

November 2024 Investor Presentation

A Global Leader in Acquiring and
Collecting Nonperforming Loans



Forward-Looking Statements

Statements in this presentation, other than statements of historical fact, are forward-looking statements, which are based on our current beliefs, projections, assumptions and expectations concerning future operations and financial performance. Such statements involve uncertainties and risks, some of which are not currently known to us, and may be superseded by future events that could cause actual results to differ materially from those expressed or implied in this presentation.

You are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date of this presentation and are qualified in their entirety by these cautionary statements.

Information regarding risks and other factors that could cause our actual results to differ materially from our expectations can be found in our most recent Annual Report on Form 10-K and in subsequent SEC filings and should be considered when evaluating the forward-looking statements in this presentation. Except as required by law, we assume no obligation to update or revise these statements to reflect changes in the events, conditions, or circumstances upon which any such forward-looking statements are based.

Agenda

Company Overview

Market Opportunity

Business Model

Growth Strategy

Financial Performance

Appendix



Who We Are

A Global Leader in Acquiring and Collecting Nonperforming Loans

25+

Years in Business

\$1.3B

LTM Portfolio Purchases

3,000+

Employees Worldwide

\$1.8B

LTM Cash Collections

18

Countries

\$7.3B

Estimated Remaining Collections (ERC)²

\$821M

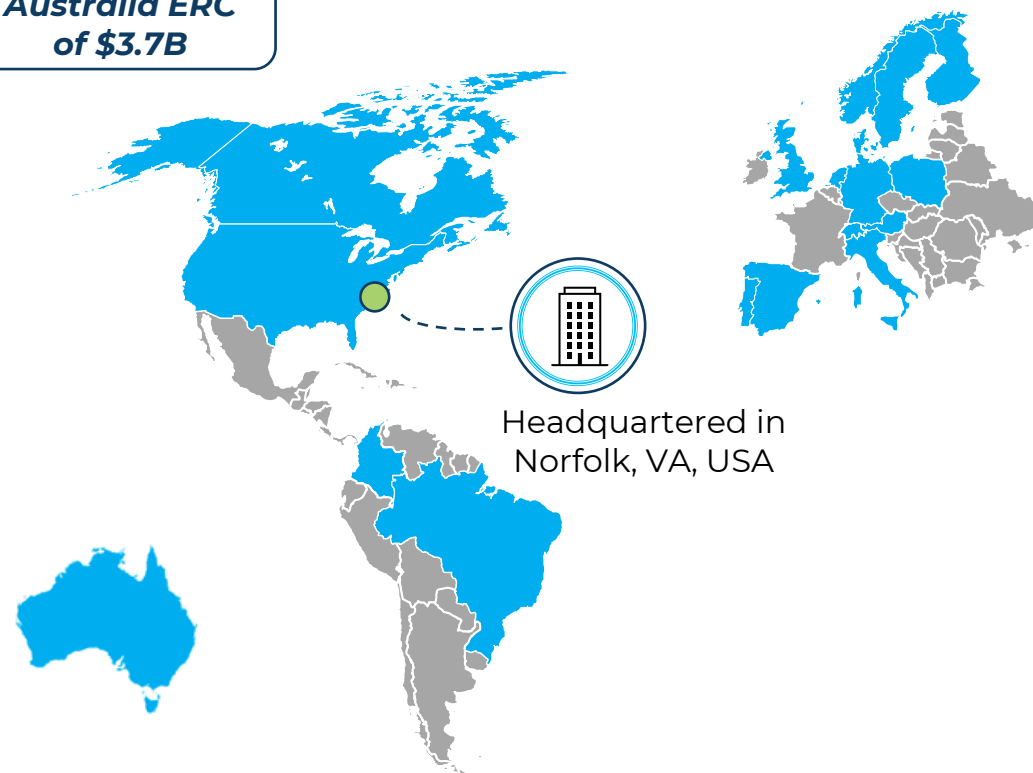
Market Capitalization¹

9.4%

Return on average tangible equity (ROATE)³

Americas & Australia ERC of \$3.7B

Europe ERC of \$3.6B



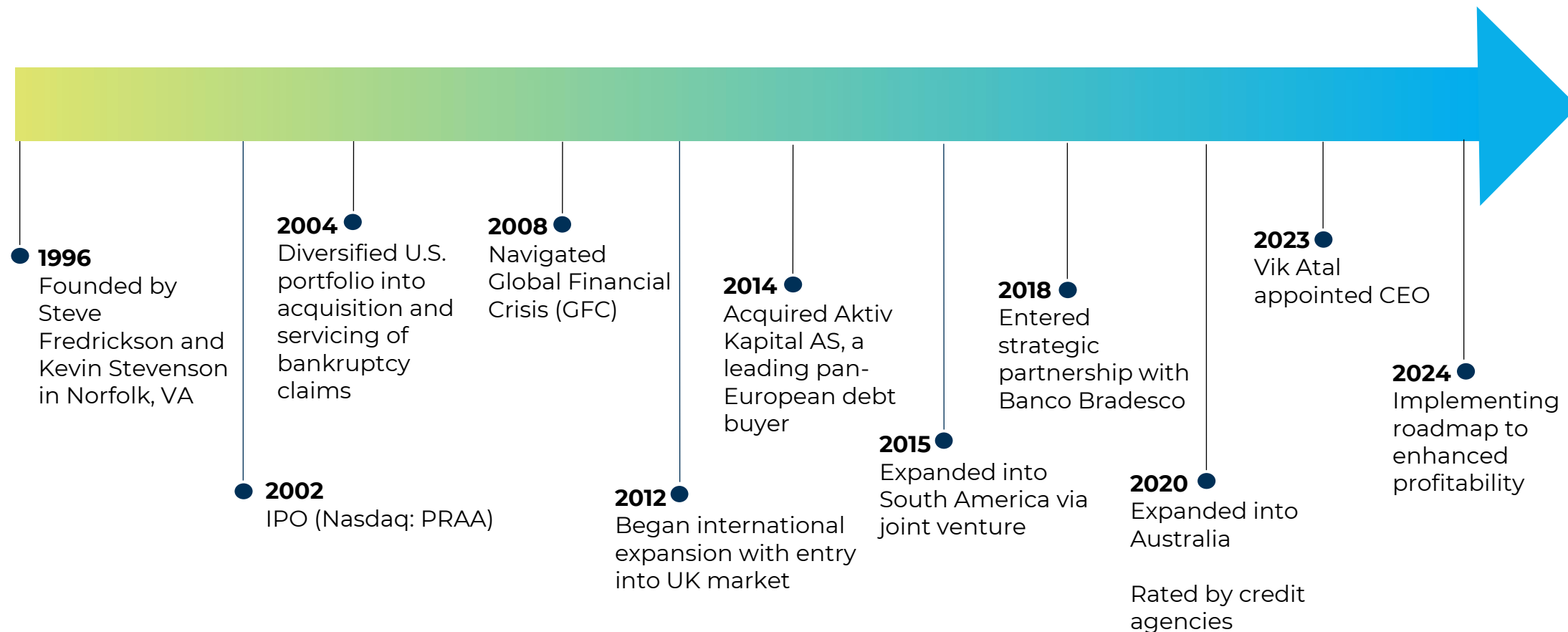
1. As of November 1, 2024.

2. Estimated remaining collections (ERC) refers to the sum of all future projected cash collections on our nonperforming loan portfolio.

3. For the nine months ended September 30, 2024. Return on average tangible equity (ROATE) = annualized net income attributable to PRA Group, Inc. divided by average tangible equity. Average tangible equity = average total stockholders' equity - PRA Group, Inc. less average goodwill and average other intangible assets.

One of the Largest and Longest-Standing Debt Buyers

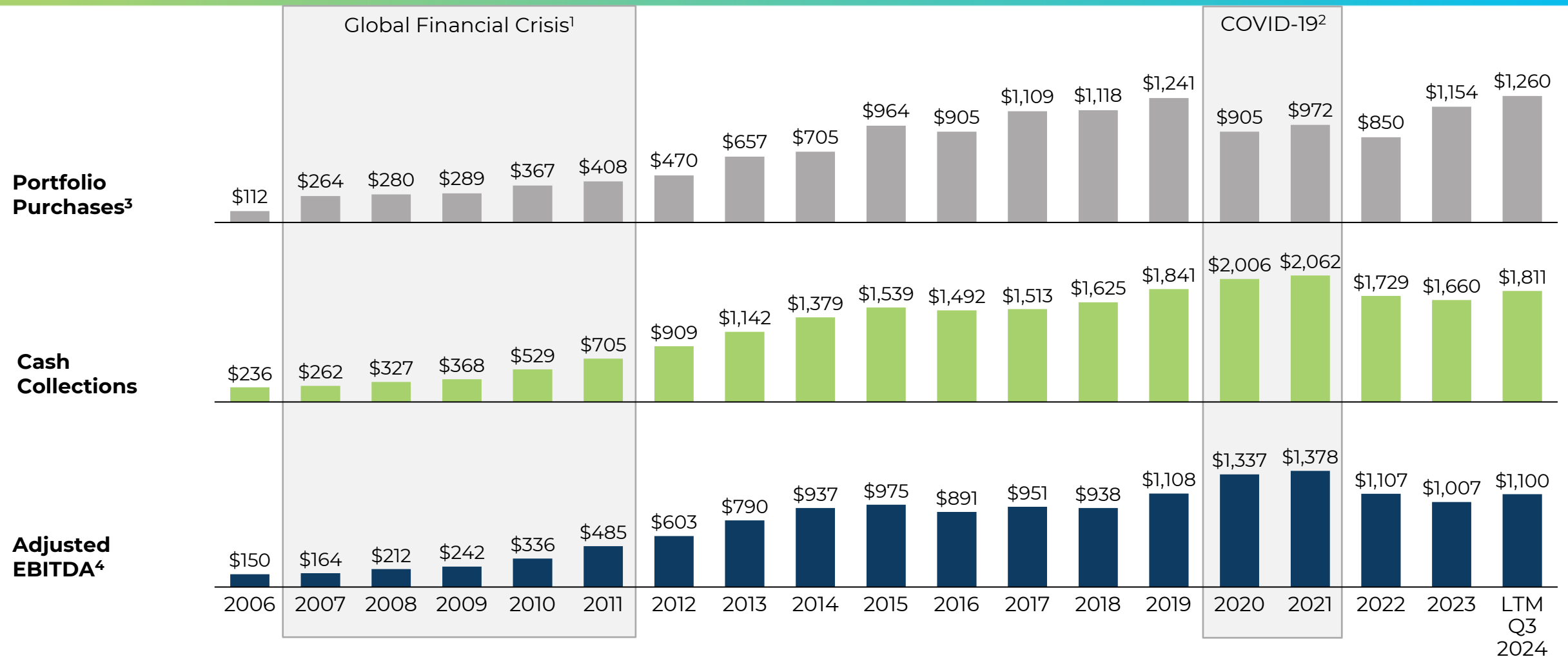
Navigating Multiple Credit Cycles Through Disciplined Organic and Inorganic Growth



Strong Track Record Through Credit & Economic Cycles

Higher Portfolio Supply, Improved Pricing, and Resilient Collections

\$ in millions

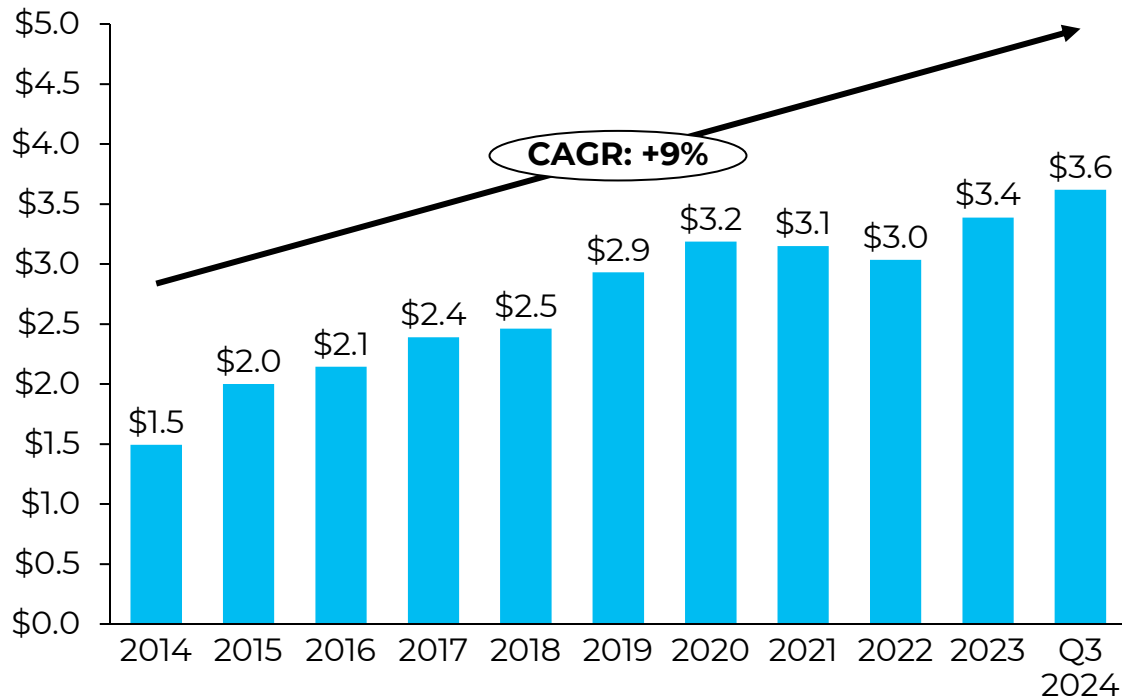


1. Timing defined by the Federal Reserve Bank of St. Louis - <https://www.stlouisfed.org/financial-crisis/full-timeline>. 2. COVID-19 pandemic resulted in government lockdowns and excess consumer liquidity. 3. Excludes portfolios associated with business acquisitions 4. A reconciliation of net income, the most directly comparable financial measure calculated and reported in accordance with GAAP, to Adjusted EBITDA can be found at the end of this presentation.

