

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549**

FORM 8-K

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

Date of Report (Date of earliest event reported) April 3, 2020

NICHOLAS FINANCIAL, INC.
(Exact name of registrant as specified in its Charter)

British Columbia, Canada (State or Other Jurisdiction of Incorporation or Organization)	0-26680 (Commission File Number)	59-2506879 (I.R.S. Employer Identification No.)
2454 McMullen Booth Road, Building C Clearwater, Florida (Address of Principal Executive Offices)		33759 (Zip Code)

(727) 726-0763
(Registrant's telephone number, including area code)

Not applicable
(Former name, former address and former fiscal year, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	NICK	NASDAQ

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.05 Costs Associated with Exit or Disposal Activities.

The performance of some branches in the Nicholas Financial, Inc. (the “Company”) network have consistently fallen short of management’s expectations during the 2020 Fiscal Year. As a result, on April 1, 2020, the Company announced the closure of seven branches, which represented approximately 14% of its network, as of December 31, 2019. Reduction in workforce associated with these activities impacted approximately 20 employees and represented 9% of Company workforce, as of March 31, 2020.

These consolidation activities were part of the senior management contemplated initiatives for the Fiscal Year 2021. The expected total charges are between \$0.1 million and \$0.2 million of cash expenditures and under \$0.1 million of non-cash impairment charges associated with lease obligations. Specifically, the Company estimated approximately \$40,000 for employee related costs and approximately \$120,000 for lease obligations. The Company expects the majority of these charges will be recorded in the first quarter of Fiscal Year 2021. The estimates of charges could change as the Company plans evolve and become finalized.

Forward-Looking Information

This report contains various forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Such statements are based on management’s current beliefs and assumptions, as well as information currently available to management. When used in this document, the words “anticipate”, “estimate”, “expect”, “will”, “may”, “plan,” “believe”, “intend” and similar expressions are intended to identify forward-looking statements. Such statements, including statements about the expected impact of exit and disposal activities, material impairments and Covid-19, are subject to certain risks, uncertainties and assumptions, including but not limited to the risk factors discussed under “Item 1A – Risk Factors” in our Annual Report on Form 10-K, and our other filings made with the U.S. Securities and Exchange Commission (“SEC”). Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, estimated or expected. All forward-looking statements included in this report are based on information available to the Company as of the date of filing, and the Company assumes no obligation to update any such forward-looking statement except as required by law.

SIGNATURES

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

NICHOLAS FINANCIAL, INC.

(Registrant)

Date: April 3, 2020

/s/ Douglas Marohn

Douglas Marohn

President and Chief Executive Officer

(Principal Executive Officer)