a specified brokerage firm for such resales or other transfers.

7. INCOME TAXES

The Company shall not deliver shares of Stock in respect of any Vested RSUs unless and until the Grantee has made arrangements satisfactory to the Committee to satisfy applicable withholding tax obligations. Unless the Grantee pays the withholding tax obligations to the Company by cash or check in connection with the settlement of Vested RSUs, withholding shall be effected by withholding Stock issuable in connection with the settlement of the Vested RSUs (provided that shares of Stock may be withheld only to the extent that such withholding will not result in adverse accounting treatment for the Company). The Company shall have the right to deduct any taxes required to be withheld by law from any amounts paid by it to the Grantee (including, without limitation, future cash wages).

8. NON-TRANSFERABILITY OF AWARD

The Grantee understands, acknowledges and agrees that, except as otherwise provided in the Plan or as permitted by the Committee, the Award may not be sold, assigned, transferred, pledged or otherwise directly or indirectly encumbered or disposed of other than by will or the laws of descent and distribution.

9. THE PLAN AND OTHER AGREEMENTS

In addition to these Standard Terms and Conditions, the Award shall be subject to the terms of the Plan, which are incorporated into these Standard Terms and Conditions by this reference. In the event of a conflict between these Standard Terms and Condition and the Plan, the Plan controls.

The Notice of Grant, these Standard Terms and Conditions and the Plan constitute the entire understanding between the Grantee and the Company regarding the Award, and any prior agreements, commitments or negotiations concerning the Award are superseded.

10. NOT A CONTRACT FOR EMPLOYMENT

Nothing in the Plan, the Notice of Grant, these Standard Terms and Conditions or any other instrument executed pursuant to the Plan shall confer upon the Grantee any right to continue in the Company's employ or service nor limit in any way the Company's right to terminate the Grantee's employment at any time for any reason.

11. SEVERABILITY

In the event that any provision of these Standard Terms and Conditions is declared to be illegal, invalid or otherwise unenforceable by a court of competent jurisdiction, such provision shall be reformed, if possible, to the extent necessary to render it legal, valid and enforceable, or otherwise deleted, and the remainder of these Standard Terms and Conditions shall not be affected except to the extent necessary to reform or delete such illegal, invalid or unenforceable provision.

12. HEADINGS

The headings preceding the text of the sections hereof are inserted solely for convenience of reference and shall not constitute a part of these Standard Terms and Conditions, nor shall they affect its meaning, construction or effect.

13. FURTHER ASSURANCES

Each party shall cooperate and take such action as may be reasonably requested by another party in order to carry out the provisions and purposes of these Standard Terms and Conditions.

14. BINDING EFFECT

These Standard Terms and Conditions shall inure to the benefit of and be binding upon the parties hereto and their respective permitted heirs, beneficiaries, successors and assigns.

15. ELECTRONIC DELIVERY

By executing the Notice of Grant, the Grantee hereby consents to the delivery of information (including, without limitation, information required to be delivered to the Grantee pursuant to applicable securities laws) regarding the Company and the Subsidiaries, the Plan, and the Restricted Stock Units via Company web site or other electronic delivery.

LIQUIDITY SERVICES, INC.
THIRD AMENDED AND RESTATED
2006 OMNIBUS LONG-TERM INCENTIVE PLAN
NOTICE OF RESTRICTED STOCK UNIT GRANT

Unless otherwise defined herein, capitalized terms used in this Notice of Restricted Stock Unit Grant ("Notice of Grant") have the meaning set forth in the Liquidity Services, Inc. Third Amended and Restated 2006 Omnibus Long-Term Incentive Plan, as amended (the "Plan").

FOR GOOD AND VALUABLE CONSIDERATION, Liquidity Services, Inc. (the "Company"), hereby grants to Grantee named below the number of restricted stock units (the "Restricted Stock Units") specified below (the "Award"). Each Restricted Stock Unit represents the right to receive one share of the Company's common stock, par value $0.001. The Award is granted pursuant to the Plan and is subject to the conditions set forth in this Notice of Grant, the Plan and the Standard Terms and Conditions attached hereto as Exhibit A (the "Standard Terms and Conditions"), each as amended from time to time.

Name of Grantee:	
Grant Date:	March 1, 2025
Number of Restricted Stock Units:	
Vesting Schedule:	The Restricted Stock Units subject to this Award shall vest on the first anniversary of the Grant Date, subject to Grantee's continuing to serve as a Service Provider through such date. Section 17.3 of the Plan shall determine the impact of a Corporate Transaction on this Award.

By electronically accepting this Notice of Grant, Grantee acknowledges that he or she has received and read, and agrees that this Award shall be subject to, the terms of this Notice of Grant, the Plan and the Standard Terms and Conditions.

EXHIBIT A
LIQUIDITY SERVICES, INC.
STANDARD TERMS AND CONDITIONS FOR RESTRICTED STOCK UNITS

These Standard Terms and Conditions apply to any Award of Restricted Stock Units (the "Restricted Stock Units") granted to a director of Liquidity Services, Inc., a Delaware corporation (the "Company"), under the Liquidity Services, Inc. Third Amended and Restated 2006 Omnibus Long-Term Incentive Plan, as amended (the "Plan"), which are evidenced by a Notice of Grant or an action of the Committee that specifically refers to these Standard Terms and Conditions. Unless otherwise defined herein, capitalized terms used in these Standard Terms and Conditions have the meaning set forth in Plan.

1. TERMS OF RESTRICTED STOCK UNITS

The Company has granted to the Grantee named in the Notice of Grant provided to said Grantee herewith (the "Notice of Grant") an award of a number of Restricted Stock Units specified in the Notice of Grant (the "Award") with each Restricted Stock Unit representing the right to receive one share of the Company's common stock, $0.001 par value per share. The Award is subject to the terms and conditions set forth in the Notice of Grant, these Standard Terms and Conditions, and the Plan, each as amended from time to time. For purposes of these Standard Terms and Conditions and the Notice of Grant, any reference to the Company shall, unless the context requires otherwise, include a reference to any Subsidiary, as such term is defined in the Plan.

2. VESTING OF RESTRICTED STOCK UNITS

The Award shall not be vested as of the Grant Date set forth in the Notice of Grant and shall be forfeitable unless and until otherwise vested pursuant to the terms of the Notice of Grant and these Standard Terms and Conditions. After the Grant Date, subject to termination or acceleration as provided in these Standard Terms and Conditions and the Plan, the Award shall become vested as described in the Notice of Grant with respect to that number of Restricted Stock Units as set forth in the Notice of Grant. Restricted Stock Units that have vested and are no longer subject to forfeiture are referred to herein as "Vested RSUs." Restricted Stock Units awarded hereunder that are not vested and remain subject to forfeiture are referred to herein as "Unvested RSUs." Vested RSUs shall be settled by the delivery of Stock.

Notwithstanding anything contained in these Standard Terms and Conditions or the Plan to the contrary, if the Grantee's Service terminates for any reason, any then Unvested RSUs held by the Grantee shall be forfeited and canceled as of the date of such termination of Service.

3. CLAWBACK

This Award is subject to any clawback policy of the Company as in effect from time to time and, in accordance with such policy, may be subject to recoupment by the Company under certain circumstances.

4. GRANTEE'S RIGHTS AS A STOCKHOLDER WITH RESPECT TO RESTRICTED STOCK UNITS

The Grantee shall not be, nor have any of the rights or privileges of, a stockholder of the Company in respect of any Restricted Stock Units unless and until shares of Stock settled for such Restricted Stock Units shall have been issued by the Company to Grantee (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company). For avoidance of doubt, there shall not be any dividend or dividend equivalent rights with respect to Unvested RSUs.

5. CORPORATE TRANSACTION

In the event of a Corporate Transaction, Section 17.3 of the Plan shall determine the impact of the Corporate Transaction on this Award.