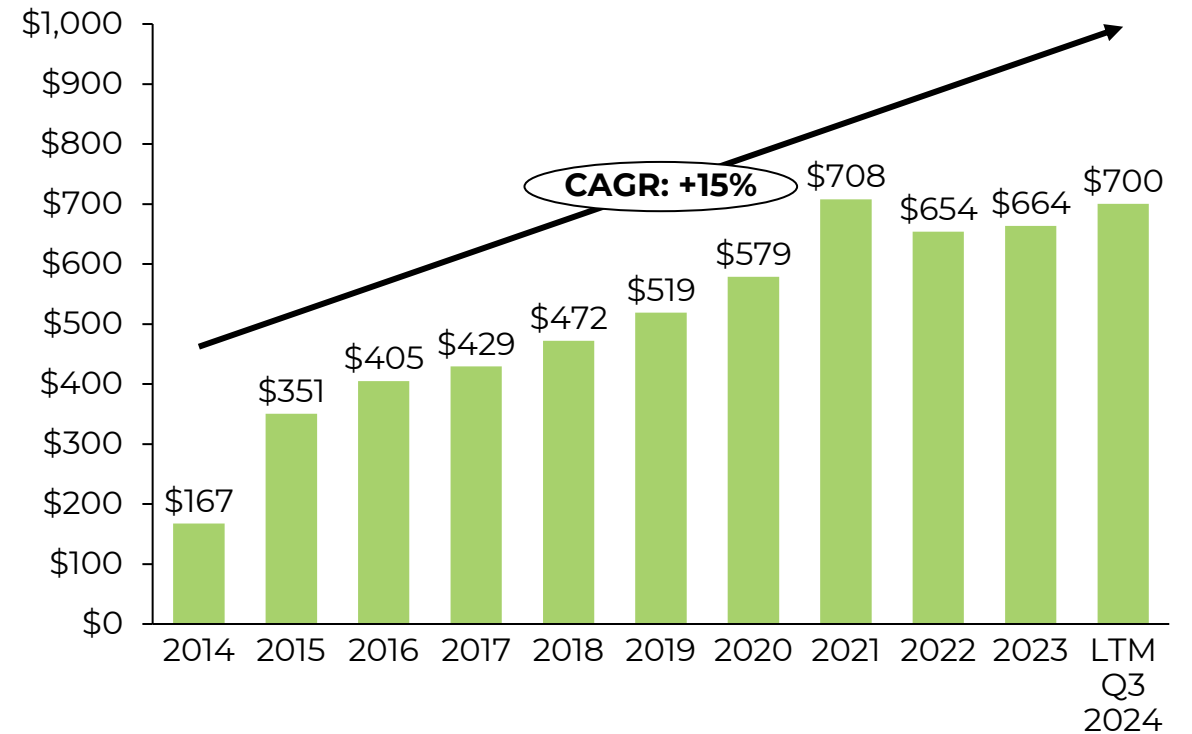
PRA Europe

A Growing and Differentiated Business with Consistent ERC & Collections Growth

PRA Europe ERC¹



PRA Europe Cash Collections²



Seasoned Management Team

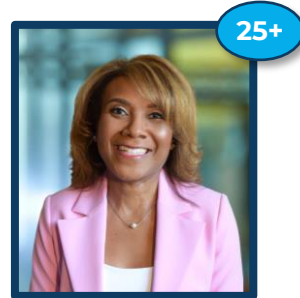
Leveraging Deep Expertise and Industry Experience to Drive Next Stage of Profitable Growth



Vikram Atal
President,
Chief Executive
Officer



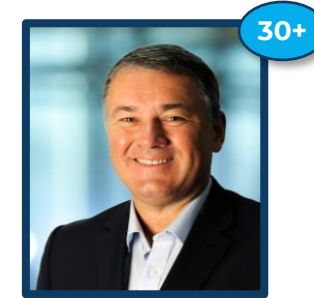
Rakesh Sehgal
Chief Financial Officer



LaTisha Tarrant
General Counsel and
Chief Human
Resources Officer



Martin Sjölund
President,
PRA Group Europe



Owen James
Global Investments
Officer



Steve Macke
Global Operations
Officer



Jan Husby
Chief Information
Officer



Adrian Murphy
Chief Data &
Analytics Officer



Keith Warren
Chief Risk and
Compliance Officer



Elizabeth Kersey
SVP, Communications
and Public Policy



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Favorable Industry and Market Tailwinds for PRA



U.S.

\$3.2B ERC (43% of total)

Capitalizing on elevated supply and stable pricing

Current Environment

- **Improved supply and pricing dynamics** after declines in 2020-2022
- **Consistent competitive landscape** with a handful of competitors
- **High barriers to entry** due to stringent regulations

Near-Term Outlook

- **Supply anticipated to remain elevated**
- **Portfolio pricing** continues to be healthy

PRA's Positioning

- **Key buyer** in the world's largest nonperforming loan (NPL) market
- **Strong seller relationships** with a focus on further expanding seller engagement
- Executing on multiple initiatives to **improve operations and efficiencies**



Europe

\$3.6B ERC (50% of total)

Continuing to grow with discipline in Europe

- Primarily a **spot-driven** market
- Portfolio supply supported by **large inventory of aged NPLs**
- Generally **more competitive** (varies by market)

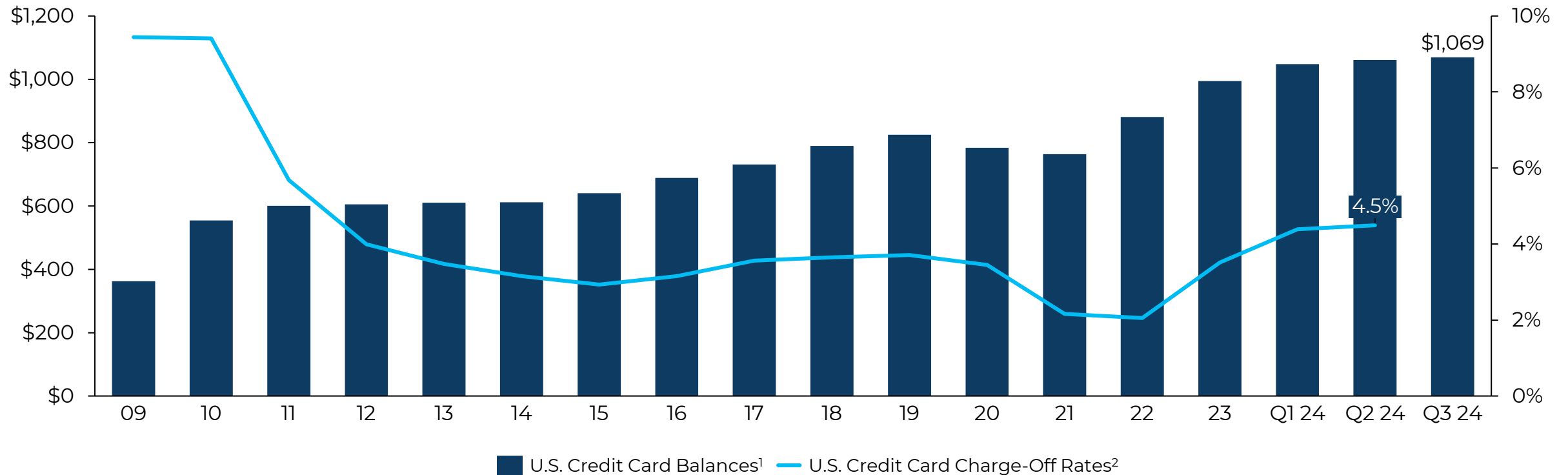
- **Stable** supply environment
- **Competition expected to be more rational in certain markets**, as highly levered peers scale back investments

- **Diversified presence** with portfolios in 13 countries
- Efficient operations with **decades** of robust collections activity and disciplined underwriting
- **Highly experienced and tenured teams**

Expecting Elevated U.S. Portfolio Supply Levels in 2025

\$ in billions

U.S. Credit Card Balances¹ and Charge-Off Rates²



1. FRED, Consumer Loans: Credit Cards and Other Revolving Plans, All Commercial Banks
 2. Board of Governors of the Federal Reserve Board, Charge-Off and Delinquency Rates on Loans and Leases at Commercial Banks

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How the Business Works

Working with Consumers to Collect on Nonperforming Loans Purchased at a Discount

Assets We Purchase:

- Major Credit Cards
- Private Label Credit Cards
- Auto Loans
- Personal Loans

PRA Group companies work with consumers to pay down and resolve delinquent debt

Steps 5-6:

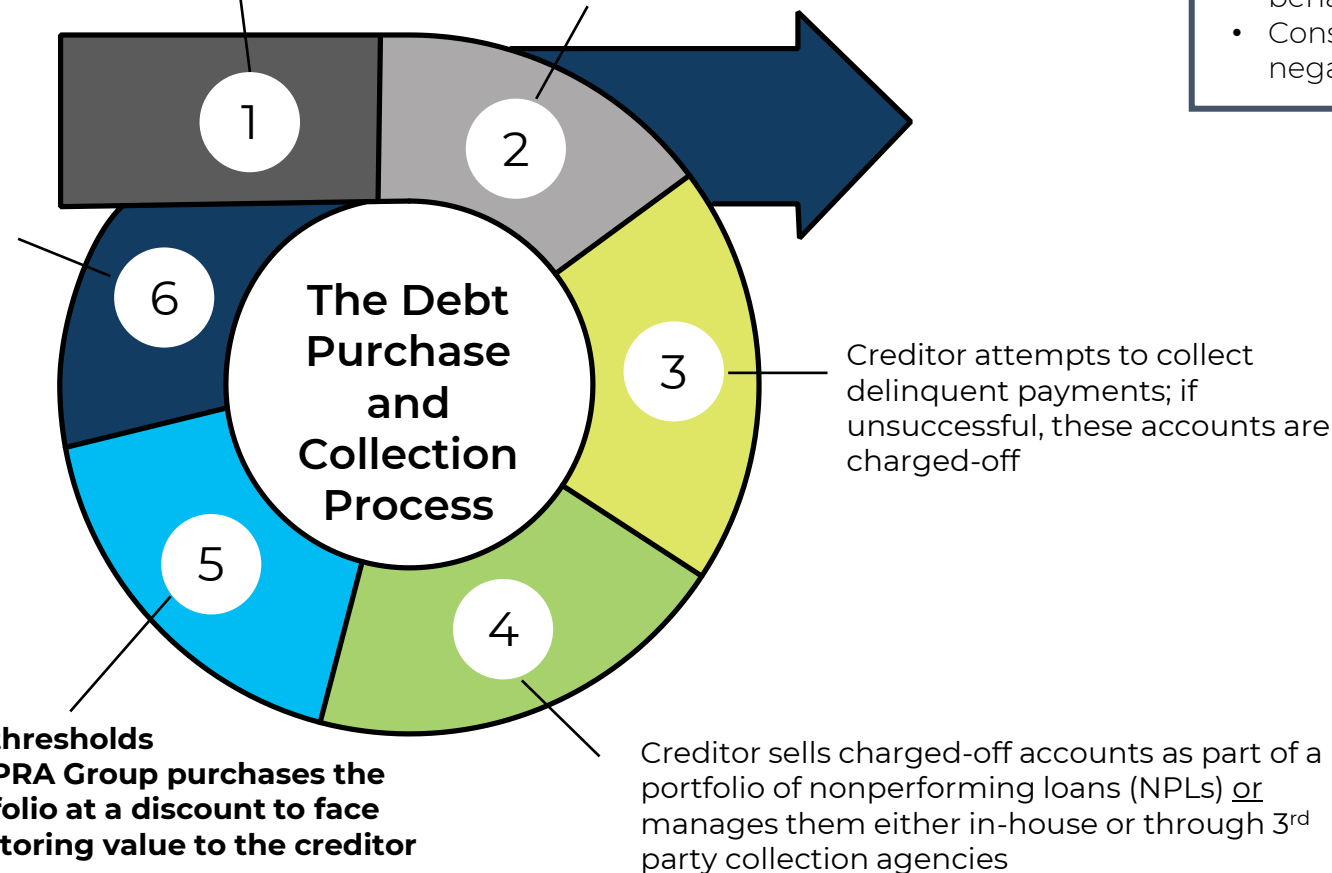
- Capital generated for creditors
- Consumer's credit score can be enhanced

