



## Q4 2020 CONFERENCE CALL PRESENTATION

## ABOUT 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 Such statements involve uncertainties and risks, some of which are not currently known to us, and may be superseded by future events that could cause actual results to differ materially from those expressed or implied in this presentation.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 today, 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 in 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.

## CASH COLLECTIONS GROWTH CONTINUES

Global cash collections of \$482 million

Portfolio purchases of \$290 million

Estimated remaining collections of \$6.5 billion



## RESULTS IN AMERICAS REMAIN STRONG



Cash collections of \$323 million

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Seeing collection shift from legal to call centers and digital platforms

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Invested \$80 million

## RECORD CASH COLLECTIONS IN Q4 IN EUROPE

Record cash collections of \$159 million in Europe

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Invested \$210 million

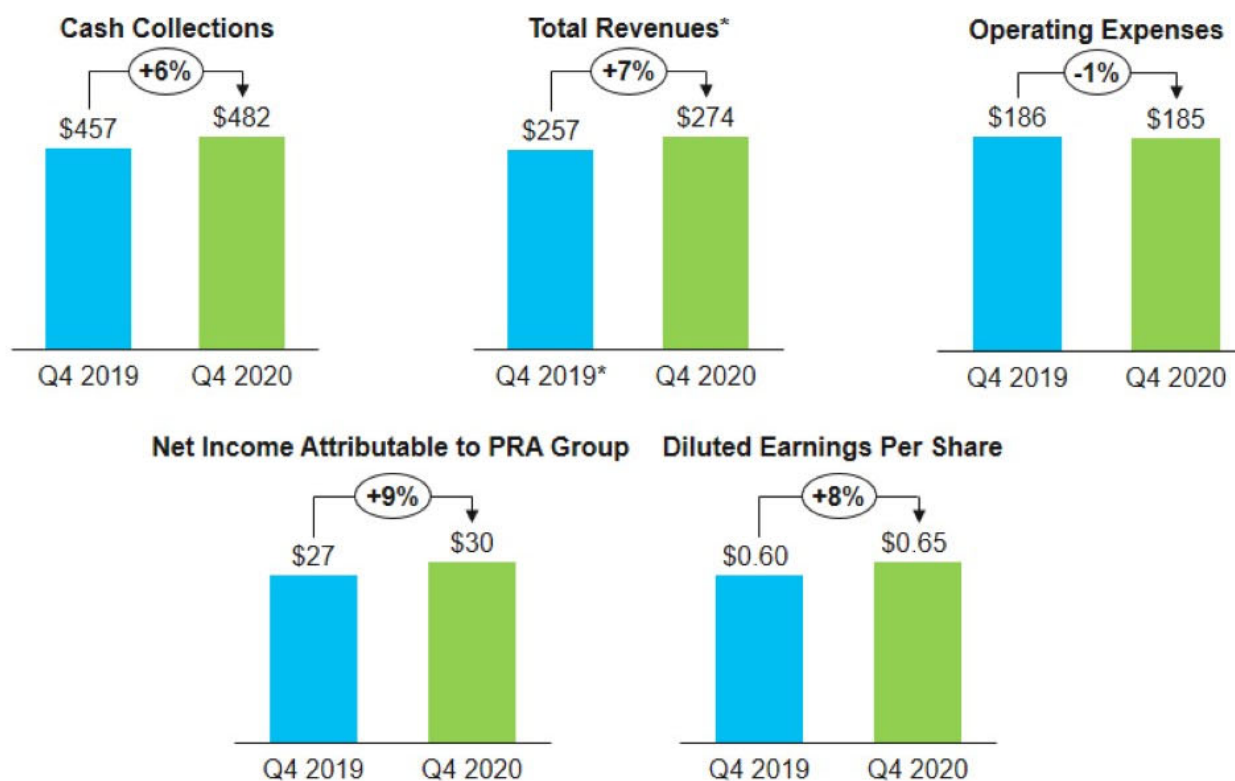




# NET INCOME ATTRIBUTABLE TO PRA GROUP GREW 9% IN Q4 2020

(\$ in millions, except per share results)