6. RESTRICTIONS ON RESALES OF STOCK

The Company may impose such restrictions, conditions or limitations as it determines appropriate as to the timing and manner of any resales by the Grantee or other subsequent transfers by the Grantee of any shares of Stock issued pursuant to Vested RSUs, including without limitation (a) restrictions under an insider trading policy, (b) restrictions designed to delay and/or coordinate the timing and manner of sales by Grantee and other holders, and (c) restrictions as to the use of a specified brokerage firm for such resales or other transfers.

7. INCOME TAXES

The Company shall not deliver shares of Stock in respect of any Vested RSUs unless and until the Grantee has made arrangements satisfactory to the Committee to satisfy applicable withholding tax obligations. Unless the Grantee pays the withholding tax obligations to the Company by cash or check in connection with the settlement of Vested RSUs, withholding shall be effected by withholding Stock issuable in connection with the settlement of the Vested RSUs (provided that shares of Stock may be withheld only to the extent that such withholding will not result in adverse accounting treatment for the Company). The Company shall have the right to deduct any taxes required to be withheld by law from any amounts paid by it to the Grantee (including, without limitation, future cash wages).

8. NON-TRANSFERABILITY OF AWARD

The Grantee understands, acknowledges and agrees that, except as otherwise provided in the Plan or as permitted by the Committee, the Award may not be sold, assigned, transferred, pledged or otherwise directly or indirectly encumbered or disposed of other than by will or the laws of descent and distribution.

9. THE PLAN AND OTHER AGREEMENTS

In addition to these Standard Terms and Conditions, the Award shall be subject to the terms of the Plan, which are incorporated into these Standard Terms and Conditions by this reference. In the event of a conflict between these Standard Terms and Condition and the Plan, the Plan controls.

The Notice of Grant, these Standard Terms and Conditions and the Plan constitute the entire understanding between the Grantee and the Company regarding the Award, and any prior agreements, commitments or negotiations concerning the Award are superseded.

10. NOT A CONTRACT

Nothing in the Plan, the Notice of Grant, these Standard Terms and Conditions or any other instrument executed pursuant to the Plan shall confer upon the Grantee any right to continue in the Company's service nor limit in any way the Company's right to terminate the Grantee's service at any time for any reason.

11. SEVERABILITY

In the event that any provision of these Standard Terms and Conditions is declared to be illegal, invalid or otherwise unenforceable by a court of competent jurisdiction, such provision shall be reformed, if possible, to the extent necessary to render it legal, valid and enforceable, or otherwise deleted, and the remainder of these Standard Terms and Conditions shall not be affected except to the extent necessary to reform or delete such illegal, invalid or unenforceable provision.

12. HEADINGS

The headings preceding the text of the sections hereof are inserted solely for convenience of reference and shall not constitute a part of these Standard Terms and Conditions, nor shall they affect its meaning, construction or effect.

13. FURTHER ASSURANCES

Each party shall cooperate and take such action as may be reasonably requested by another party in order to carry out the provisions and purposes of these Standard Terms and Conditions.

14. BINDING EFFECT

These Standard Terms and Conditions shall inure to the benefit of and be binding upon the parties hereto and their respective permitted heirs, beneficiaries, successors and assigns.

15. ELECTRONIC DELIVERY

By executing the Notice of Grant, the Grantee hereby consents to the delivery of information (including, without limitation, information required to be delivered to the Grantee pursuant to applicable securities laws) regarding the Company and the Subsidiaries, the Plan, and the Restricted Stock Units via Company web site or other electronic delivery.

LIQUIDITY SERVICES, INC.
THIRD AMENDED AND RESTATED
2006 OMNIBUS LONG-TERM INCENTIVE PLAN
NOTICE OF STOCK OPTION GRANT

Unless otherwise defined herein, the terms defined in the Liquidity Services, Inc. Third Amended and Restated 2006 Omnibus Long-Term Incentive Plan, as amended (the "Plan") shall have the same defined meanings in this Notice of Stock Option Grant ("Notice of Grant").

The person named below (the "Optionee") has been granted an option (the "Award") to purchase shares of common stock, par value $0.001, of the Company (the "Stock"), subject to the terms and conditions of the Plan, this Notice of Grant, and the Stock Option Agreement attached hereto as Exhibit B (the "Option Agreement"), as follows:

Optionee Name:	
Grant Date:	
Total Number of Shares of Stock Subject to the Option:	
Exercise Price per Share:	$
Total Exercise Price:	$
Type of Option (check one):	☐ Incentive Stock Option ☐ Non-Qualified Stock Option
Term/Expiration Date:	
Vesting Schedule:	This option may be exercised, in whole or in part, in accordance with Exhibit A. Section 17.3 of the Plan shall determine the impact of a Corporate Transaction on this Award.

By electronically accepting this Notice of Grant, the Optionee acknowledges receipt of, and understands and agrees to, this Notice of Grant, the Option Agreement, and the Plan. Optionee further acknowledges that as of the Grant Date, this Notice of Grant, the Option Agreement, and

the Plan set forth the entire understanding between Optionee and the Company regarding the acquisition of Stock in the Company and supersede all prior oral and written agreements on that subject with the exception of (i) options, restricted stock or other awards previously granted and delivered to Optionee under the Plan, and (ii) the following agreements only:

Other Agreements (if any): _____

Optionee acknowledges that if no other agreements are listed above, no other agreements on the subject hereof exist.

Optionee further acknowledges that by electronically accepting this Notice of Grant, he or she hereby consents to the delivery of information (including, without limitation, information required to be delivered to the Optionee pursuant to applicable securities laws) regarding the Company and the Subsidiaries, the Plan, and the Award via Company web site or other electronic delivery.

Exhibit A

Performance-Based Vesting Schedule – Liquidity Services, Inc.

The Award shall vest based on the Company's Consolidated Non-GAAP Direct Profit and Non-GAAP Adjusted EBITDA results following the grant date over a performance period beginning on the grant date and ending January 1, 2029 (the "Performance Period"). On January 1, 2026, and each following April 1, July 1, and October 1, and January 1 occurring through January 1, 2029 (each such date, a "Measurement Date"), the consolidated trailing 12-month results will be calculated per U.S. generally accepted accounting principles and the Company's practices with respect to Non-GAAP metrics, and compared to the below table to determine what percentage of cumulative vesting that has occurred.

($ in millions)

Direct Profit	Vest %	Growth over FY24	4-Year CAGR	AEBITDA	Vest %	Growth over FY24	4-Year CAGR	AEBITDA as a % of Direct Profit
$ 215.00	10%	16%	4%	$ 60.00	10%	24%	6%	28%
$ 240.00	20%	30%	7%	$ 62.00	20%	28%	6%	26%
$ 250.00	30%	35%	8%	$ 66.00	30%	36%	8%	26%
$ 265.00	40%	43%	9%	$ 69.00	40%	43%	9%	26%
$ 280.00	50%	51%	11%	$ 73.00	50%	51%	11%	26%

Interpolation between thresholds will be applied to the final January 1, 2029 measurement date only. Any portion of the awards that is not vested as of January 1, 2029 shall be forfeited and returned to the Plan for reissuance. The Company may take up to 90 days after Measurement Date to determine whether or not vesting has occurred as of the Measurement Date.

Exhibit B

LIQUIDITY SERVICES, INC.
STOCK OPTION AGREEMENT

1. Grant of Option. The Company hereby grants to the Optionee named in the Notice of Grant provided to said Optionee herewith (the "Optionee") an option (the "Option") to purchase the number of shares of Stock ("Shares") as set forth in the Notice of Grant, at the exercise price per share set forth in the Notice of Grant (the "Exercise Price"), subject to the terms and conditions of the Plan, which is incorporated herein by reference. In the event of a conflict between the terms and conditions of the Plan and the terms and conditions of this Option Agreement, the terms and conditions of the Plan shall prevail.

If designated in the Notice of Grant as an Incentive Stock Option ("ISO"), this Option is intended to qualify as an Incentive Stock Option under Section 422 of the Code. However, if this Option is intended to be an Incentive Stock Option, to the extent that it exceeds the $100,000 rule of Code Section 422(d) it shall be treated as a Nonstatutory Stock Option ("NSO").