Creditor¹ extends credit to consumers

Consumers fail to make timely payments and become delinquent

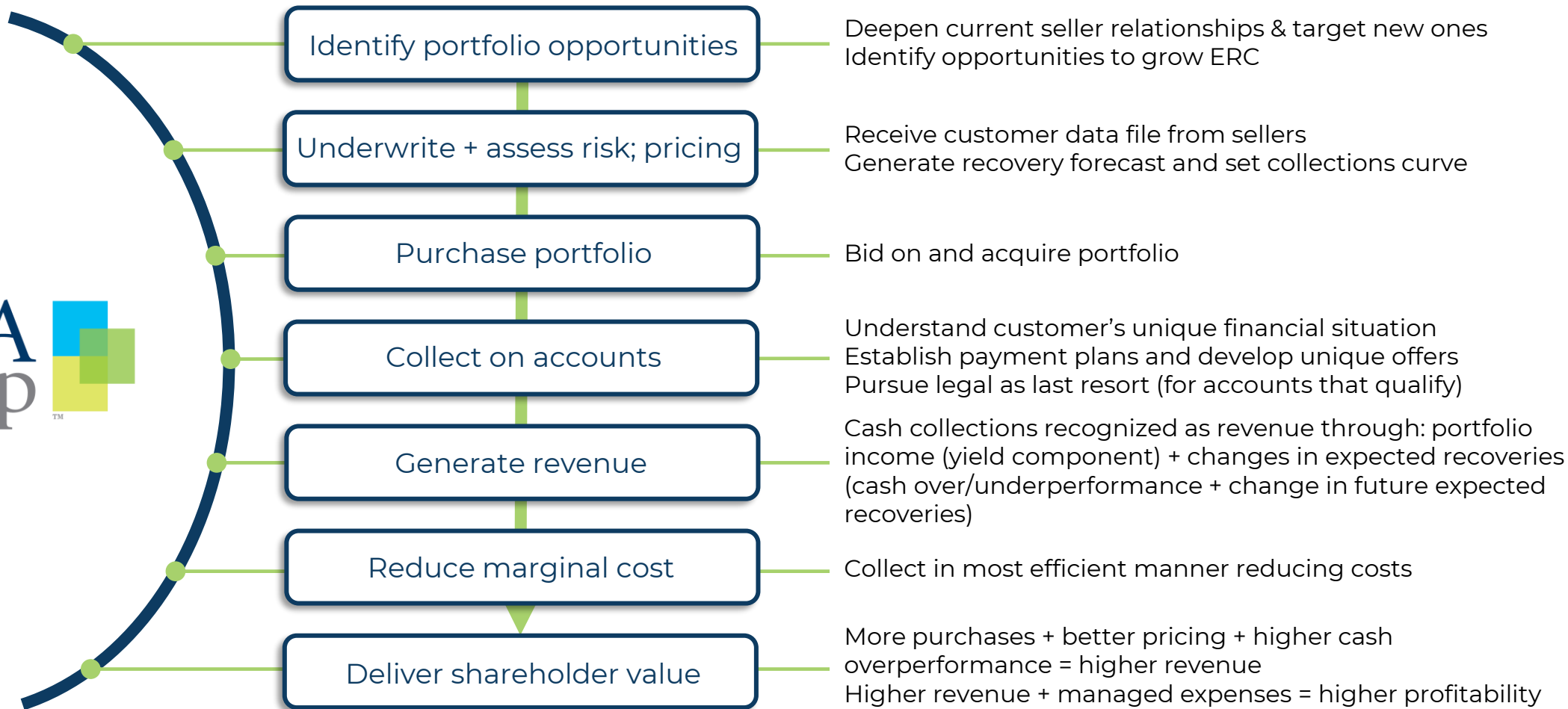
Steps 2-3:

- Creditor's lending behavior is affected
- Consumer's credit score is negatively impacted

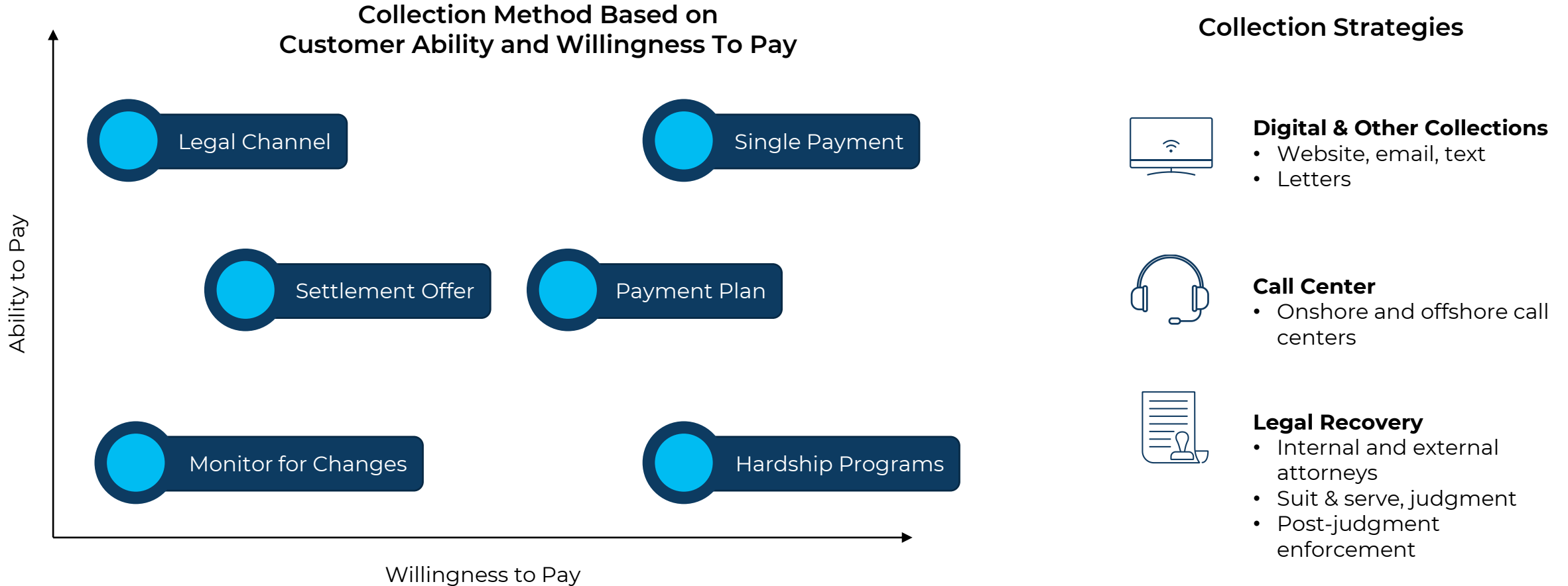


How We Generate Value in Our Business

Purchase Portfolios At Attractive Returns & Collect as Efficiently as Possible



We Use Data & Analytics to Determine the Most Efficient Collection Strategy



Managed dynamically based on understanding of our customers

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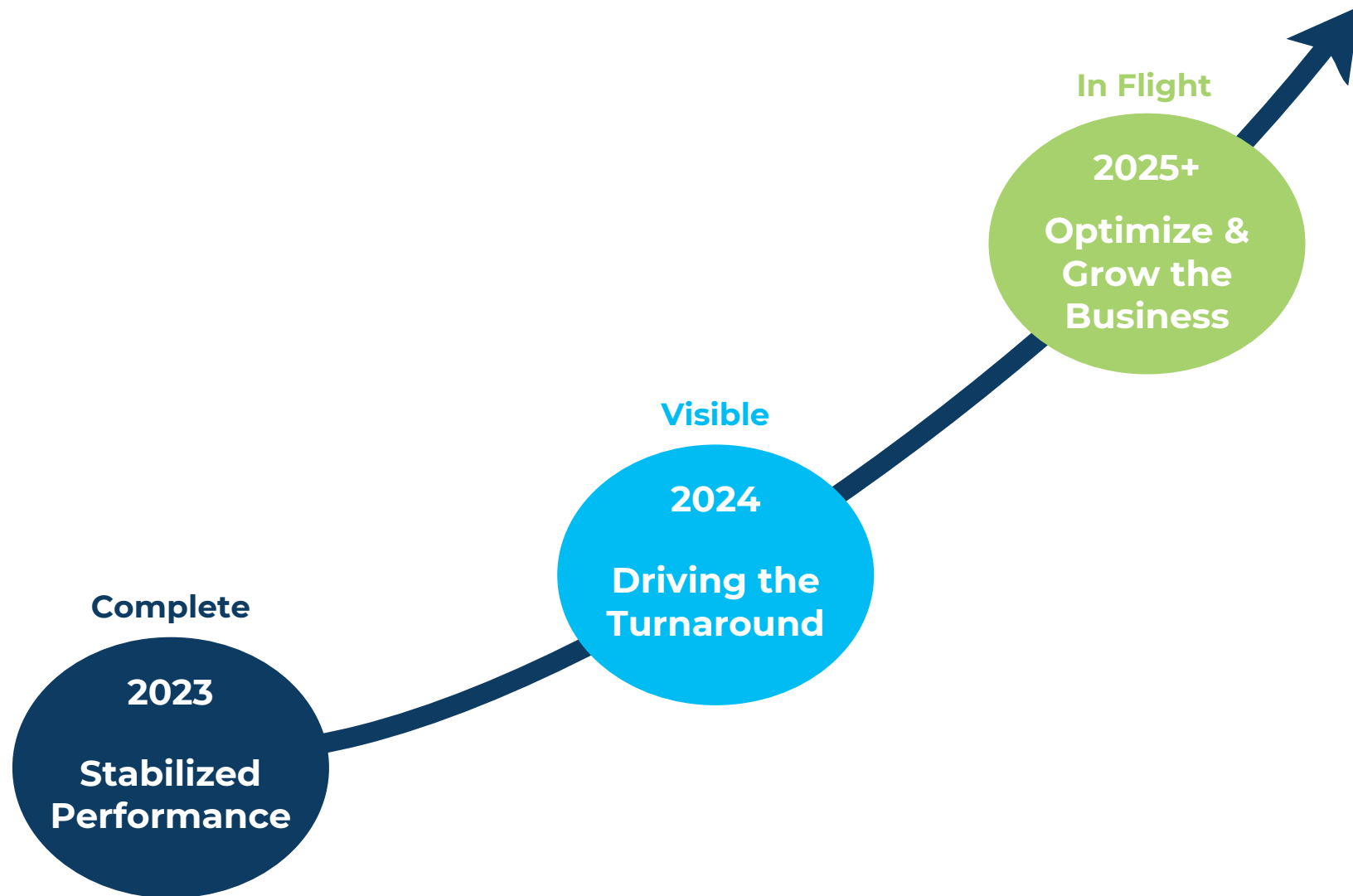
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Transformation in U.S. Business Is Well Underway



Driving the Business Forward Through Multiple Initiatives

1 Capitalizing on improved U.S. supply at attractive returns

- ✓ U.S. portfolio investments for 2024 expected to exceed levels achieved in 2023
- ✓ Purchase price multiples experienced improvement compared to 2023 levels
- ✓ Deepened seller relationships

2 Turning around U.S. Business

- ✓ U.S. cash collections and ERC up 17% and 38%, respectively, in Q3 YTD 2024 vs. Q3 YTD 2023
- ✓ Improved call center operations and enhanced internal legal collection processes
- ✓ Leveraging third parties to complement capabilities across all channels and technology

3 Leveraging third parties to launch offshore collection capabilities

- ✓ Established 2 low-cost third-party sites in Asia, with collectors performing to expectations and making up ~25% of U.S.-focused collector workforce
- ✓ Moving closer towards optimal mix of domestic/offshore collections, with an opportunity to further reduce cost and increase effectiveness