## Q4 2019 vs Q4 2020

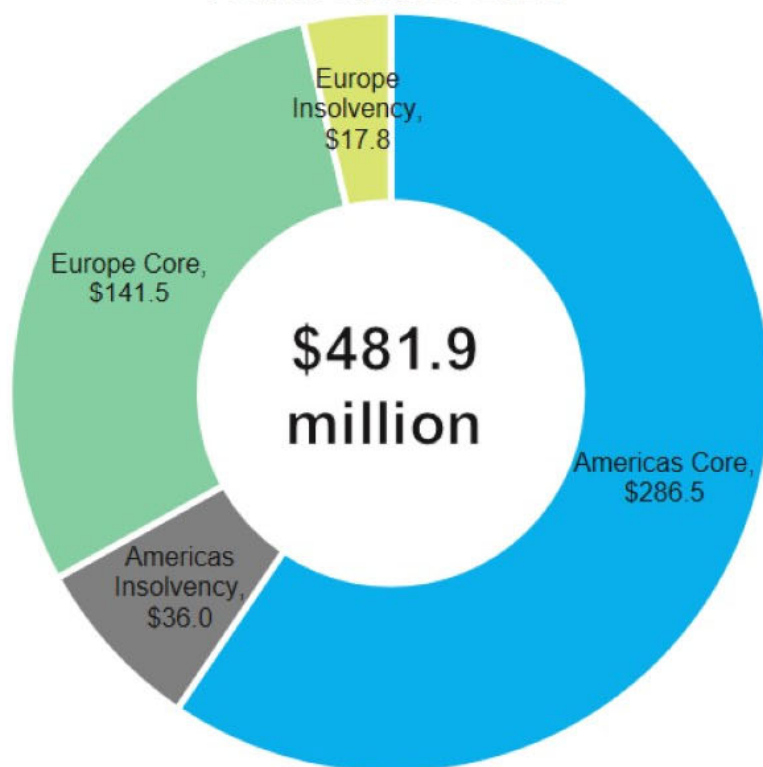


\*Q4 2019 Total Revenues include allowance charges for better comparison to Q4 2020, please refer to the reconciliation of this metric to the most applicable GAAP metric at the end of this presentation.

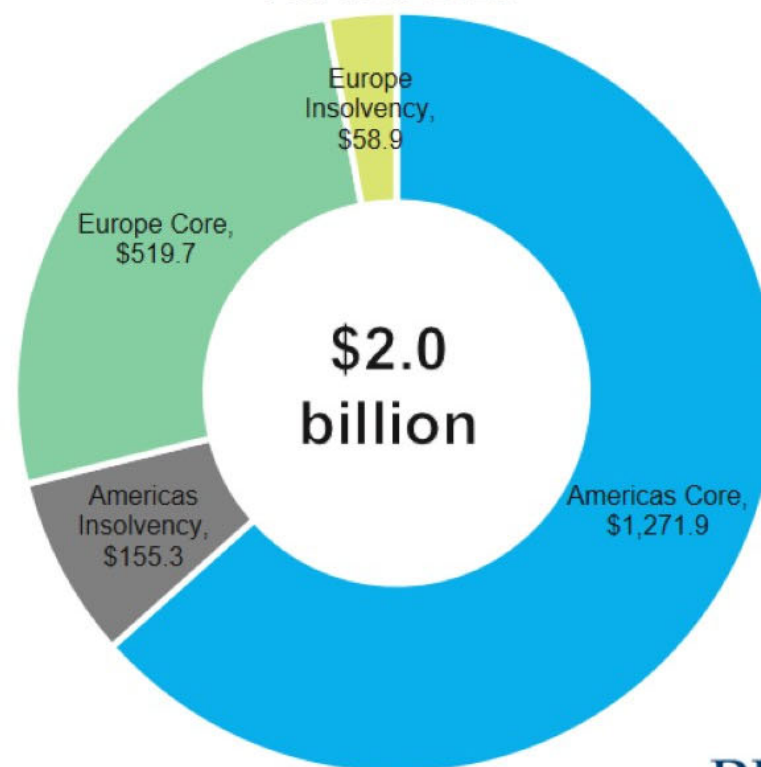
## CASH COLLECTIONS CONTINUE TO BE SOLID

(\$ in millions)