2. Exercise of Option.

(a) Right to Exercise. This Option is exercisable only before it expires and then only in accordance with the Vesting Schedule set out in the Notice of Grant and the applicable provisions of the Plan and this Option Agreement. The minimum number of Shares with respect to which this Option may be exercised, in whole or in part, shall be the lesser of (i) 100 Shares or (ii) the maximum number of Shares available under this Option at the time of exercise. This Option may not be exercised for a fraction of a share. No portion of the Option which has not become vested and exercisable at the date of the Optionee's termination of Service shall thereafter become vested and exercisable, except as may be otherwise provided in the Notice of Grant or as set forth in a written agreement between the Company and the Optionee.

(b) Duration of Exercisability. The installments provided in the Vesting Schedules set forth in the Notice of Grant are cumulative. Each such installment which becomes vested and exercisable pursuant to the Vesting Schedule set forth in the Notice of Grant shall remain vested and exercisable until it becomes unexercisable under Section 5.

(c) Method of Exercise. This Option is exercisable by delivery of an exercise notice, in the form attached as Exhibit C (or such other form as may then be required by the Company at the time of exercise) (the "Exercise Notice"), which shall state the election to exercise the Option, the number of Shares in respect of which the Option is being exercised (the "Exercised Shares"), and such other representations and agreements as may be required by the Company pursuant to the provisions of the Plan. The Exercise Notice shall be completed by the Optionee and delivered to the VP, Controller or such other person as designated by the Company from time to time. The Exercise Notice shall be accompanied by payment of the aggregate Exercise Price as to all Exercised Shares. The Optionee shall also be required to make adequate provision for all withholding taxes relating to the exercise as a condition to the exercise of the Option. This Option shall be deemed to be exercised upon receipt by the Company of such fully executed Exercise

Notice accompanied by the payment of such aggregate Exercise Price and arrangement for the adequate provision for the withholding taxes relating to the exercise.

(d) No Shares shall be issued pursuant to the exercise of this Option unless such issuance, exercise, and the method of payment of consideration for such Shares complies with applicable laws or the requirements of any stock exchange upon which the Shares may then be listed. Assuming such compliance, for income tax purposes the Exercised Shares shall be considered transferred to the Optionee on the date the Option is exercised with respect to such Exercised Shares.

3. Method of Payment. Payment of the aggregate Exercise Price shall be by any of the following, or a combination thereof, at the election of the Optionee:

(a) cash; or

(b) check; or

(c) by delivery (on a form prescribed by the Company) of an irrevocable direction to a licensed securities broker acceptable to the Company to sell Stock and to deliver all or part of the sale proceeds to the Company in payment of the aggregate Exercise Price and any withholding taxes; or

(d) surrender of other shares of Stock which have a Fair Market Value on the date of the exercise equal to the aggregate Exercise Price of the shares of Stock with respect to which the Option or portion thereof is being exercised.

4. Non-Transferability of Option. This Option may not be transferred in any manner otherwise than by will or by the laws of descent or distribution and may be exercised during the lifetime of Optionee only by the Optionee. The terms of the Plan and this Option Agreement shall be binding upon the executors, administrators, heirs, successors and assigns of the Optionee.

5. Expiration of Option. This Option will expire and may not be exercised to any extent by anyone after the first to occur of the following events:

(a) The expiration of ten years from the Grant Date;

(b) If this Option is designated as an Incentive Stock Option and the Optionee owned (within the meaning of Section 424(d) of the Code), at the time the Option was granted, more than 10% of the total combined voting power of all classes of stock of the Company or any "subsidiary" of the Company or any "parent corporation" of the Company (each within the meaning of Section 424 of the Code), the expiration of five years from the Grant Date;

(c) The expiration of three (3) months from the date of the Optionee's termination of Service, unless the Optionee's Service is terminated for Cause or such termination occurs by reasons of the Optionee's death, Disability, or termination without Cause or for Good Reason;

(d) The expiration of one year from the date of the Optionee's termination of Service by reason of the Optionee's death, Disability or termination without Cause or for Good Reason;

(e) Except as the Board or Committee may otherwise approve, the date of the Optionee's termination of Service if the Optionee's Service is terminated for Cause. Except as the Board or Committee may otherwise approve, all rights under the Option will be forfeited and the Option will immediately expire on the date the Optionee's Service is terminated for Cause; or

(f) Such earlier date established by the Board or the Committee in accordance with the provisions of Section 17.3 of the Plan, if applicable.

6. Notice of Disqualifying Disposition of ISO Shares. If the Optionee sells or otherwise disposes of any of the Shares acquired pursuant to an ISO on or before the later of (i) two years after the grant date, or (ii) one year after the exercise date, the Optionee shall immediately notify the Company in writing of such disposition. The Optionee agrees that he or she may be subject to income tax withholding by the Company on the compensation income recognized from such early disposition of ISO Shares by payment in cash or out of the current earnings paid to the Optionee.

7. Clawback. The Award is subject to any clawback policy of the Company as in effect from time to time and, in accordance with such policy, may be subject to recoupment by the Company under certain circumstances.

8. Entire Agreement; Governing Law. The Plan is incorporated herein by reference. The Plan and this Option Agreement constitute the entire agreement of the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements of the Company and Optionee with respect to the subject matter hereof. The Company may amend the terms of the Option; provided that the rights under any Option shall not be materially impaired by any such amendment except by means of a writing signed by the Company and Optionee. This agreement is governed by the internal substantive laws, but not the choice of law rules, of the State of Delaware.

9. NO GUARANTEE OF CONTINUED SERVICE. OPTIONEE ACKNOWLEDGES AND AGREES THAT THE VESTING OF SHARES PURSUANT TO THE VESTING SCHEDULE HEREOF IS EARNED ONLY BY CONTINUING AS AN EMPLOYEE, DIRECTOR, OR CONSULTANT AT THE WILL OF THE COMPANY (AND NOT THROUGH THE ACT OF BEING HIRED, BEING GRANTED AN OPTION OR PURCHASING SHARES HEREUNDER). OPTIONEE FURTHER ACKNOWLEDGES AND AGREES THAT THIS AGREEMENT, THE TRANSACTIONS CONTEMPLATED HEREUNDER AND THE VESTING SCHEDULE SET FORTH HEREIN DO NOT CONSTITUTE AN EXPRESS OR IMPLIED PROMISE OF CONTINUED ENGAGEMENT AS AN EMPLOYEE, DIRECTOR, OR CONSULTANT FOR THE VESTING PERIOD, FOR ANY PERIOD, OR AT ALL, AND SHALL NOT INTERFERE WITH OPTIONEE'S RIGHT OR THE COMPANY'S RIGHT TO TERMINATE OPTIONEE'S RELATIONSHIP (I) AS AN EMPLOYEE AT ANY TIME, WITH OR WITHOUT CAUSE; (II) AS A CONSULTANT PURSUANT TO THE TERMS OF OPTIONEE'S AGREEMENT WITH THE COMPANY OR AN AFFILIATE; OR (III) AS A

DIRECTOR PURSUANT TO THE BYLAWS OF THE COMPANY, AND ANY APPLICABLE PROVISIONS OF THE CORPORATE LAW OF THE STATE OR OTHER JURISDICTION IN WHICH THE COMPANY IS DOMICILED, AS THE CASE MAY BE.

Upon Optionee's acknowledgment of the Notice of Stock Option Grant, Optionee and the Company agree that this Option is granted under and governed by the terms and conditions of the Plan and this Option Agreement. Optionee has reviewed the Plan and this Option Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to agreeing to this Option Agreement and fully understands all provisions of the Plan and Option Agreement. Optionee hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Board of Directors (or any Committee to whom the Board has delegated administration of the Plan) upon any questions relating to the Plan and Option Agreement.