4 Leveraging strengths of European franchise

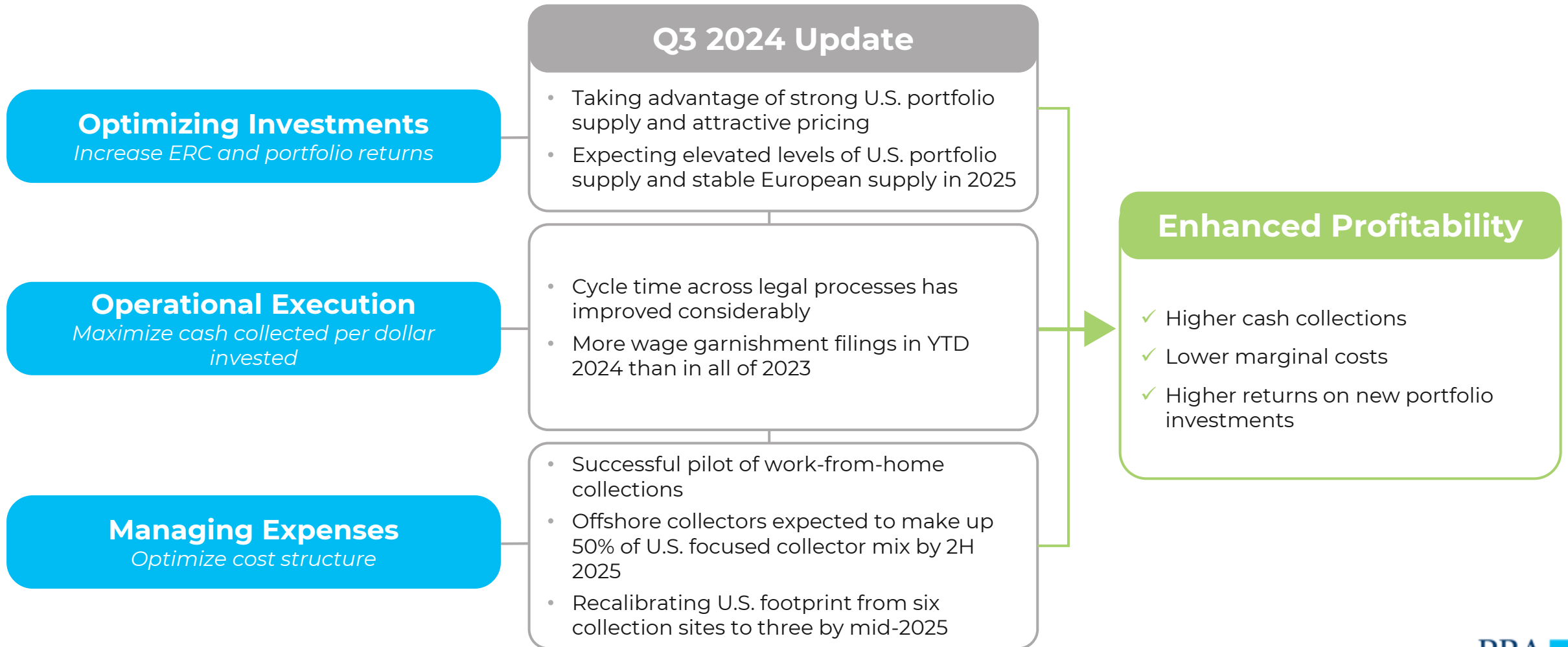
- ✓ Expanded on successful track record of disciplined growth across multiple countries
- ✓ Continued to differentiate business from industry peers
- ✓ Deepened seller relationships

5 Stabilizing the business and rebuild profitability

- ✓ Net income attributable to PRA of \$52 million in Q3 YTD 2024 vs. (\$75) million loss in Q3 YTD 2023

Roadmap to Enhanced Profitability

Value Creation from Higher Cash Collections While Reducing Marginal Costs

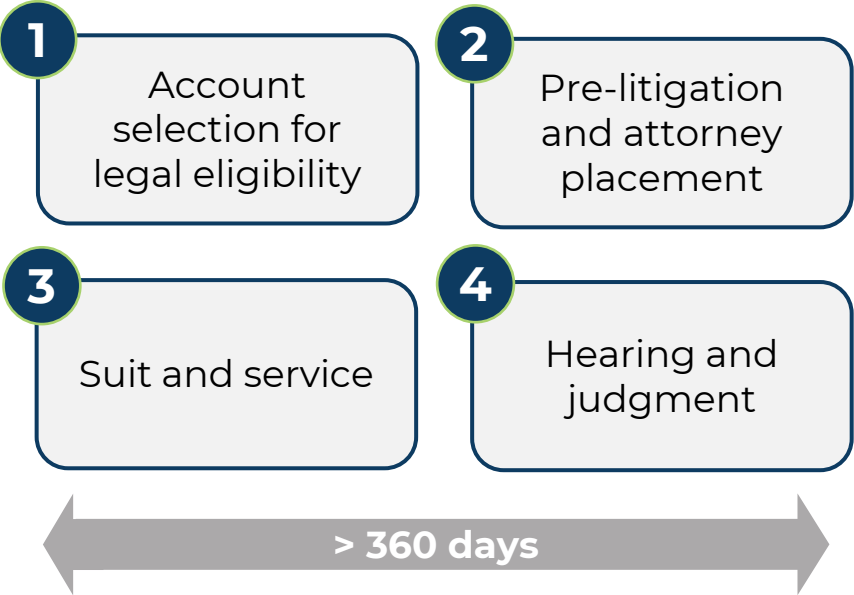


Elements of the U.S. Legal Collections Process

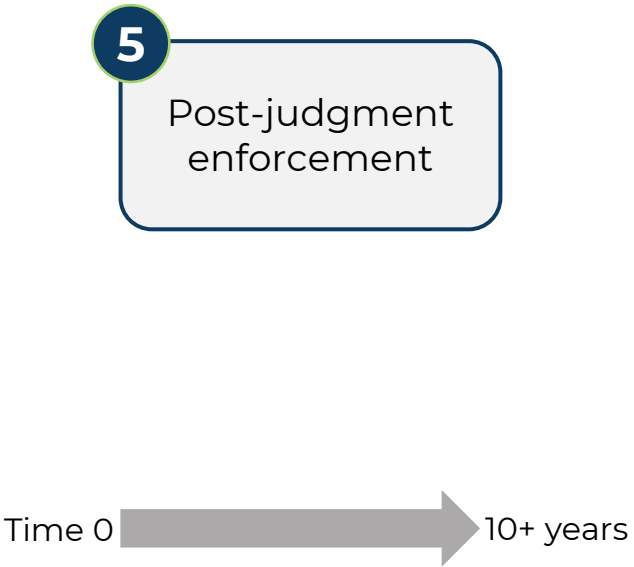
Successfully Reducing Cycle Time, Increasing Wage Garnishments & Driving Cash

\$ in millions

Stages of the U.S. Legal Collections Process



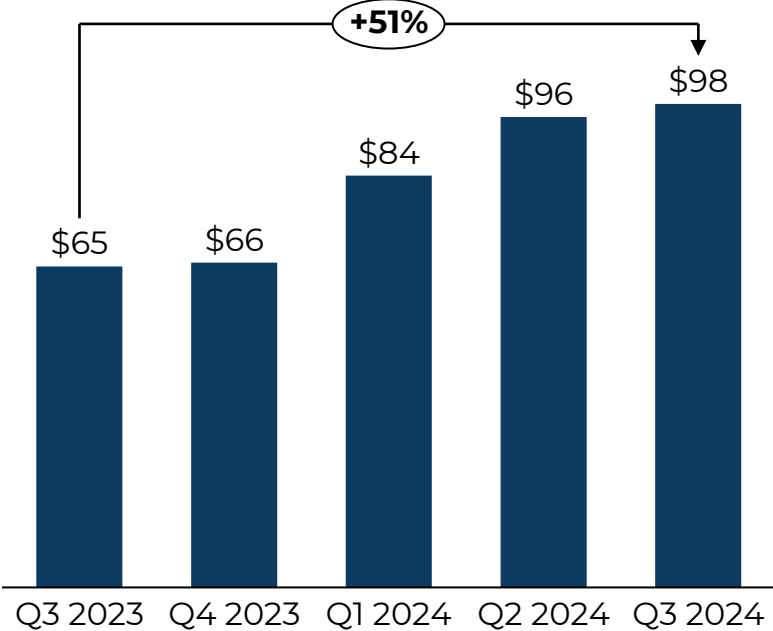
Reduced cycle times by 15-50% in Q3 2024 relative to Q1 2022



Increasing speed and execution

- Wage garnishment filings
- Leveraging 3rd parties

U.S. Legal Cash Collections



Well-Positioned for the Future

Strong and Established Platform with Clear Opportunities to Grow Further

Supportive Industry Fundamentals

- ✓ Strong supply tailwinds in U.S.
- ✓ Stable supply volumes in Europe
- ✓ Improved pricing globally
- ✓ Stable regulatory framework

Diversification

- ✓ Diversified across 18 countries
- ✓ Able to shift capital across the globe to capitalize on local market conditions
- ✓ Clear asset focus: credit cards, auto loans, and personal loans

Conservative Investing / Underwriting

- ✓ Disciplined buyer
- ✓ Key seller relationships span over a decade
- ✓ Extensive data and sophisticated models

3 Pillar Plan for Rebuilding Profitability

- ✓ Increasing ERC and portfolio returns
- ✓ Maximizing cash collected per dollar invested
- ✓ Optimizing cost structure
- ✓ Cash generating initiatives delivering results
- ✓ Maintaining strong risk & compliance

Strong Track Record Through Recessions

- ✓ Increased charge-offs
- ✓ Expanded supply available to purchase
- ✓ Positively improved pricing
- ✓ Cash collections were not materially impacted

Strong Capital Structure and Liquidity

- ✓ Leverage at 3.0x debt to adjusted EBITDA¹
- ✓ \$1.0B of availability under credit facilities to drive growth
 - \$412M based on current ERC
 - Additional \$587M subject to borrowing base and debt covenants, incl. advance rates
- ✓ No maturities until 2027

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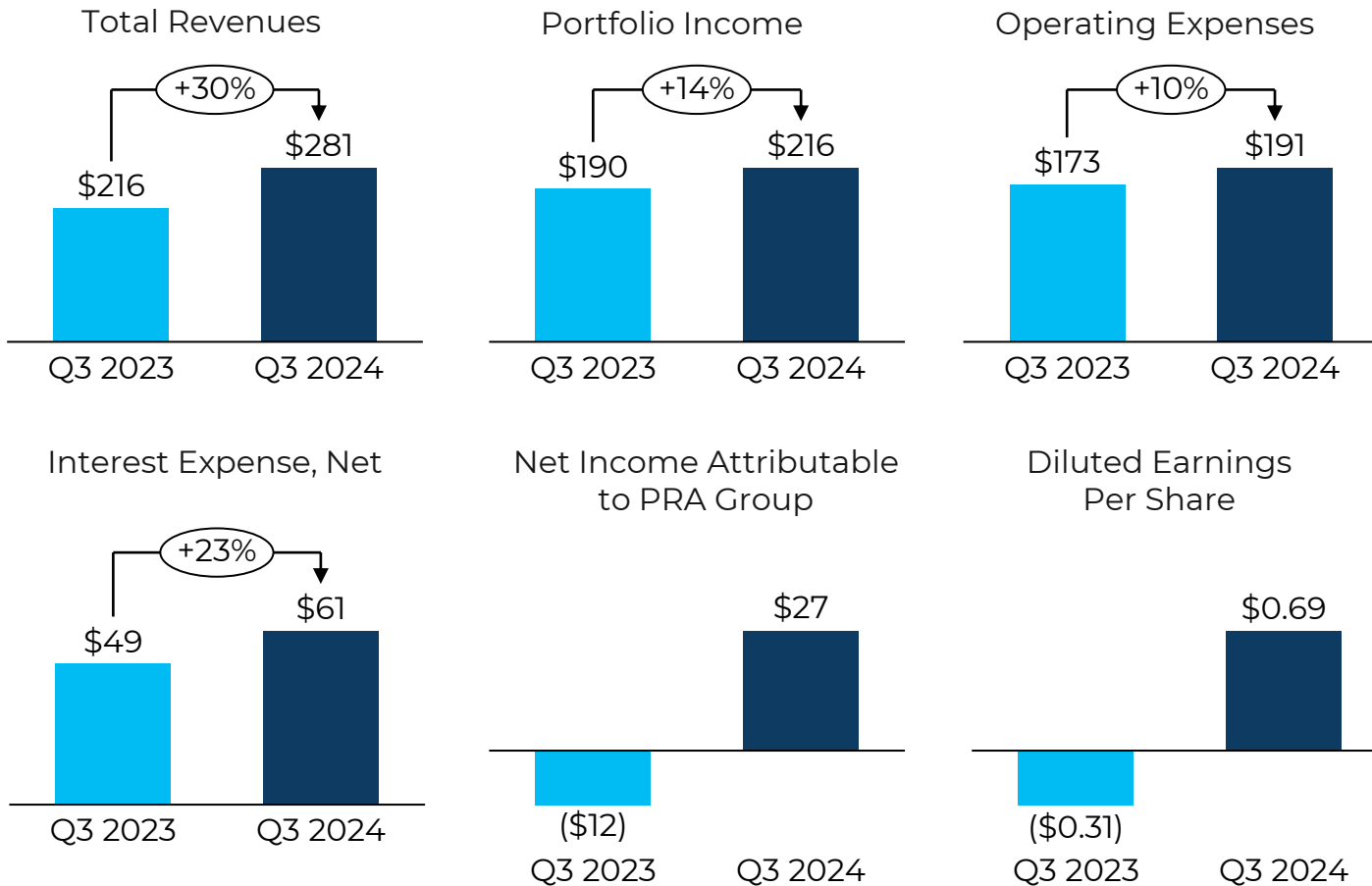
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Q3 2024 Financial Results

\$ in millions, except per share amounts

Q3 2023 vs Q3 2024



Total Revenues:

- Increase driven by higher changes in expected recoveries and portfolio income

Portfolio Income:

- Increase driven by higher recent purchases and improved pricing

Operating Expenses:

