

June 17, 2013

A GEM Affiliate Acquires Pawn Plus Inc.

A GEM affiliate has acquired Pawn Plus Inc., an operator of full-service pawn facilities in Pennsylvania.

Pawn Plus, founded in 1993, buys gold jewelry and previously owned merchandise from the public and also makes collateralized loans. The Company resells these items in its retail locations and converts gold through a refining process into revenue. Additionally, Pawn Plus sells new and refurbished merchandise and offers clients a variety of financial services, including money orders, income tax preparation, and tax refund processing, among others. The Company's business comes from low and middle-income customers, and Pawn Plus prides itself on fashioning products and services that meet the needs of this target customer base. For many customers, Pawn Plus serves as a primary financial institution, as most clients have no affiliation with other traditional banks. Recently, Pawn Plus has seen an increase in middle-income customers—clients that, while served by banks, are looking for non-recourse loans. The Company excels in customer support, product availability, and innovation, which—along with convenience in terms of store location—allow Pawn Plus to be successful in a highly fragmented industry.