



Letter from the Executive Chair of the Board

Steve Fredrickson, Executive Chair of the Board

Dear Fellow Stockholder,

The past two years have been transformational for PRA Group as we worked relentlessly to improve our U.S. operations. The financial results have been clear. In 2024, year-over-year cash collections increased 13%, total revenue increased 39% and net income attributable to PRA Group was \$71 million versus a net loss of \$83 million, while return on average tangible equity (ROATE) increased to 9.5%. Despite our strong financial results for 2024, we have not seen a corresponding improvement in shareholder value. Please know that the Board of Directors and management team at PRA Group are focused on this disconnect.

LEADING THE WAY TO A STRONGER BUSINESS

Since Vik Atal stepped from the boardroom into the CEO seat in March 2023, he has worked tirelessly to examine why and how we perform the key aspects of our operation. His fresh review of the enterprise has made us smarter, more nimble and more efficient. I cannot thank Vik enough for all he has done for the company. We have been most fortunate to have him.

Vik rebuilt our senior leadership team with a group that is professional, experienced and highly effective. During 2024 alone, he further expanded the resilient and seasoned group of senior leaders with the appointments of a global operations officer, chief data and analytics officer and chief risk and compliance officer, who have integrated their expertise and innovative approaches into the business. The Board augmented the senior leadership team with refreshment in the boardroom as we were joined by three highly respected leaders in the fields of finance and information technology.

CULTURE – A CORNERSTONE OF OUR BUSINESS

Culture is at the root of the way we work and collaborate. Leveraging our global perspective and sharing insights to provide our leaders with solutions that work best for their markets and teams is what makes PRA Group continually better.

From cross-country knowledge-sharing opportunities and employee resource groups to meet-and-greets with senior leaders, the leadership team has made it a priority to foster interaction, development and innovation throughout the organization. PRA Group has also established community partnerships that help create opportunities for employees to give back. Our teams have participated in dozens of company-sponsored community events and drives, totaling nearly 2,500 employee volunteer hours worldwide. We are proud to have a workforce that desires to be involved, make an impact and cultivate an environment where everyone can grow and succeed.

In addition to strong leadership and the commitment of our global workforce, PRA Group owes its 2024 successes to its continued commitment to prioritizing customer service. Our customers are individuals who have found their way to us because they have encountered personal hardship and a financial setback. Our goal is to guide them through the process of getting back on their feet and improving their financial futures. Our ability to effectively and efficiently connect with our customers and provide them with a positive experience is synonymous with our long-term success.

POSITIONED FOR LONG-TERM SUCCESS

Using one of three strategic pillars that we established to support our turnaround – that of ***driving operational execution*** – we have identified and executed against numerous opportunities over the past year that improve our ability to help our customers resolve their debt. This not only benefits the customer but also translates into our company's improved financial performance.

Critically, the leadership team is also making progress on ***optimizing investments*** and ***managing our expenses***. After a year of effective execution, PRA Group is now better positioned to navigate the ebbs and flows of the credit cycle, deliver sustainable profitability, competitively purchase portfolios and service new and existing portfolios with high-quality customer care.

PRA Group delivered against financial and operational 2024 targets that dramatically improved our year-over-year results.

Noteworthy accomplishments that drove our success also included:

- increased collector headcount at offshore, lower-cost locations to support the growth in our U.S. business,

- improved efficiency and reduced expenses resulting from launching a work-from-home program in our U.S. call centers,
- continued enhancements to our digital platform to decrease friction for customers,
- celebrated the anniversary of our Aktiv Kapital acquisition and the 10 years of global expansion that has resulted in our European estimated remaining collections exceeding that of the U.S. and
- growth and disciplined investment in Europe.

I believe we also have clear catalysts for continued growth in the form of:

- strengthening business fundamentals,
- attractive industry dynamics,
- opportunities for us to collaborate more productively with federal agencies,
- exploring untapped value within our own varied geographical and operational structure and
- leveraging technology to provide our customers with more frictionless and personalized experiences.

THE NEXT CHAPTER – LEADERSHIP TRANSITION

Vik interrupted a well-deserved retirement from the financial industry to lead PRA Group through an operational turnaround. Considering the terms of Vik's employment agreement, the Board, with thoughtful guidance by our Lead Director and Nominating and Corporate Governance Committee Chair Lance Weaver, leveraged the continuous succession planning process to prepare for Vik's announcement that his mission was complete, and the business was ready for its next leader.

It was against this backdrop that the Board proudly appointed Martin Sjolund, the President of PRA Group Europe since 2018, as our next President and CEO effective June 17, 2025. Martin and the company will benefit from Vik's continuing service as a senior advisor until December 31, 2025.

I have had the pleasure of working with Martin for over a decade, during which time he has provided leadership across 15 markets in Europe, Canada and Australia, overseen nearly \$3 billion of successful portfolio investments across Europe and significantly improved the profitability of the European business. He has also led our expansion into two new markets, modernized our information technology infrastructure

and contact platforms, enhanced our data and analytics function and ultimately created one of Europe's most cost-efficient debt buying and servicing platforms.

Before being promoted to his current role, Martin was Europe's Chief Operating Officer from 2015 until 2018. He was previously our European Director of Group Strategy and Corporate Development, a position he also held at Aktiv Kapital from 2011 until PRA Group acquired that business in 2014.

Prior to joining Aktiv Kapital, Martin held leadership positions in global technology companies and was a management consultant with McKinsey & Company in Singapore and London. Martin was educated in the U.S. and earned a Master of Business Administration from the University of Chicago and completed his undergraduate education at Georgetown University.

Martin has the industry experience, institutional knowledge, proven track record, curiosity, agility, commitment to culture and intellectual and emotional horsepower to be an extremely successful leader in the years ahead. I could not be more excited to have him as our next President and CEO.

THANK YOU

Thank you for your continued support and the privilege to steward your capital. As I shared earlier, the Board and management team are keenly aware of the disconnect that remains between the strong results delivered for 2024 and shareholder value. We are committed to leveraging the improvements that have been made under Vik's leadership to continue transforming our business while challenging ourselves to find new ways to deliver positive outcomes for our shareholders.

We would not be able to do what we do without the dedication of our global workforce, whose collaborative culture allows us to leverage our shared insights and continually make PRA Group better. It has been a demanding year — and a rewarding one — and our people have delivered with excellence.



Sincerely,

A handwritten signature in black ink, appearing to read 'S. Fredrickson'. The signature is stylized and fluid.

Steve Fredrickson
Executive Chair of the Board