- Increase driven primarily by higher:
 - Legal collection costs
 - Compensation & employee services
 - Legal collection fees

Interest Expense, Net:

- Increase driven primarily by higher debt balances to support portfolio investments

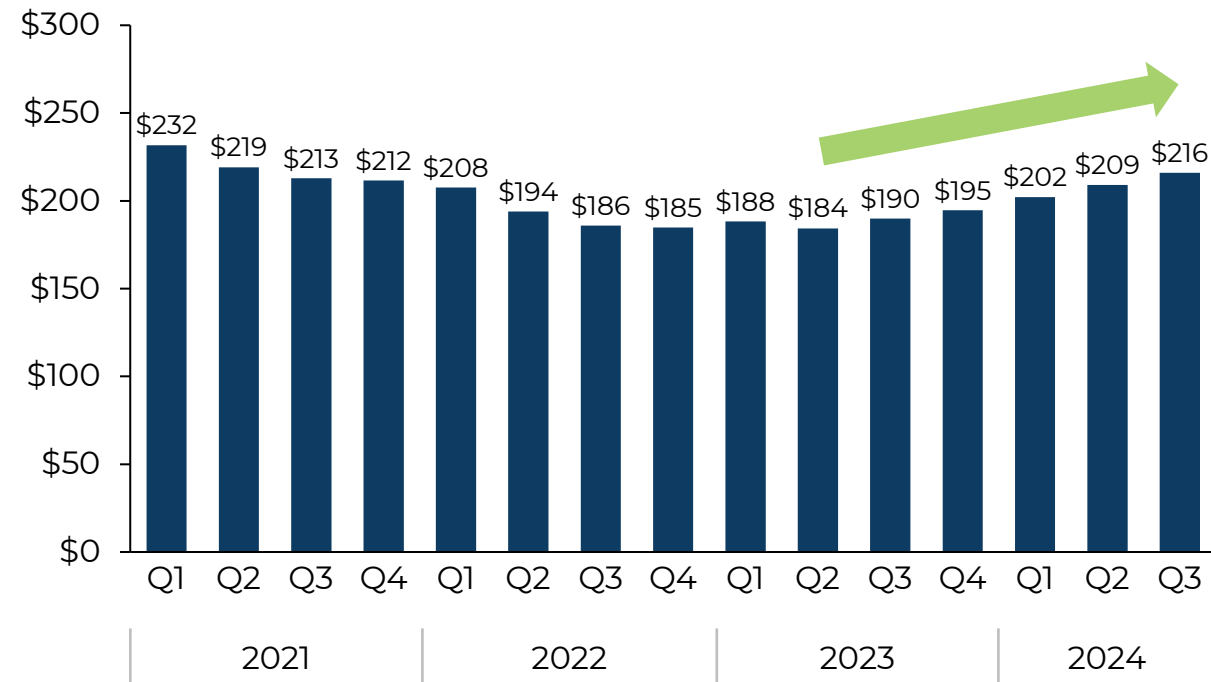
The Two Components of Portfolio Revenue

Both Represent an Important Part of Revenue & Profitability

\$ in millions

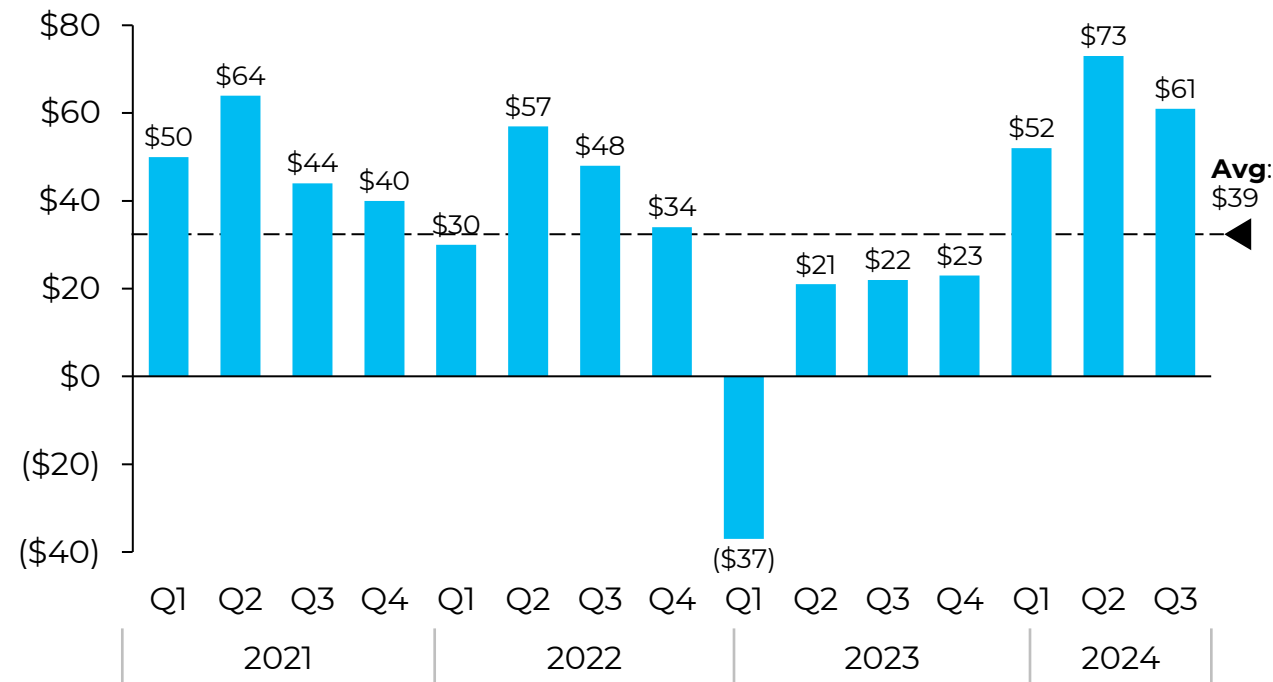
Portfolio Income

Portfolio Income Continues to Grow



Changes in Expected Recoveries

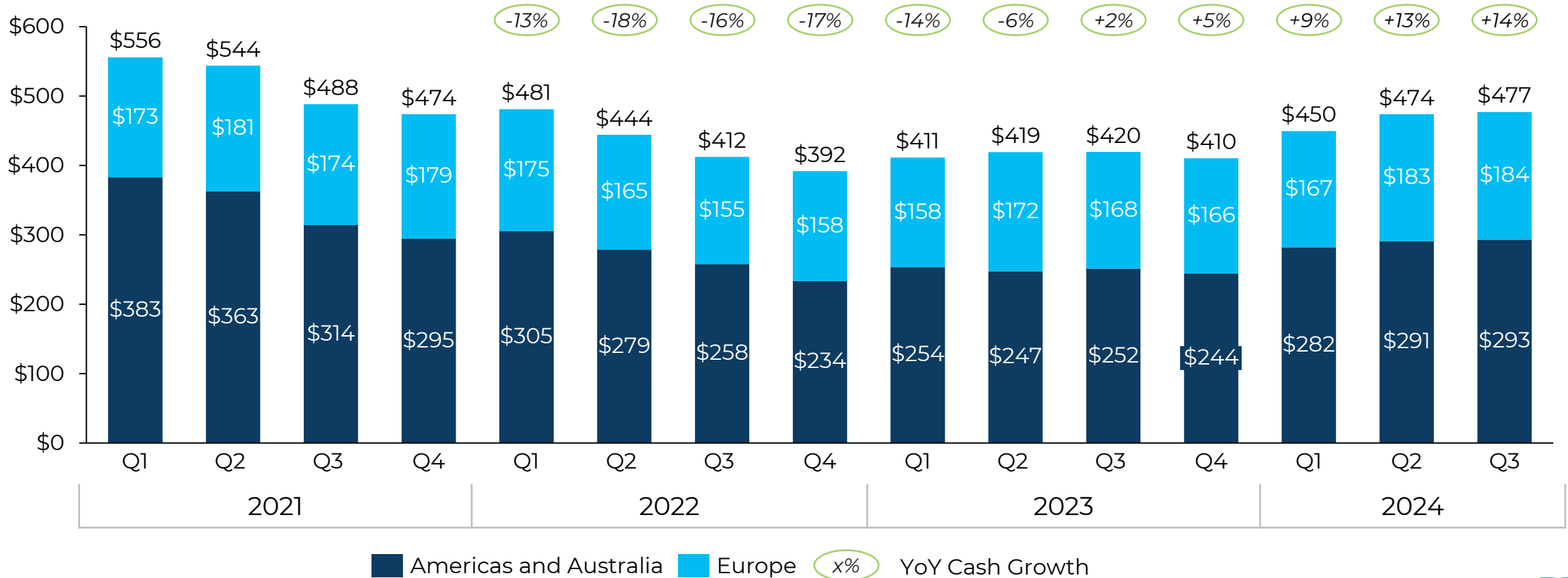
Changes in Expected Recoveries Trend Positive Over Time



Cash Collections Increased 14% Year-Over-Year

\$ in millions

Cash Collections



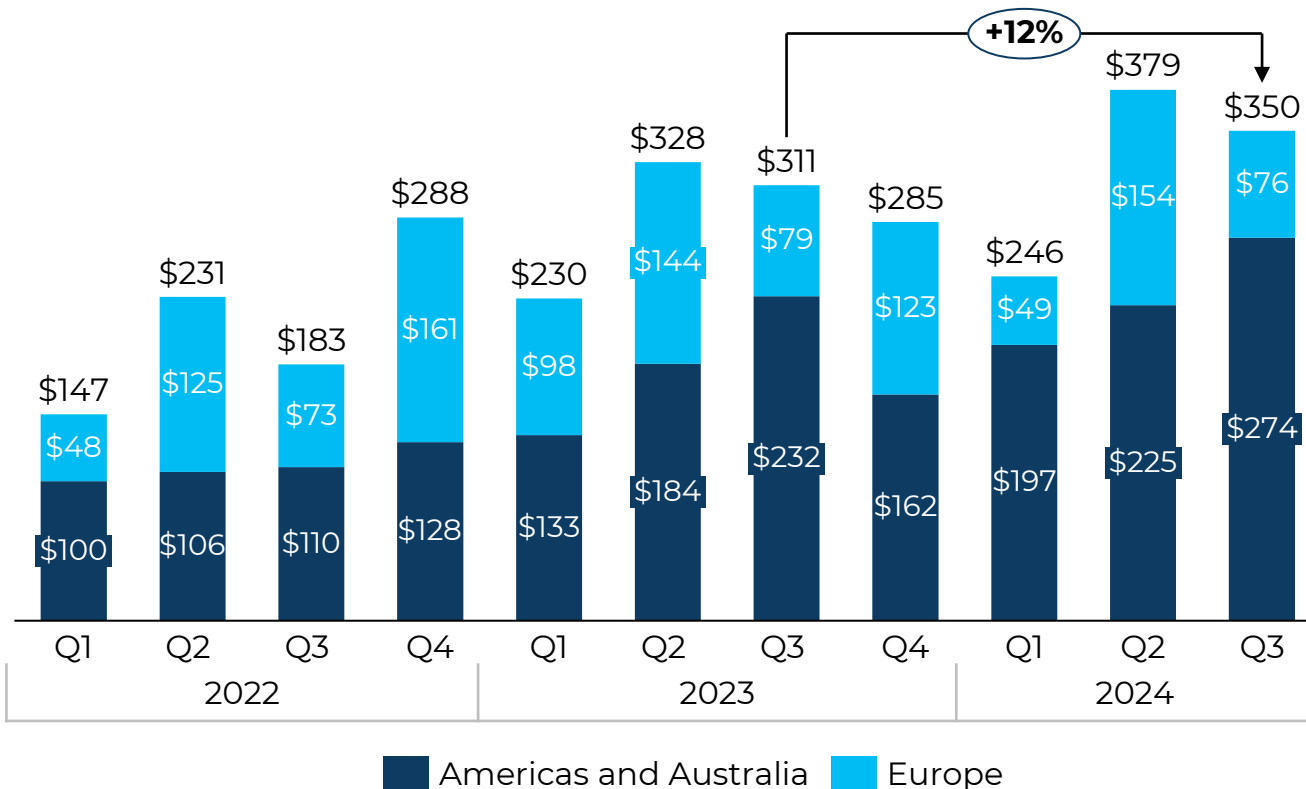
Americas and Australia
 Europe
 x% YoY Cash Growth