Exhibit C

LIQUIDITY SERVICES, INC. THIRD AMENDED AND RESTATED 2006 OMNIBUS LONG-TERM INCENTIVE PLAN EXERCISE NOTICE

Liquidity Services, Inc.
6931 Arlington Road, Suite 460
Bethesda, MD 20814
Attention: Legal Department

1. Exercise of Option. Effective as of today, _____, the undersigned ("Purchaser") hereby elects to purchase _____ shares (the "Shares") of the Stock of Liquidity Services, Inc. (the "Company") under and pursuant to the Third Amended and Restated 2006 Omnibus Long-Term Incentive Plan, as amended (the "Plan") and the Stock Option Agreement dated, _____ (the "Option Agreement"). The total purchase price for the Shares shall be $_____, as required by the Option Agreement.

2. Delivery of Payment. Purchaser herewith delivers to the Company the full purchase price for the Shares in the form of (check one or more):

_____ Cash or check in the amount of $_____

_____ Delivery (on the form prescribed by the Company) of an irrevocable direction to a licensed securities broker acceptable to the Company to sell Stock and to deliver all or part of the sale proceeds to the Company in payment of the aggregate Exercise Price and any withholding taxes; or

_____ Surrender of other shares of Stock.

3. Representations of Purchaser.

(a) Purchaser has received, read and understood the Plan and the Option Agreement and agrees to abide by and be bound by their terms and conditions.

(b) Purchaser agrees: (i) to provide such additional documents as the Company may require pursuant to the terms of the Plan, (ii) to provide for the payment by Purchaser to the Company (in the manner designated by the Company) of the Company's withholding obligation, if any, relating to the exercise of this Option, and (iii) if this exercise relates to an incentive stock option, to notify the Company in writing promptly after the date of any disposition of any of the shares of Common Stock issued upon exercise of this Option that occurs within two (2) years after the date of grant of this Option or within one (1) year after such shares of Company Stock are issued upon exercise of this Option.

(c) Purchaser hereby makes the following certifications and representations with respect to the Shares, which are being acquired by the Purchaser for his or her own account (or otherwise in compliance with applicable law) upon exercise of the Option as set forth above:

(i) If Purchaser is an officer and/or director of the Company, Purchaser has communicated with the Company to determine whether he or she is subject to Section 16 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and if so:

- Purchaser has reviewed his or her transactions relative to Section 16 of the Exchange Act ("Section 16");
- The Company has informed the Purchaser that the grant of the Option is exempt from Section 16(b) of the Exchange Act either because (i) it was approved by the Company's board of directors or a committee of the board of directors that is composed solely of two (2) or more "non-employee directors" (as that term is defined in the rules issues under Section 16), or (ii) Purchaser has held the Option for six (6) months or more, and, therefore, this transaction may not be matched with a nonexempt purchase; and
- Purchaser understands that the filing of a Form 4 with the U.S. Securities and Exchange Commission will be required because of this transaction.

(ii) Purchaser understands that if he or she is an officer and/or director of the Company, Purchaser may be deemed an "affiliate" of the Company and is therefore subject to certain of the conditions set forth in Rule 144 of the Securities Act.

(iii) Purchaser further acknowledges that all certificates representing any of the Shares subject to the provisions of the Option shall have endorsed thereon appropriate legends reflecting the foregoing limitations, as well as any legends reflecting restrictions pursuant to applicable securities laws. Purchaser agrees that the Shares are being acquired in accordance with and subject to the terms, provisions and conditions of his or her option documents and the Plan, to all of which the Purchaser hereby expressly assents. This Agreement shall inure to the benefit of and be binding upon the Purchaser's heirs, executors, administrators, successors and assigns.

(iv) If Purchaser is selling some or all of the Shares, Purchaser does not have access to, nor is Purchaser aware of, any nonpublic, material information regarding the Company that could or has influenced his or her decision to sell these Shares.

(v) Purchaser hereby agrees to notify the Company upon the transfer or sale or other disposition of the shares acquired under any incentive stock option exercise and agrees to hold harmless s the Company regarding the reporting of income subject to the disposition of these Shares.

(vi) Purchaser further acknowledges that he or she has received a copy of the prospectus prepared by the Company, which provides information regarding the Company, the Plan and the Shares.

(vii) Purchaser represents that he or she is entitled to exercise the Option with respect to the number of Shares that the Purchaser wishes to purchase hereby.

4. Rights as Stockholder. Until the issuance (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company) of the Shares, no right to vote or receive dividends or any other rights as a stockholder shall exist with respect to the shares of the Company's Stock subject to the Option, notwithstanding the exercise of the Option. The Shares so acquired shall be issued to the Purchaser as soon as practicable after exercise of the Option. No adjustment will be made for a dividend or other right for which the record date is prior to the date of issuance, except as provided in Section 17 of the Plan.

5. Tax Consultation. Purchaser understands that Purchaser may suffer adverse tax consequences as a result of Purchaser's purchase or disposition of the Shares. Purchaser represents that Purchaser has consulted with any tax consultants Purchaser deems advisable in connection with the purchase or disposition of the Shares and that Purchaser is not relying on the Company for any tax advice.

6. Entire Agreement; Governing Law. The Plan and Option Agreement are incorporated herein by reference. This Agreement, the Plan and the Option Agreement constitute the entire agreement of the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements of the Company and Purchaser with respect to the subject matter hereof and may not be modified adversely to the Purchaser's interest except by means of a writing signed by the Company and Purchaser. This agreement is governed by the internal substantive laws, but not the choice of law rules, of the State of Delaware.

Submitted by: Accepted by:

PURCHASER: LIQUIDITY SERVICES INC.

_____ _____

(Signature) By:
Title:

_____ _____

(Print Name) (Print Name)

[Address]

Liquidity Services, Inc.
6931 Arlington Road, Suite 460
Bethesda, MD 20814

____ ____

(Date Received) (Date Received)

LIQUIDITY SERVICES, INC.
THIRD AMENDED AND RESTATED
2006 OMNIBUS LONG-TERM INCENTIVE PLAN
NOTICE OF RESTRICTED STOCK UNIT GRANT

Unless otherwise defined herein, capitalized terms used in this Notice of Restricted Stock Unit Grant ("Notice of Grant") have the meaning set forth in the Liquidity Services, Inc. Third Amended and Restated 2006 Omnibus Long-Term Incentive Plan, as amended (the "Plan").

FOR GOOD AND VALUABLE CONSIDERATION, Liquidity Services, Inc. (the "Company"), hereby grants to Grantee named below the number of restricted stock units (the "Restricted Stock Units") specified below (the "Award"). Each Restricted Stock Unit represents the right to receive one share of the Company's common stock, par value $0.001. The Award is granted pursuant to the Plan and is subject to the conditions set forth in this Notice of Grant, the Plan and the Standard Terms and Conditions attached hereto as Exhibit A (the "Standard Terms and Conditions"), each as amended from time to time.

Name of Grantee:	
Grant Date:	
Number of Restricted Stock Units:	
Vesting Schedule:	The Restricted Stock Units subject to this Award shall vest as follows, subject to Grantee's continuing to serve as a Service Provider through the applicable date: See Exhibit B. Section 17.3 of the Plan shall determine the impact of a Corporate Transaction on this Award.

By electronically accepting this Notice of Grant, Grantee acknowledges that he or she has received and read, and agrees that this Award shall be subject to, the terms of this Notice of Grant, the Plan and the Standard Terms and Conditions.

EXHIBIT A
LIQUIDITY SERVICES, INC.
STANDARD TERMS AND CONDITIONS FOR RESTRICTED STOCK UNITS

These Standard Terms and Conditions apply to any Award of Restricted Stock Units (the "Restricted Stock Units") granted to an employee of Liquidity Services, Inc., a Delaware corporation (the "Company"), under the Liquidity Services, Inc. Third Amended and Restated 2006 Omnibus Long-Term Incentive Plan, as amended (the "Plan"), which are evidenced by a Notice of Grant or an action of the Committee that specifically refers to these Standard Terms and Conditions. Unless otherwise defined herein, capitalized terms used in these Standard Terms and Conditions have the meaning set forth in Plan.