Fourth Quarter 2020

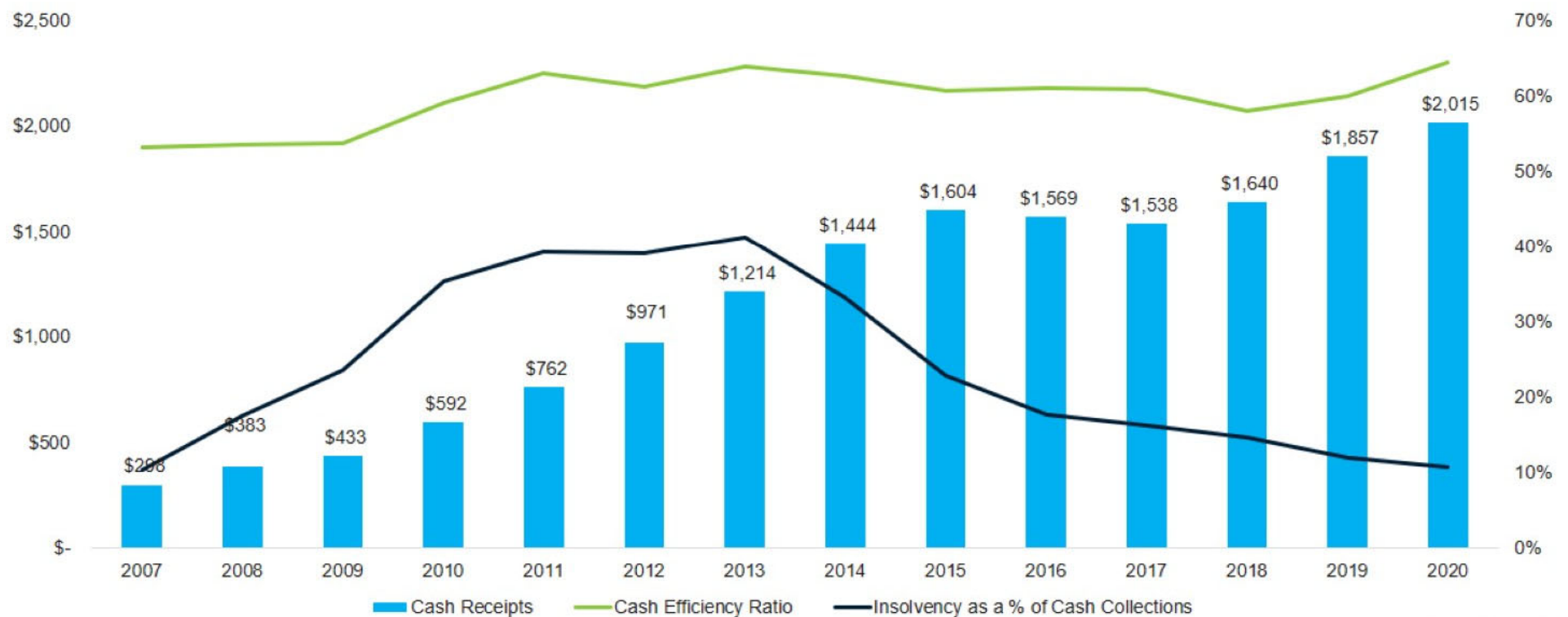


Full Year 2020



## CASH EFFICIENCY RATIO FOR 2020 WAS A RECORD 64.5%

(\$ in millions, Cash efficiency ratio = (cash receipts – operating expenses)/cash receipts)