Q3 2024 Investments of \$350 Million, Up 12% YoY

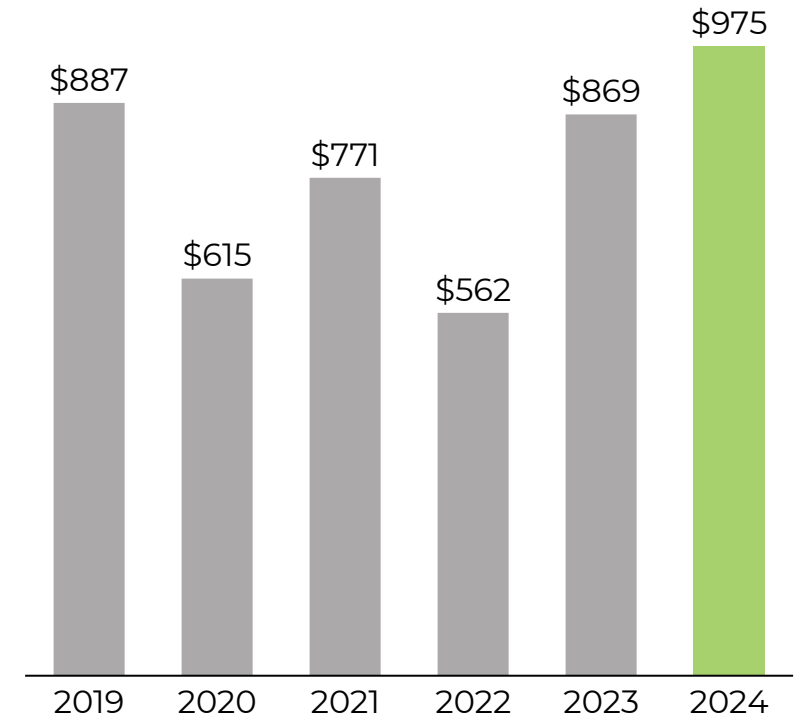
Record Year-to-Date 2024 Investments of \$975 Million

\$ in millions

Quarterly Investments



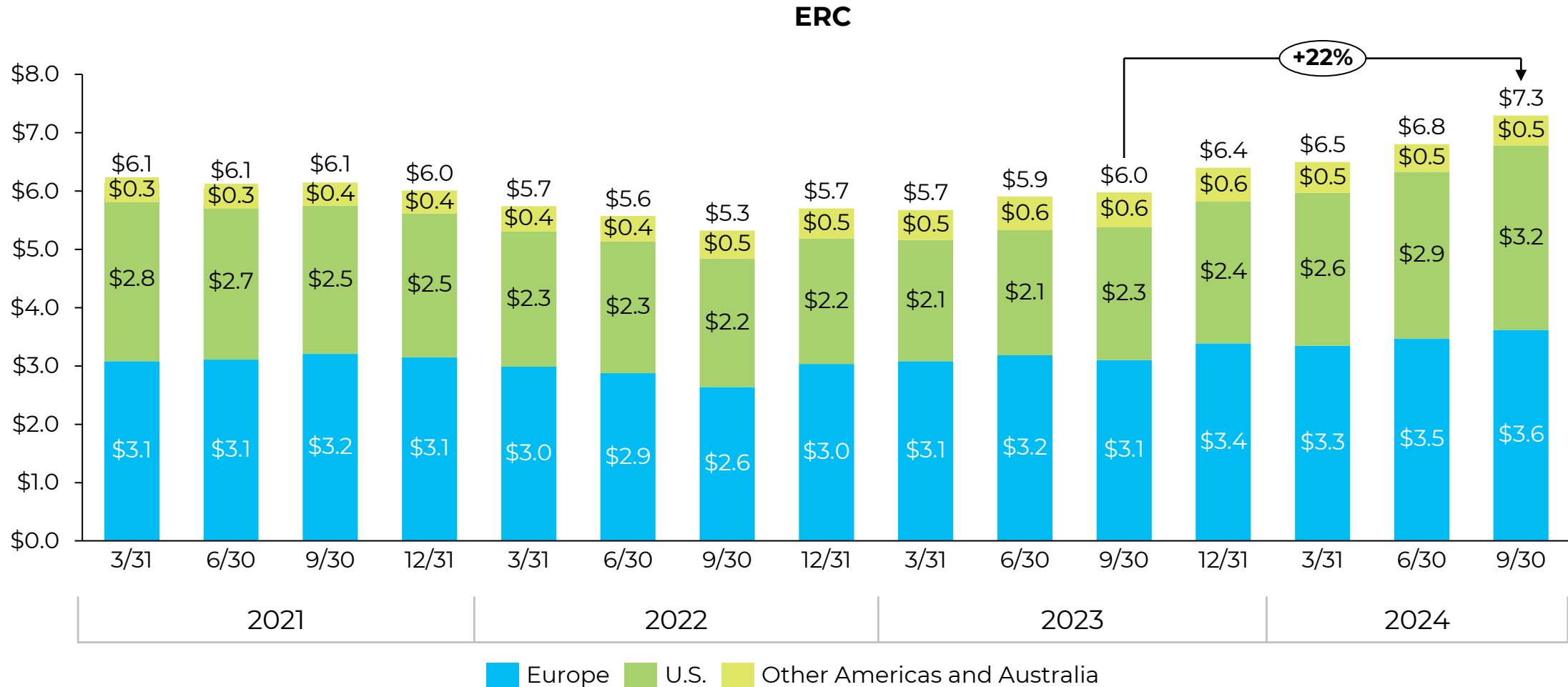
Year-to-Date Investments¹



ERC Increased 22% Year-over-Year to a Record \$7.3 Billion

Up \$491 Million Sequentially

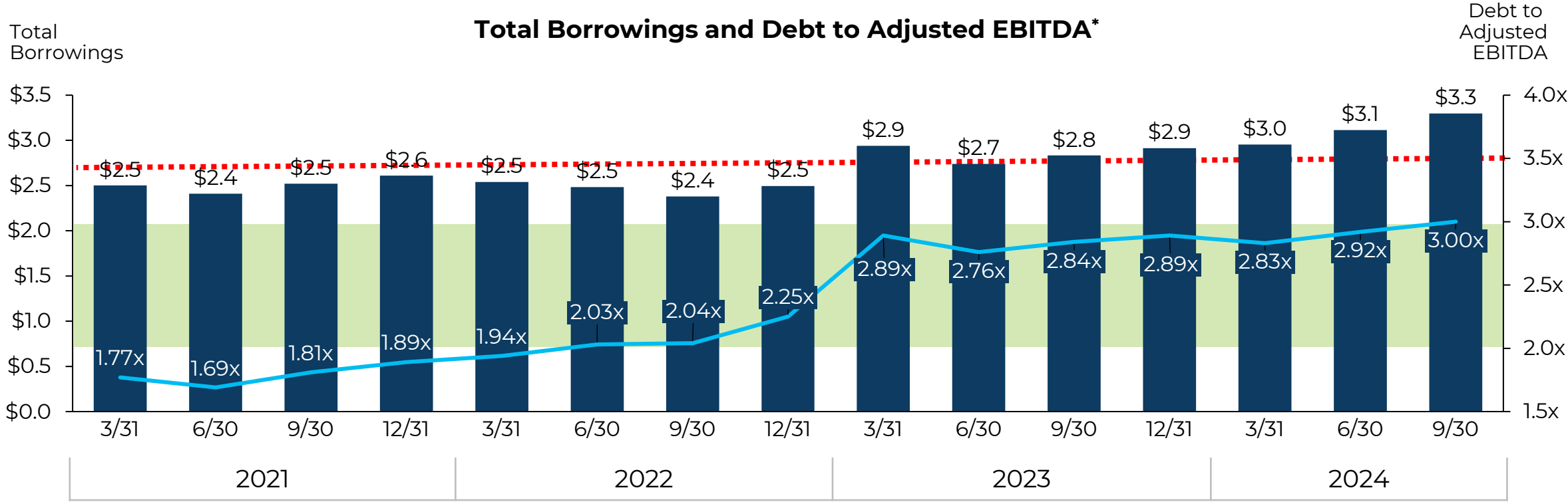
\$ in billions



Increased Leverage to Support Higher Portfolio Purchases

\$ in billions

Total Borrowings and Debt to Adjusted EBITDA*



— Debt to Adjusted EBITDA* ■ Total Borrowings ■ Target Debt to Adjusted EBITDA* (2-3x) - - - Debt to Adjusted EBITDA* Covenant Limit

* A reconciliation of net income, the most directly comparable financial measure calculated and reported in accordance with GAAP, to Adjusted EBITDA can be found at the end of this presentation.

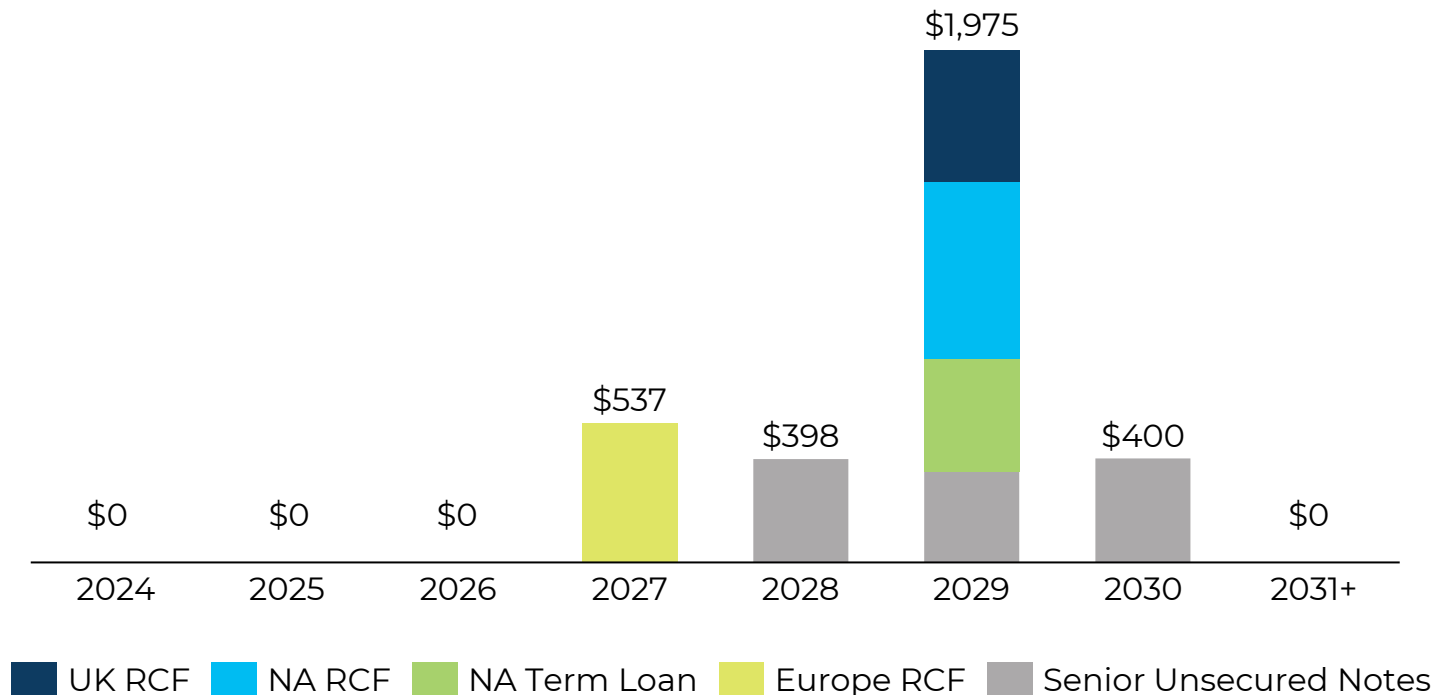


Strong Capital Structure

Well-Positioned to Continue Capitalizing on Strong Portfolio Supply

\$ in millions

Pro Forma Debt Maturity Profile¹

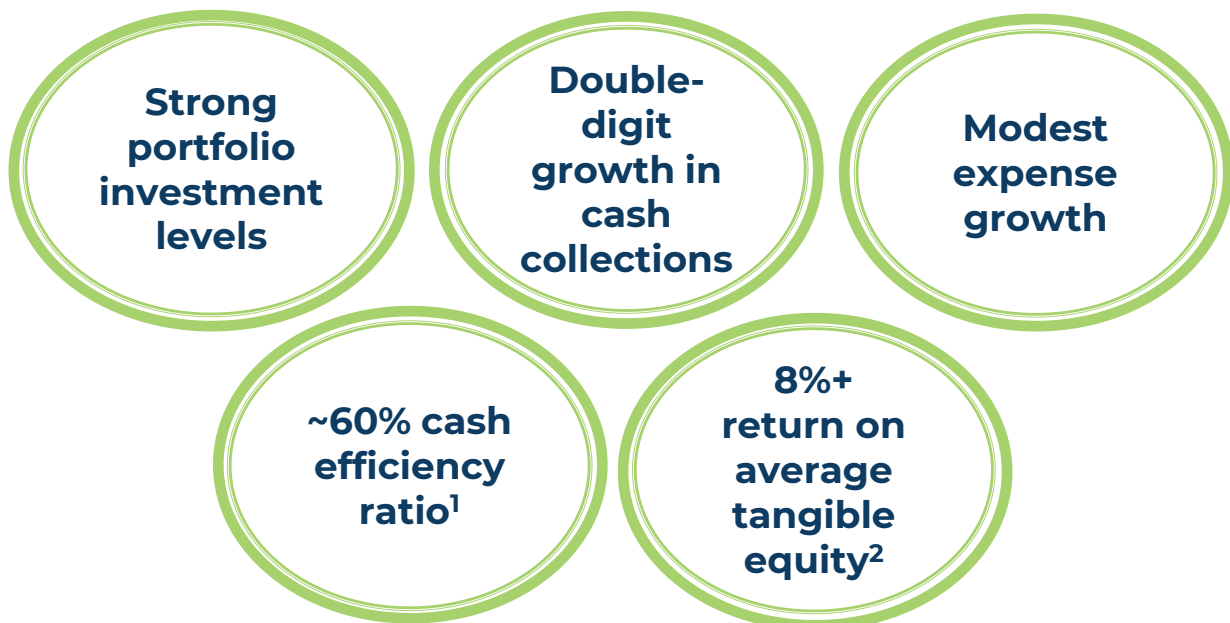


- **\$1.0 billion** available under our credit facilities as of September 30, 2024
 - **\$412 million** available based on current ERC
 - **\$587 million** of additional availability subject to borrowing base and debt covenants, including advance rates
- **Strong relationships with creditors** going back several years
- Bank covenant structure provides the **financial flexibility to drive future growth**