1. TERMS OF RESTRICTED STOCK UNITS

The Company has granted to the Grantee named in the Notice of Grant provided to said Grantee herewith (the "Notice of Grant") an award of a number of Restricted Stock Units specified in the Notice of Grant (the "Award") with each Restricted Stock Unit representing the right to receive one share of the Company's common stock, $0.001 par value per share. The Award is subject to the terms and conditions set forth in the Notice of Grant, these Standard Terms and Conditions, and the Plan, each as amended from time to time. For purposes of these Standard Terms and Conditions and the Notice of Grant, any reference to the Company shall, unless the context requires otherwise, include a reference to any Subsidiary, as such term is defined in the Plan.

2. VESTING OF RESTRICTED STOCK UNITS

The Award shall not be vested as of the Grant Date set forth in the Notice of Grant and shall be forfeitable unless and until otherwise vested pursuant to the terms of the Notice of Grant and these Standard Terms and Conditions. After the Grant Date, subject to termination or acceleration as provided in these Standard Terms and Conditions and the Plan, the Award shall become vested as described in the Notice of Grant with respect to that number of Restricted Stock Units as set forth in the Notice of Grant. Restricted Stock Units that have vested and are no longer subject to forfeiture are referred to herein as "Vested RSUs." Restricted Stock Units awarded hereunder that are not vested and remain subject to forfeiture are referred to herein as "Unvested RSUs." Vested RSUs shall be settled by the delivery of Stock. Notwithstanding anything contained in these Standard Terms and Conditions or the Plan to the contrary, if the Grantee's Service terminates for any reason, any then Unvested RSUs held by the Grantee shall be forfeited and canceled as of the date of such termination of Service.

3. CLAWBACK

This Award is subject to any clawback policy of the Company as in effect from time to time and, in accordance with such policy, may be subject to recoupment by the Company under certain circumstances.

4. GRANTEE'S RIGHTS AS A STOCKHOLDER WITH RESPECT TO RESTRICTED STOCK UNITS

The Grantee shall not be, nor have any of the rights or privileges of, a stockholder of the Company in respect of any Restricted Stock Units unless and until shares of Stock settled for such Restricted Stock Units shall have been issued by the Company to Grantee (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company). For avoidance of doubt, there shall not be any dividend or dividend equivalent rights with respect to Unvested RSUs.

5. CORPORATE TRANSACTION

In the event of a Corporate Transaction, Section 17.3 of the Plan shall determine the impact of the Corporate Transaction on this Award.

6. RESTRICTIONS ON RESALES OF STOCK

The Company may impose such restrictions, conditions or limitations as it determines appropriate as to the timing and manner of any resales by the Grantee or other subsequent transfers by the Grantee of any shares of Stock issued pursuant to Vested RSUs, including without limitation (a) restrictions under an insider trading policy, (b) restrictions designed to delay and/or coordinate the timing and manner of sales by Grantee and other holders, and (c) restrictions as to the use of a specified brokerage firm for such resales or other transfers.

7. INCOME TAXES

The Company shall not deliver shares of Stock in respect of any Vested RSUs unless and until the Grantee has made arrangements satisfactory to the Committee to satisfy applicable withholding tax obligations. Unless the Grantee pays the withholding tax obligations to the Company by cash or check in connection with the settlement of Vested RSUs, withholding shall be effected by withholding Stock issuable in connection with the settlement of the Vested RSUs (provided that shares of Stock may be withheld only to the extent that such withholding will not result in adverse accounting treatment for the Company). The Company shall have the right to deduct any taxes required to be withheld by law from any amounts paid by it to the Grantee (including, without limitation, future cash wages).

8. NON-TRANSFERABILITY OF AWARD

The Grantee understands, acknowledges and agrees that, except as otherwise provided in the Plan or as permitted by the Committee, the Award may not be sold, assigned, transferred, pledged or otherwise directly or indirectly encumbered or disposed of other than by will or the laws of descent and distribution.

9. THE PLAN AND OTHER AGREEMENTS

In addition to these Standard Terms and Conditions, the Award shall be subject to the terms of the Plan, which are incorporated into these Standard Terms and Conditions by this reference. In the event of a conflict between these Standard Terms and Condition and the Plan, the Plan controls.

The Notice of Grant, these Standard Terms and Conditions and the Plan constitute the entire understanding between the Grantee and the Company regarding the Award, and any prior agreements, commitments or negotiations concerning the Award are superseded.

10. NOT A CONTRACT FOR EMPLOYMENT

Nothing in the Plan, the Notice of Grant, these Standard Terms and Conditions or any other instrument executed pursuant to the Plan shall confer upon the Grantee any right to continue in the Company's employ or service nor limit in any way the Company's right to terminate the Grantee's employment at any time for any reason.

11. SEVERABILITY

In the event that any provision of these Standard Terms and Conditions is declared to be illegal, invalid or otherwise unenforceable by a court of competent jurisdiction, such provision shall be reformed, if possible, to the extent necessary to render it legal, valid and enforceable, or otherwise deleted, and the remainder of these Standard Terms and Conditions shall not be affected except to the extent necessary to reform or delete such illegal, invalid or unenforceable provision.

12. HEADINGS

The headings preceding the text of the sections hereof are inserted solely for convenience of reference and shall not constitute a part of these Standard Terms and Conditions, nor shall they affect its meaning, construction or effect.

13. FURTHER ASSURANCES

Each party shall cooperate and take such action as may be reasonably requested by another party in order to carry out the provisions and purposes of these Standard Terms and Conditions.

14. BINDING EFFECT

These Standard Terms and Conditions shall inure to the benefit of and be binding upon the parties hereto and their respective permitted heirs, beneficiaries, successors and assigns.

15. ELECTRONIC DELIVERY

By executing the Notice of Grant, the Grantee hereby consents to the delivery of information (including, without limitation, information required to be delivered to the Grantee pursuant to applicable securities laws) regarding the Company and the Subsidiaries, the Plan, and the Restricted Stock Units via Company web site or other electronic delivery.

EXHIBIT B

Performance-Based Vesting Schedule – Liquidity Services, Inc.

The Award shall vest based on the Company's Consolidated Non-GAAP Direct Profit and Non-GAAP Adjusted EBITDA results following the grant date over a performance period beginning on the grant date and ending January 1, 2029 (the "Performance Period"). On January 1, 2026, and each following April 1, July 1, and October 1, and January 1 occurring through January 1, 2029 (each such date, a "Measurement Date"), the consolidated trailing 12-month results will be calculated per U.S. generally accepted accounting principles and the Company's practices with respect to Non-GAAP metrics, and compared to the below table to determine what percentage of cumulative vesting that has occurred.

($ in millions)

Direct Profit	Vest %	Growth over FY24	4-Year CAGR	AEBITDA	Vest %	Growth over FY24	4-Year CAGR	AEBITDA as a % of Direct Profit
$ 215.00	10%	16%	4%	$ 60.00	10%	24%	6%	28%
$ 240.00	20%	30%	7%	$ 62.00	20%	28%	6%	26%
$ 250.00	30%	35%	8%	$ 66.00	30%	36%	8%	26%
$ 265.00	40%	43%	9%	$ 69.00	40%	43%	9%	26%
$ 280.00	50%	51%	11%	$ 73.00	50%	51%	11%	26%

Interpolation between thresholds will be applied to the final January 1, 2029 measurement date only. Any portion of the awards that is not vested as of January 1, 2029 shall be forfeited and returned to the Plan for reissuance. The Company may take up to 90 days after Measurement Date to determine whether or not vesting has occurred as of the Measurement Date.

LIQUIDITY SERVICES

A Better Future for Surplus

Human Resources
Practices and Policies
Insider Trading Policy

Effective Date: February 1, 2023
Supersedes: September 18, 2020 Insider Trading Policy

Purpose:

In the course of performing your duties for Liquidity Services, Inc., you may from time to time receive or become aware of information about the Company and its subsidiaries (the "**Company**"), or other companies that do business with the Company, which is "material" and "nonpublic."