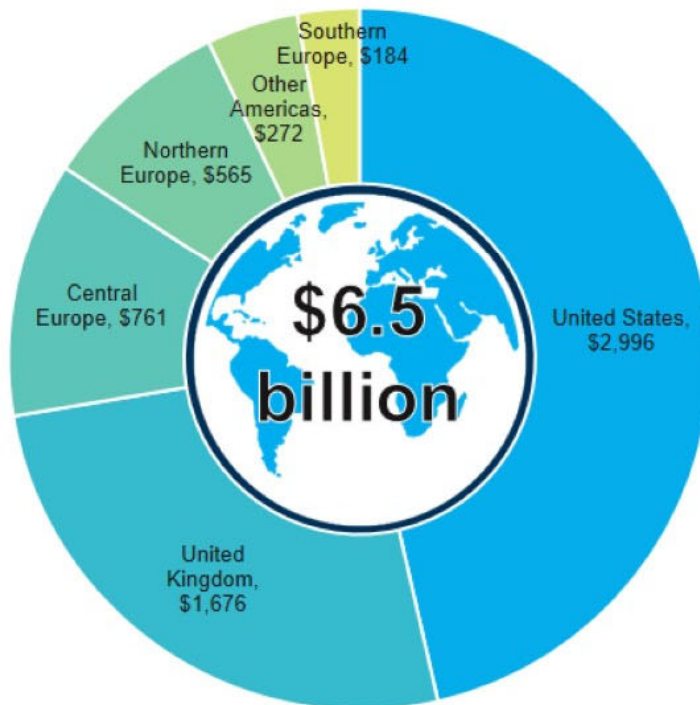




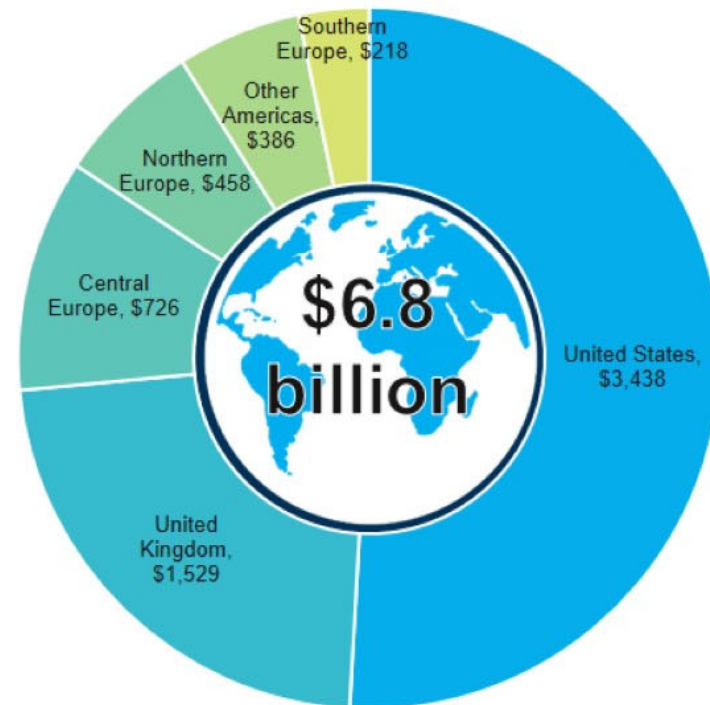
## ERC IN EUROPE NOW LARGER THAN U.S.

(\$ in millions)