Financial Outlook

On Track to Deliver 2024 Targets and Accelerating Progress in 2025

2024 TARGETS



2025 TARGETS

Portfolio Purchases

- Portfolio investments to exceed \$1 billion at attractive pricing

Cash Collections

- 8% - 10% cash collections growth due to portfolio purchases and impact from cash-generating initiatives

Cash Efficiency Ratio¹

- 60%+ cash efficiency ratio for the full year
- Reflects timing of certain activities, such as legal collections costs

ROATE²

- Double-digit ROATE²

1. Cash efficiency ratio = (cash receipts – operating expenses)/cash receipts

2. Return on average tangible equity (ROATE) = annualized net income attributable to PRA Group, Inc. divided by average tangible equity.
Average tangible equity = average total stockholders' equity - PRA Group, Inc. less average goodwill and average other intangible assets

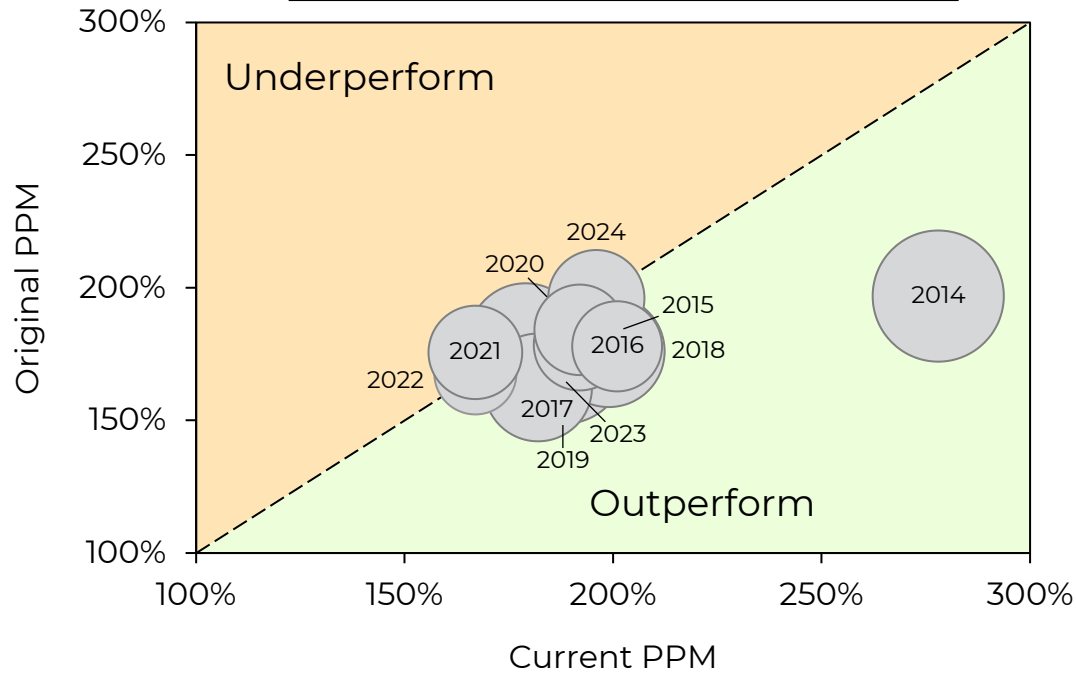
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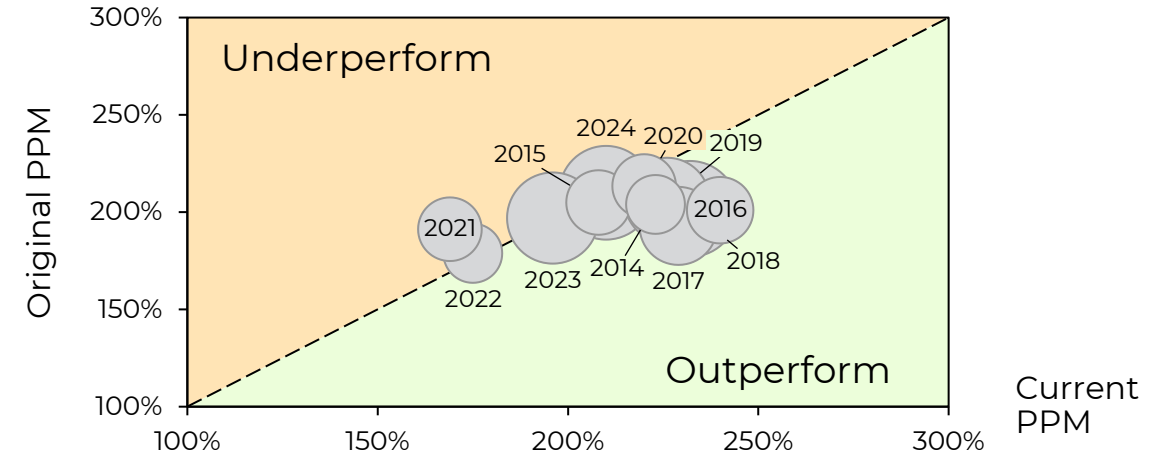
Strong Vintage Performance Vs Original Purchase Price Multiple (PPM)¹

Global Vintage Performance

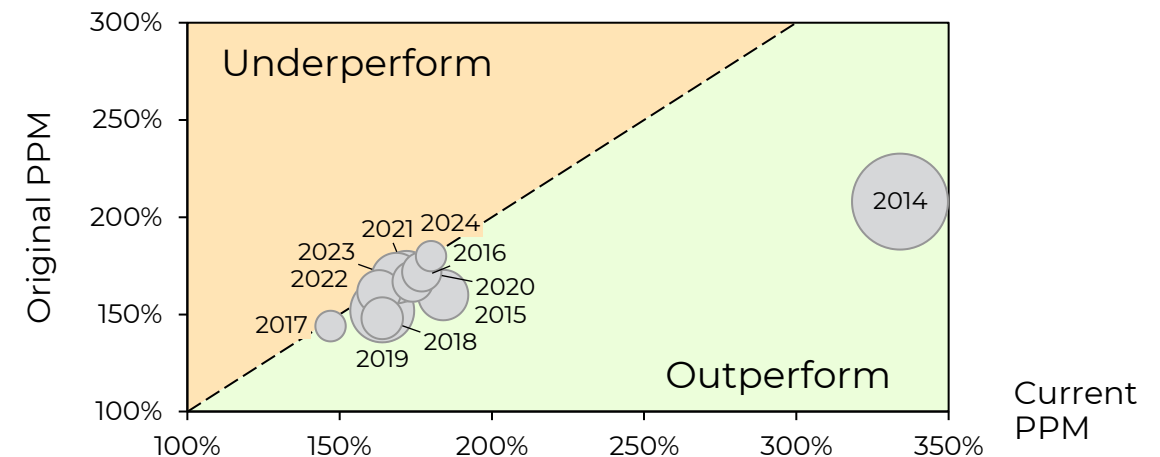


● Bubble size represents size of the vintage – illustrated representative of \$500M invested

Americas and Australia Core

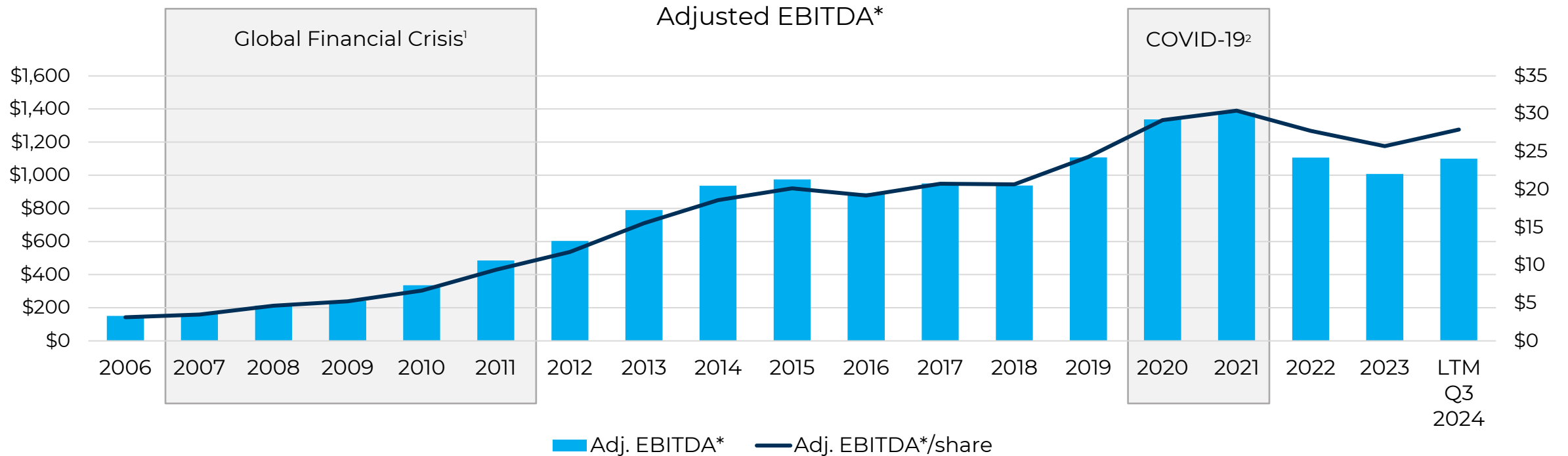


Europe Core²



Growth in Adjusted EBITDA Over Time

\$ in millions, except per share amounts; Adjusted EBITDA per share = Adjusted EBITDA/average diluted shares outstanding during the applicable period



*A reconciliation of net income, the most directly comparable financial measure calculated and reported in accordance with GAAP, to Adjusted EBITDA can be found at the end of this presentation.
 1. Timing defined by the Federal Reserve Bank of St. Louis - <https://www.stlouisfed.org/financial-crisis/full-timeline>.
 2. COVID-19 pandemic resulted in government lockdowns and excess consumer liquidity.

Our Mission & Core Values



OUR MISSION

To deliver **nonperforming loan solutions** that drive success through a long-term focus and customer care

C

COMMITTED

to always doing our best work

A

ACCOUNTABLE

for our actions

R

RESPECTFUL

in our interactions with each other

E

ETHICAL

in every situation

S

SUCCESSFUL

because we work together as a team

Components of Portfolio Revenue

Total Portfolio Revenue

Portfolio Income

Changes in Expected Recoveries

Effective interest rate
x
Finance receivables,
net

In period cash over/
underperformance

NPV of changes in
expected future
recoveries

Total Portfolio Revenue has two components:

- **Portfolio Income** is the yield component
- **Changes in Expected Recoveries** is current period over/underperformance + NPV of ERC changes

(\$ in thousands)	Three Months Ended Sept 30,		Nine Months Ended Sept 30,	
	2024	2023	2024	2023
Portfolio income	\$ 216,122	\$ 189,960	\$ 627,468	\$ 562,492
Recoveries received in excess of forecast	\$ 34,158	\$ 18,090	\$ 124,256	\$ 47,276
Changes in expected future recoveries	26,456	4,066	61,352	(40,896)
Changes in expected recoveries	\$ 60,614	\$ 22,156	\$ 185,608	\$ 6,380
Total portfolio revenue	<u>\$ 276,736</u>	<u>\$ 212,116</u>	<u>\$ 813,076</u>	<u>\$ 568,872</u>

The Basis of Portfolio Income

If Cash is Collected as Expected in Original Underwriting

1. Purchase of Portfolio

- Purchase Price of \$1,000 with Total Estimated Collections of \$2,200 = Purchase Price Multiple of 2.20x
- Effective Interest Rate (EIR) = 28.8% (Gross IRR of purchase price and projected cash collections)
- Finance Receivables, net on the balance sheet reflects the purchase price = \$1,000

Example of Estimated Cash Collections and Effective Interest Rate Calculation

	Purchase	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
Expected Cash Collections	(1,000)	376	478	374	289	224	173	117	82	55	32	2,200
Effective Interest Rate Expected Based on Cash Flows	28.8%											

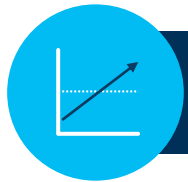
2. Accounting treatment if cash is collected as expected