"Insider trading" laws prohibit persons who receive or become aware of material nonpublic information about the Company (or other companies that do business with the Company) from trading in the Company's (or such other company's) securities and from providing that material nonpublic information to others who are reasonably likely to trade in the Company's (or such other company's) securities. Insider trading laws impose legal liability on both the individuals who fail to comply with them, as well as on companies that employ individuals who violate these laws.

Accordingly, the Company has adopted this Insider Trading Policy (the "**Policy**") to (1) assist individuals associated with the Company in their compliance with insider trading laws and (2) protect the Company from legal liability and promote its business interest in maintaining its reputation for integrity.

INSIDER TRADING IS A VERY SERIOUS MATTER. INSIDER TRADING AND THE TIPPING OF MATERIAL NONPUBLIC INFORMATION IS ILLEGAL AND CAN RESULT IN JAIL SENTENCES AS WELL AS PERSONAL LIABILITY AND CIVIL PENALTIES. INDIVIDUALS WHO VIOLATE THIS POLICY MAY BE SUBJECT TO DISCIPLINARY ACTION BY THE COMPANY, UP TO AND INCLUDING TERMINATION FOR CAUSE. IF YOU HAVE ANY QUESTIONS OR DOUBT THE APPLICABILITY OR INTERPRETATION OF THIS POLICY OR WHETHER A DESIRED TRANSACTION MAY CREATE RISK UNDER INSIDER TRADING LAWS, PLEASE SEEK CLARIFICATION FROM THE COMPANY'S COMPLIANCE OFFICER (AS DEFINED BELOW). DO NOT TRY TO RESOLVE THE UNCERTAINTY WITHOUT THE COMPLIANCE OFFICER'S ASSISTANCE.

Scope:

This Policy is effective as of the date set forth at the top of this Policy and supersedes any previous insider trading policy of the Company. In the event of any conflict or inconsistency between this Policy and any other materials previously distributed by the Company, this Policy shall govern. In addition, each Covered Person (as defined below) is responsible for complying with applicable law as then in force and effect. Accordingly, even if there is a conflict or inconsistency between this Policy and applicable law, or an unintentional omission from this Policy, Covered Persons are not excused from complying with applicable law.

This Policy applies to: all employees of the Company; all officers of the Company (whether qualifying as an "executive officer" pursuant to Rule 3b-7 or Section 16 under the Securities Exchange Act of 1934, such persons, "**Officers**"), all members of the Board of Directors of the Company ("**Directors**"); as well as any of their respective family members and other members of their households, partnerships in which any such person is a general partner, trusts of which any such person is a trustee, estates of which any such person is an administrator or executor and other legal entities that any such person controls (the "**Covered Persons**"). For the avoidance of doubt, an individual will be a Covered Person regardless of whether that person is located in or outside of the United States.

The Compliance Officer (as defined below) may also determine from time to time that other persons who may have access to material nonpublic information due to their activities with the Company shall be subject to some or all of this Policy. Any persons so identified by the Compliance Officer shall also be "Covered Persons" for purposes of this Policy.

For purposes of this policy, the term "**Securities**" shall be interpreted broadly to include, but shall not be limited to, a company's common stock, preferred stock, debt securities, convertible securities, other equity and debt securities, and any derivatives thereof.

It is the responsibility of the Company's Directors, Officers and employees to ensure that their related Covered Persons who do not have a direct relationship with the Company (such as a family or household member) understand and abide by this Policy.

Statement of policy:

1. **Policy.**

   If a Covered Person is in possession of material nonpublic information relating to the Company, that person may not, directly or indirectly, buy, sell or engage in other transactions in Company Securities, except as set forth below, or engage, directly or indirectly, in any other action to disclose to others ("**tipping**") or benefit from or take advantage of that information (for example, recommending transactions in Company Securities). This Policy also applies to transactions in another company's Securities if a Covered Person becomes aware of material nonpublic information relating to that company during the Covered Person's employment by, service to or other relationship with the Company (for example, information concerning the Company's customers or suppliers).

   Additional restrictions regarding transactions in Company Securities by Special Insiders (as defined below) are described in Section 5. below.

2. **Definitions and Explanations.**

   - **When Information is "Material".**

     In order to determine whether information is material, it must be evaluated in the context of all facts and circumstances at play at the time. Information is considered "material" if:

- a reasonable investor would consider the information important in making a decision to buy, sell or hold Securities; or
- release of the information could produce a qualitative change to the package of information disclosed to the public; or
- public disclosure of the information would be likely to have a significant effect on the market price of Securities.

Material information can be positive or negative and can relate to virtually any aspect of a company's business. Information that is or may be material includes (but is not limited to) the following, depending upon all facts and circumstances at the time of assessment:

- unpublished financial or operating results, positive or negative;
- projections or changes in projections of financial or operating results, upwards or downwards;
- a pending or proposed corporate transaction, such as merger, acquisition or divestiture;
- a pending or proposed public offering or private placement of Securities or other financing outside of the ordinary course of business;
- a pending or proposed repurchase or redemption of Securities;
- the gain or loss of a significant customer or supplier;
- changes in senior management;
- execution of a business contract that is important financially, strategically or otherwise;
- significant regulatory approvals or challenges;
- pending or threatened litigation of potential significance, or settlement or other resolution of ongoing litigation;
- a change in independent registered public accounting firm;
- the need to restate financial statements;
- impending bankruptcy or liquidity problems; and
- other events or developments that is required to be disclosed in a Current Report on Form 8-K to be filed with the Securities and Exchange Commission ("**SEC**").

(b) When Information is "Nonpublic".

Information is "nonpublic" if it has not been widely disseminated to the public through public distribution channels, including:

- newswire releases;
- widely available broadcasts on television and radio;
- publication in widely available newspapers or news websites; or
- disclosure in periodic reports filed with the SEC.

Even after wide dissemination of material information, a reasonable period of time must elapse for the investing public to process the information. As a rule of thumb, two full trading days following wide dissemination is regarded as a reasonable waiting period before such information is deemed to be "public" and no longer "nonpublic" for purposes of this Policy. The Compliance Officer may determine that a different waiting period is appropriate with respect to particular disclosures based upon prevailing facts and circumstances. For the avoidance of doubt, Covered Persons should consult the Compliance Officer when contemplating transactions in Securities shortly after public disclosures by the Company (or a company with which the Company does business).

(c) Be Mindful of How a Transaction May be Viewed in Hindsight.

If a particular transaction (or group of transactions) is challenged by enforcement authorities, it will be viewed with the benefit of hindsight. As a result, before engaging in any transaction, a

Covered Person should give careful thought to whether any facts and circumstances exist that could raise suspicions about the propriety of the proposed transaction after the fact; for example, as to whether information that the Covered Person has become aware of may be construed as "material" and "nonpublic." Again, in the event of any doubt, Covered Persons should consult the Compliance Officer when contemplating transactions in Securities.

3. Requirements.

(a) ***Non-Disclosure of Material Nonpublic Information*.**

It is illegal under insider trading laws to disclose material nonpublic information to *other individuals* who may themselves trade based on that information. Covered Persons may be held liable for disclosing material nonpublic information ("**tipping**") to those other individuals ("**tippee**") and may be liable for any illegal transaction or further tipping by a tippee. Accordingly, no Covered Person who knows of material nonpublic information about the Company may disclose that information to any other person, including family members, without the prior authorization of the Compliance Officer, except to other Company personnel who have a need to know the information, or to third party agents of the Company (such as accountants, investment bankers or outside legal counsel) whose positions require them to have access to such information, but who are bound by a professional or contractual obligation to protect its confidentiality.

(b) ***Prohibited Trading in Company Securities*.**

No Covered Person may place a purchase or sell order or recommend that another person place a purchase or sell order in Company Securities when they are aware of material nonpublic information concerning the Company that has not been disclosed to the public. As noted above, for purposes of the prohibition expressed in this Policy, "Company Securities" should be construed broadly, and the terms "purchase" or "sell" should also be interpreted broadly to include transactions involving Company Securities such as tax withholding elections or changes in vesting elections under the Company's equity management portal, ShareWorks (or any successor thereto), loans, pledges, gifts, charitable donations and other contributions of Company Securities.