as of December 31, 2020

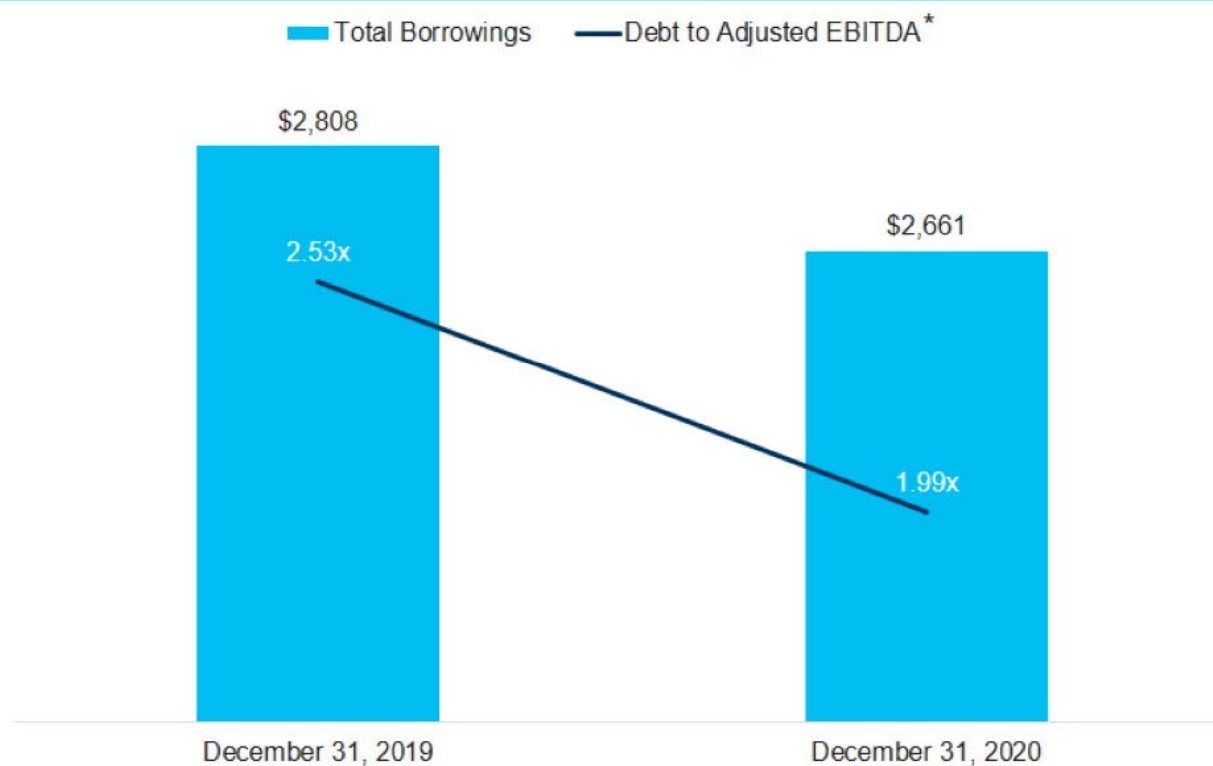


as of December 31, 2019



## STRONG FINANCIAL PERFORMANCE DRIVES SOLID LEVERAGE POSITION

(\$ in millions)



***\$983 Million Available for Portfolio Acquisitions***

\*Please refer to the reconciliation of this metric to the most applicable GAAP metric at the end of this presentation.

## PRA GROUP ACCOMPLISHED GREAT THINGS IN 2020

Empathetic and understanding with customers

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Kept employees safe and productive

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Generated record cash collections and cash efficiency ratio





PRA  
Group



Q&A



# RECONCILIATION OF NON-GAAP FINANCIAL MEASURE TO GAAP

## Use of Non-GAAP Financial Measures

PRA Group, Inc. reports financial results in accordance with U.S. GAAP. However, the Company believes that certain non-GAAP financial measures assist with the meaningful comparison between current year results and prior periods. The Company presents Adjusted EBITDA because management considers it an important supplemental measure of operations and financial performance and uses it to set performance goals. Management believes Adjusted EBITDA provides enhanced period-to-period comparability of operations and financial performance, as it excludes certain items whose fluctuations from period to period do not necessarily correspond to changes in the operations of the business 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. In addition, the calculation of Adjusted EBITDA may not be comparable to similar measures presented by other companies. The Company presents Adjusted Total Revenues in 2019, which includes the impact of allowance charges, because the Company believes it provides a better comparison to total revenues in 2020 due to the change in accounting. Adjusted Total Revenues should not be considered as an alternative to total revenues determined in accordance with GAAP. The reconciliation of these non-GAAP financial measures, to the most directly comparable U.S. GAAP financial measures is provided below. These should be viewed in addition to, not as an alternative for, reported U.S. GAAP results.

		LTM Adjusted EBITDA for PRA Group (\$ in millions)		12/31/2020	12/31/2019
(\$ in thousands)					
	Three Months Ended				
	December 31, 2019				
Income recognized on finance receivables	262,835	Net income attributable to PRA Group, Inc.	\$	149	\$ 86
Fee income	4,297	Income tax expense (benefit)		41	20
Other income	2,001	Foreign exchange (gain) loss		(2)	(12)
Total revenues	269,133	Interest expense, net and other		143	142
		Depreciation and amortization		18	17
		Adjustment for net income attributable to noncontrolling interests		18	12
		Gain on sale of subsidiaries		-	-
		Recoveries applied to negative allowance less changes in expected in recoveries*		968	843
Adjustments		LTM Adjusted EBITDA	\$	1,337	\$ 1,108
Net allowance charges	(12,598)				
Adjusted total revenues	256,535				
		*Prior to Q1 2020, this included collections applied to principal on finance receivables			
		Borrowings	\$	2,661	\$ 2,808
		LTM Adjusted EBITDA		1,337	1,108
		Debt to LTM Adjusted EBITDA		1.99	2.53