- Portfolio Income for each year is calculated as effective interest rate (28.8%) multiplied by the Finance Receivables, net balance
- Expected cash collections minus portfolio income reduces the Finance Receivables, net balance, effectively amortizing the purchase price*

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
Cash Collections	376	478	374	289	224	173	117	82	55	32	2,200
Effective Interest Rate	28.8%	28.8%	28.8%	28.8%	28.8%	28.8%	28.8%	28.8%	28.8%	28.8%	
Portfolio Income (Finance Receivables, net x Effective Interest Rate)	288	263	201	151	111	78	51	32	18	7	1,200
Beginning Finance Receivables, net	1,000	912	697	524	386	273	178	112	62	25	
-(Expected Cash Collections - Portfolio Income = Purchase Price)	88	215	173	138	113	95	66	50	37	25	1,000
Ending Balance Finance Receivables, net	912	697	524	386	273	178	112	62	25	-	

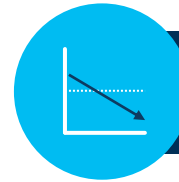
What Happens When Cash **IS NOT** Collected As Expected

There is Always Some Level of Changes in Expected Recoveries



Collecting **More** Cash Than Expected (Overperformance)

- Cash in excess of expectations is recognized as an increase to revenue through **changes in expected recoveries**
- **If** we expect the same total expected cash over the life of the curve, this overperformance is a timing difference where collections are realized earlier in the life of the curve (**acceleration**):
 - A reduction in projected cash flows resulting in a negative NPV adjustment in the current period
 - This NPV adjustment will not fully offset the increase in current period revenue because of time value of money
- **If** we expect higher total expected cash over the life of the curve (**betterment**):
 - An increase in future cash flows (**write-up**)
 - Any change to future cash flows results in a current period impact equal to the NPV of the change in ERC

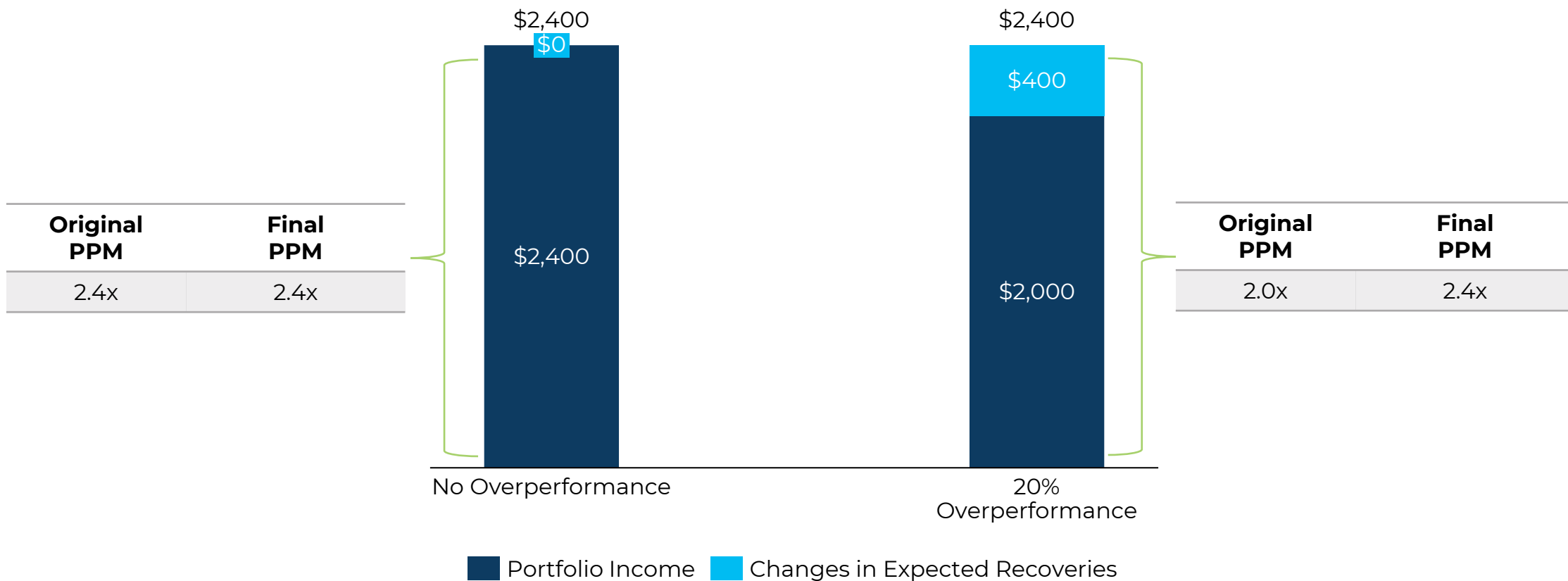


Collecting **Less** Cash Than Expected (Underperformance)

- Cash lower than expectations is recognized as a reduction to revenue through **changes in expected recoveries**
- **If** we expect the same total expected cash over the life of the curve, this underperformance is a timing difference where collections are expected to be realized later in the life of the curve (**delay**):
 - An increase in projected cash flows resulting in a positive NPV adjustment in the current period
 - This NPV adjustment will not fully offset the decrease in current period revenue because of time value of money
- **If** we expect lower total expected cash over the life of the curve (**impairment**):
 - A reduction in future cash flows (**write-down**)
 - Any change to future cash flows results in a current period impact equal to the NPV of the change in ERC

How Cash Overperformance Can Lead to Same Lifetime Collections as Portfolio With No Overperformance

Total Cash Collected Over the Entire Collections Curve Per \$1,000 Invested



Reconciliation of Non-GAAP Financial Measures to GAAP

\$ in millions

Use of Non-GAAP Financial Measures

PRA Group, Inc. reports its financial results in accordance with U.S. generally accepted accounting principles (GAAP). However, management uses certain non-GAAP financial measures, including Adjusted EBITDA, internally to evaluate the Company's performance and to set performance goals. Adjusted EBITDA is calculated as net income (or loss) attributable to PRA Group, Inc. plus income tax expense (or less income tax benefit); plus foreign exchange loss (or less foreign exchange gain); plus interest expense, net; plus other expense (or less other income); plus depreciation and amortization; plus impairment of real estate; plus net income attributable to noncontrolling interests; less gain on sale of subsidiaries and property; and plus recoveries applied to negative allowance less changes in expected recoveries. Adjusted EBITDA is a supplemental measure of performance that is not required by, or presented in accordance with, GAAP. PRA Group, Inc. presents Adjusted EBITDA because the Company considers it an important supplemental measure of operational and financial performance. Management believes Adjusted EBITDA helps provide enhanced period-to-period comparability of the Company's operational and financial performance and is useful to investors as other companies in the industry report similar financial measures. Adjusted EBITDA should not be considered as an alternative to net income determined in accordance with GAAP. Set forth below is a reconciliation of net income, the most directly comparable financial measure calculated and reported in accordance with GAAP, to Adjusted EBITDA for the years ended December 31, 2006 through 2023 as well as the last twelve months (LTM) as of September 30, 2024. The calculation of Adjusted EBITDA below may not be comparable to the calculation of similarly titled measures reported by other companies.

	Fiscal Year Ended December 31,																		LTM Sept 30,
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Net Income/(Loss) Attributable to PRA Group	\$44	\$48	\$45	\$44	\$73	\$101	\$127	\$175	\$177	\$168	\$86	\$164	\$66	\$86	\$149	\$183	\$117	(\$83)	\$43
(+) Income Tax Expense/(Benefit)	28	30	28	28	47	66	81	106	125	89	44	(11)	14	20	41	55	37	(16)	10
(+) Foreign Exchange Loss (Gain)	--	--	--	--	--	--	--	--	6	(8)	(3)	1	1	(12)	(2)	1	(1)	--	1
(+) Interest Expense, Net and Other	(0)	3	11	8	9	11	9	14	35	60	87	101	121	142	142	124	132	183	221
(+) Depreciation and Amortization	5	6	7	9	12	13	15	14	18	20	24	20	19	17	18	15	15	13	11
(+) Impairment of Real Estate	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	5	--
(+) Net Income Attributable to Noncontrolling Interests	--	--	--	--	--	--	--	--	--	0	6	7	10	12	18	12	1	17	17
(-) Gain on Sale of Subsidiaries/Property	--	--	--	--	--	1	--	--	--	--	--	(48)	(27)	--	--	--	--	--	--
(+) Recoveries Applied to Negative Allowance less Changes in Expected Recoveries	73	77	120	152	195	293	371	481	576	645	647	717	733	843	968	988	806	888	797
Adjusted EBITDA	\$150	\$164	\$212	\$242	\$336	\$485	\$603	\$790	\$937	\$975	\$891	\$951	\$938	\$1,108	\$1,337	\$1,378	\$1,107	\$1,007	\$1,100

Reconciliation of Non-GAAP Financial Measures to GAAP (Cont.)

\$ in millions

Use of Non-GAAP Financial Measures (Cont.)

The Company also evaluates its business using certain ratios that use Adjusted EBITDA. Debt to Adjusted EBITDA is calculated by dividing borrowings by Adjusted EBITDA. The following table reflects the Company's Debt to Adjusted EBITDA for the LTM as of March 31, 2021 through the LTM as of September 30, 2024.

	LTM Ended														
	2021				2022				2023				2024		
	3/31	6/30	9/30	12/31	3/31	6/30	9/30	12/31	3/31	6/30	9/30	12/31	3/31	6/30	9/30
Net Income/(Loss) Attributable to PRA Group, Inc.	\$ 189	\$ 187	\$ 179	\$ 183	\$ 165	\$ 145	\$ 135	\$ 117	\$ 19	\$ (22)	\$ (59)	\$ (83)	\$ (21)	\$ 4	\$ 43
(+) Income Tax Expense/(Benefit)	55	53	58	55	42	44	43	37	14	1	(8)	(16)	5	12	10
(+) Foreign Exchange Loss (Gain)	—	2	1	1	1	(1)	—	(1)	(2)	(1)	(1)	—	(1)	—	1
(+) Interest Expense, Net and Other	137	131	126	124	124	126	129	132	138	150	168	183	198	209	221
(+) Depreciation and Amortization	18	18	17	15	15	15	15	15	15	15	14	13	13	12	11
(+) Impairment of Real Estate	—	—	—	—	—	—	—	—	—	—	5	5	5	5	—
(+) Net Income Attributable to Noncontrolling Interests	19	20	17	12	4	2	2	1	11	13	15	17	20	19	17
(+) Recoveries Applied to Negative Allowance less Changes in Expected Recoveries	997	1,017	993	988	958	893	842	806	820	837	864	888	825	804	797
LTM Adjusted EBITDA	\$ 1,416	\$ 1,428	\$ 1,392	\$ 1,378	\$ 1,309	\$ 1,224	\$ 1,167	\$ 1,107	\$ 1,015	\$ 993	\$ 998	\$ 1,007	\$ 1,044	\$ 1,065	\$ 1,100
Borrowings	\$ 2,501	\$ 2,409	\$ 2,521	\$ 2,609	\$ 2,539	\$ 2,482	\$ 2,380	\$ 2,495	\$ 2,938	\$ 2,740	\$ 2,832	\$ 2,914	\$ 2,953	\$ 3,114	\$ 3,296
Debt to LTM Adjusted EBITDA	1.77x	1.69x	1.81x	1.89x	1.94x	2.03x	2.04x	2.25x	2.89x	2.76x	2.84x	2.89x	2.83x	2.92x	3.00x

Reconciliation of Non-GAAP Financial Measures to GAAP (Cont.)

Use of Non-GAAP Financial Measures (Cont.)

In addition, the Company uses return on average tangible equity (ROATE), which is a supplemental measure of performance that is not required by, or presented in accordance with, GAAP, to monitor and evaluate operating performance relative to the Company's equity. Management believes ROATE is a useful financial measure for investors in evaluating the effective use of equity, and is an important component of its long-term shareholder return. Average tangible equity (ATE) is defined as average Total stockholders' equity - PRA Group, Inc. less average goodwill and average other intangible assets. ROATE is calculated by dividing annualized Net income/(loss) attributable to PRA Group, Inc. by ATE. The following table displays the Company's ROATE and provides a reconciliation of Total stockholders' equity - PRA Group, Inc. as reported in accordance with GAAP to ATE for the periods indicated (amounts in thousands, except for ratio data):

	Balance as of Period End		Average Balance			
			Third Quarter		Year-to-Date	
	September 30, 2024	September 30, 2023	2024	2023	2024	2023
Total stockholders' equity - PRA Group, Inc.	\$ 1,218,882	\$ 1,115,590	\$ 1,182,173	\$ 1,140,558	\$ 1,165,196	\$ 1,166,780
Less: Goodwill	423,011	412,513	419,329	413,709	420,517	420,997
Less: Other intangible assets	1,620	1,670	1,609	1,753	1,656	1,797
Average tangible equity			\$ 761,235	\$ 725,096	\$ 743,023	\$ 743,986
Net income/(loss) attributable to PRA Group, Inc.			\$ 27,154	\$ (12,262)	\$ 52,145	\$ (74,695)
Return on average tangible equity¹			14.3%	(6.8)%	9.4%	(13.4)%



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