(c) ***Prohibitions Involving Securities of Other Companies*.**

No Covered Person who becomes aware of the material nonpublic information of another company in the course of business activities on behalf of the Company may engage in prohibited trading while in possession of material nonpublic information about another company or disclose or "tip" that material nonpublic information to others.

(d) ***No Hedging of Company Securities*.**

The Company believes that purchases of hedging instruments that protect against downward changes in Company's stock price can result in the purchaser no longer having the same objectives as the Company's other stockholders because they are no longer subject to the full risks of stock ownership. Accordingly, no Covered Person may engage in any hedging transaction that would result in lack of exposure to the full risks of ownership of Company Securities. Prohibited hedging transactions include, but are not limited to, collars, forward sale contracts, trading in publicly traded options, puts, calls or other derivative instruments related to Company Securities.

(e) ***No Margin Accounts, Pledging or Short Sales of Company Securities*.**

No Covered Person may hold Company Securities in a margin account or "short" sell Company Securities.

(f) ***Pledging.*** No Covered Person may pledge Company Securities as collateral for a loan. The Board of Directors may grant, after consultation with the Compliance Officer and in its sole discretion in limited circumstances, an exception to the pledging prohibition on a case-by-case basis.

(g) ***Post-Separation Obligations.***

The prohibition on insider trading continues to apply to any transaction in Company Securities or the Securities of other companies with which the Company does business even after a Covered Person has separated (for any reason) from the Company. Covered Persons who are in possession of material nonpublic information when their relationship with the Company concludes may not trade in Company Securities (or the Securities of other companies with which the Company does business) until after the information has become "public" for purposes of this Policy.

4. Exceptions.

(a) ***Mutual Funds and Exchange Traded Funds***

This Policy does not restrict purchases and sales of mutual funds, similar professionally managed "commingled pools" or exchange-traded funds that invest in Securities.

(b) ***Transactions under Company Equity Plans*.**

This Policy does not apply to a Covered Person's exercise of a stock option granted under a Company equity plan for cash, but this Policy does apply to the sale in the open market of any Company Securities received upon the exercise of an option, regardless of whether the sale is to pay the exercise price or to satisfy the Covered Person's tax obligations resulting from the exercise.

This Policy also does not apply to a Covered Person's surrender of Company Securities to the Company or the retention and withholding from delivery to the Covered Person of Securities by the Company (i.e., a "share withholding" or "net settlement" method) upon vesting of restricted stock units in satisfaction of tax withholding obligations in a manner permitted by the applicable equity award agreement or the Company equity plan pursuant to which the restricted stock was granted. This Policy, however, does apply to exercises of a stock option granted under a Company equity plan by means of a stock swap or retention and withholding of Securities by the Company (i.e., a "share withholding" or "net settlement" method).

5. Heightened Requirements Applicable to Special Insiders.

- ***Definition of Special Insiders*.**

This Section 5 sets forth additional provisions applicable to the following individuals associated with the Company (referring to the publicly traded entity, not its subsidiaries) ("**Special Insiders**"):

- each Director;
- each Officer;

- each member of the Finance Department involved in consolidation of financial results and the preparation, review, or filing of reports with the U.S. Securities and Exchanges Commission ("**SEC**");
- each member of the Legal Department involved in the preparation, review or filing of reports with the SEC;
- each employee involved in the review of Annual Reports on SEC Form 10-K or Quarterly Reports on SEC Form 10-Q, including subordinates of any executive officer with whom such officer shares such forms or material non-public information contained within such reports;
- any other individual designated as a Special Insider by the Compliance Officer from time to time.

(b) ***Blackout Periods/Trading Windows*.**

(1) Earnings Blackout Periods: The period immediately prior to an earnings release is a time in which Special Insiders are most likely to be in possession of material nonpublic information about the Company. To avoid the risk of noncompliance with insider trading laws, Special Insiders may not purchase or sell Company Securities during regularly scheduled quarterly blackout periods:

- **commencing** at the close of trading on the fifteenth (15th) calendar day prior to the end of each fiscal quarter (i.e., two weeks prior to the end of each fiscal quarter); and
- **ending** at the start of the third full trading day after the Company's "earnings release" is issued to the public relating to the Company's financial information for the concluded fiscal quarter (for example, if the Company publishes its earnings release on Thursday at 7a.m. before the trading market opens, the earnings black-out period will continue until Monday when trading opens).

(2) Special Blackout Periods. The Compliance Officer may impose special blackout periods from time to time on a discretionary basis when news of pending material events or other material non-public information regarding the Company that is anticipated to be disclosed has not yet been publicly disclosed. Individuals (which may include individuals who are not Specified Insiders) who become subject to a special blackout period will be notified of that fact by the Compliance Officer, and (A) may not disclose the fact that they are subject to a special blackout period to any other person without the express permission of the Compliance Officer and (B) may not transact in Company Securities during the special blackout period. The special blackout period commences on the date the individual receives notice of the blackout from the Compliance Officer and continues until the individual is notified by the Compliance Officer that the special blackout period has ended.

(3) Open Trading Windows for Special Insiders. Subject to pre-clearance as provided in Section 5(c) below, Special Insiders are generally permitted to trade when no blackout period (including a special blackout period under Section 5(b)(2)) is in effect; **provided, however, that even during an open trading window, any Covered Person (including a Special Insider) who is aware of material non-public information, may not trade in Company Securities until the information has been made publicly available as described above, or is no longer material.**

(c) ***Pre-Clearance for Special Insiders*.**

Even when a trading window is open, Special Insiders (including family members and other members of their respective households) must obtain prior clearance from the Compliance Officer before buying, selling or engaging in any transaction in Company Securities (except as described in Section 5(e). below), including any exercise of stock options. The Compliance Officer will evaluate each proposed transaction to determine if it raises insider trading concerns or the appearance of other concerns under the federal or state securities laws and regulations. Any advice will relate solely to legal considerations and not the merits of the investment decision. Clearance of a transaction will be valid only for the day of approval and the next four
(4) trading days, provided that if a trading window will close before such period has elapsed, the clearance will only be valid until the end of that trading window. If the transaction order is not placed within such clearance period, pre-clearance of the transaction must be re-requested from the Compliance Officer.

(d) ***Short-Swing Trading*****.**

Special Insiders who purchase Company Securities may not sell any Company Securities of the same class for at least six months after the purchase. Note that in addition to this Policy, Special Insiders who are subject to Section 16(b) of the Exchange Act may be required to disgorge to the Company any "short-swing profits" realized from a "matching" purchase and sale or "matching" sale and purchase of Company Securities occurring within a six-month period.

(e) ***Rule 10b5-1 Plans*****.**

A Covered Person's trades in Company Securities may be exempt from this Policy if made under a properly pre-established and maintained written trading plan, known as a "Rule 10b5-1 plan." If the Rule 10b5-1 plan meets all of the requirements for such a plan, and the transactions in Company Securities are actually made in accordance with the terms and conditions of the plan, the trades will not be deemed to have been made "on the basis of" material nonpublic information, even if the Covered Person who established the plan is actually aware of material nonpublic information at the time plan-based transactions are executed.

A properly designed Rule 10b5-1 plan must meet the following requirements:

1. The plan is established when no earnings blackout period in accordance with Section 5(b)(1) or Special Blackout Period in accordance with Section 5(b)(2) exists.
2. The plan is established when the Covered Person was unaware of material nonpublic information concerning the Company;
3. The plan must be entered into in good faith and not as part of a scheme to evade insider trading prohibitions;
4. The Covered Person must include a representation in the plan certifying as to items 1 and 2.
5. The plan specifies the number (or dollar value) of Company Securities to be purchased or sold during the term of the plan, the price (which may be a fixed price, market price or minimum/maximum price) at which the shares are to be traded, and a schedule for the trade(s), or provides a written formula or algorithm for determining the timing, amount and price of the trade(s). Alternatively, the plan can give a third party (such as a designated broker) the exclusive right to determine the timing, amount and price of the trade;
6. The plan does not permit the Covered Person to exercise any subsequent influence

over how, when, or whether to effect transactions in Company Securities; provided, however, that if a third party (such as a broker) is designated under the terms of the plan to determine the timing, amount and price of trades, the third party must not be aware of any material nonpublic information about the Company or Company Securities when it makes its trading decisions on behalf of the Covered Person; and

7. In the case of Special Insiders, the 10b5-1 plan must have a cooling-off period (i.e., a period between the execution of the 10b5-1 plan and the first trade under such plan) is the later of: (1) 90 days following plan adoption or modification; or (2) two business days following the disclosure in certain periodic reports of the issuer's financial results for the fiscal quarter in which the plan was adopted or modified (but not to exceed 120 days following plan adoption or modification) before any trading in Company Securities can commence under the trading arrangement;

8. In the case of a Covered Person other than a Special Insider, the 10b5-1 plan must have a cooling-off period of at least 20 days following plan adoption or modification before any trading in Company Securities can commence under the trading arrangement; and

9. The 10b5-1 plan must include a condition that the Covered Person implementing the Rule 10b5-1 plan (or the third-party transacting in Company Securities on the Special Insider's behalf) must act in good faith with respect to that plan.

Further, no Covered Person may (1) enter into multiple, overlapping Rule 10b5-1 plans; or (2) enter into a Rule 10b5-1 plan to affect a single-trade more than once during any consecutive 12-month.

Any Rule 10b5-1 plan proposed to be entered into after the date of this policy, or any amendment or termination of an existing Rule 10b5-1 plan after the date of this policy, must be reviewed and approved by the Compliance Officer prior to such plan's execution, amendment, or termination; *provided, however*, that no transaction occurring under an approved Rule 10b5-1 plan will require further pre-clearance.

6. ***Additional Company Restrictions on Large Volume Trades.***

In addition to the other requirements of this Policy:

(a) Any sale of Company equity Securities by a Covered Person of **greater than 30,000 shares** shall be conducted through a Company approved broker.

(b) Unless otherwise approved by the Board of Directors, no Covered Person may sell more than **100,000 shares** of Company equity Securities **per day**.

(c) Unless otherwise approved by the Board of Directors, no person may trade in more than **500,000 shares of Company equity Securities in the aggregate** during any open trading window unless the trades occur pursuant to a previously approved 10b5-1 plan.

Interpretation:

The Company's Chief Legal Officer is the compliance officer (the "**Compliance Officer**") for this Policy. The Compliance Officer, or the Board of Directors of the Company, may designate additional officers of the Company to serve as Compliance Officers for this Policy from time to time. Any questions concerning this Policy should be directed to, and all interpretations of this Policy shall be made by, a duly designated Compliance Officer.

Disclaimer:

The Company reserves the right to modify, amend or eliminate this Policy, in whole or in part, and may do so with or without notice to employees.

Exhibit 21.1

SUBSIDIARIES OF LIQUIDITY SERVICES, INC.

The following is a list of subsidiaries of Liquidity Services, Inc., the names under which such subsidiaries do business, and the state or country in which each was organized as of November 19, 2026. The list does not include subsidiaries which would not, if considered in the aggregate as a single subsidiary, constitute a significant subsidiary within the meaning of Item 601(b)(21)(ii) of Regulation S-K.

Company	Jurisdiction of Organization	DBAs
Liquidity Services Operations LLC	Delaware	GovDeals AllSurplus Liquidation.com
Liquidity Services Limited	United Kingdom	N/A
GoIndustry-DoveBid Limited	United Kingdom	N/A
Machinio Corp.	Delaware	N/A
Bid4Assets, Inc.	Maryland	N/A
Sierra Auction Management, Inc.	Arizona	N/A

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statements No. 333-132192, No. 333-159004, No. 333-202548, No. 333-216242, No. 333-226114, No. 333-236547, No. 333-263036, No. 333-277874, and No. 333-294282 on Forms S-8 of our reports dated November 19, 2026, relating to the consolidated financial statements of Liquidity Services, Inc. and the effectiveness of Liquidity Services, Inc.'s internal control over financial reporting appearing in this Annual Report on Form 10-K for the year ended September 30, 2026.

/s/ Deloitte & Touche LLP
McLean, VA
November 19, 2026

EXHIBIT 31.1

CERTIFICATION PURSUANT TO RULE 13a-14(a) OF THE SECURITIES EXCHANGE ACT OF 1934

I, William P. Angrick, III, certify that:

1. I have reviewed this annual report on Form 10-K of Liquidity Services, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 19, 2026

By: /s/ William P. Angrick, III

Title: *Chairman of the Board of Directors and Chief Executive Officer*

EXHIBIT 31.2

CERTIFICATION PURSUANT TO RULE 13a-14(a) OF THE SECURITIES EXCHANGE ACT OF 1934

I, Jorge A. Celaya, certify that:

1. I have reviewed this annual report on Form 10-K of Liquidity Services, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 19, 2026

By: /s/ Jorge A. Celaya
Title: *Executive Vice President and Chief Financial Officer*

EXHIBIT 32.1

CERTIFICATION PURSUANT TO 18 U.S.C.
SECTION 1350,
AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the annual report of Liquidity Services, Inc. (the "Company") on Form 10-K for the period ended September 30, 2026 as filed with the Securities and Exchange Commission (the "Report"), I, William P. Angrick, III, Chief Executive Officer of the Company, certify, to the best of my knowledge, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

November 19, 2026

By: /s/ William P. Angrick, III

Title: *Chairman of the Board of Directors and Chief Executive Officer*

THE FOREGOING CERTIFICATION IS BEING FURNISHED SOLELY PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002 AND IS NOT BEING FILED AS PART OF THE FORM 10-K OR AS A SEPARATE DISCLOSURE DOCUMENT.

A SIGNED ORIGINAL OF THIS WRITTEN STATEMENT REQUIRED BY SECTION 906, OR OTHER DOCUMENT AUTHENTICATING, ACKNOWLEDGING, OR OTHERWISE ADOPTING THE SIGNATURE THAT APPEARS IN TYPED FORM WITHIN THE ELECTRONIC VERSION OF THIS WRITTEN STATEMENT REQUIRED BY SECTION 906, HAS BEEN PROVIDED TO LIQUIDITY SERVICES, INC. AND WILL BE RETAINED BY LIQUIDITY SERVICES, INC. AND FURNISHED TO THE SECURITIES AND EXCHANGE COMMISSION OR ITS STAFF UPON REQUEST.

EXHIBIT 32.2

CERTIFICATION PURSUANT TO 18 U.S.C.
SECTION 1350,
AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the annual report of Liquidity Services, Inc. (the "Company") on Form 10-K for the period ended September 30, 2026 as filed with the Securities and Exchange Commission (the "Report"), I, Jorge A. Celaya, Chief Financial Officer of the Company, certify, to the best of my knowledge, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

November 19, 2026

By: /s/ Jorge A. Celaya
Title: *Executive Vice President and Chief Financial Officer*

THE FOREGOING CERTIFICATION IS BEING FURNISHED SOLELY PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002 AND IS NOT BEING FILED AS PART OF THE FORM 10-K OR AS A SEPARATE DISCLOSURE DOCUMENT.

A SIGNED ORIGINAL OF THIS WRITTEN STATEMENT REQUIRED BY SECTION 906, OR OTHER DOCUMENT AUTHENTICATING, ACKNOWLEDGING, OR OTHERWISE ADOPTING THE SIGNATURE THAT APPEARS IN TYPED FORM WITHIN THE ELECTRONIC VERSION OF THIS WRITTEN STATEMENT REQUIRED BY SECTION 906, HAS BEEN PROVIDED TO LIQUIDITY SERVICES, INC. AND WILL BE RETAINED BY LIQUIDITY SERVICES, INC. AND FURNISHED TO THE SECURITIES AND EXCHANGE COMMISSION OR ITS STAFF UPON REQUEST.