



## PROG Holdings Reports Fourth Quarter 2024 Results

February 19, 2025

- Consolidated revenues of \$623.3 million; Net earnings of \$57.5 million
- Adjusted EBITDA of \$65.7 million
- Diluted EPS of \$1.34; Non-GAAP Diluted EPS of \$0.80
- Progressive Leasing GMV of \$597.5 million, 9.1% growth year-over-year

SALT LAKE CITY--(BUSINESS WIRE)--Feb. 19, 2025-- PROG Holdings, Inc. (NYSE:PRG), the fintech holding company for Progressive Leasing, Vive Financial, Four Technologies, and Build today announced financial results for the fourth quarter ended December 31, 2024.

"We finished 2024 with an excellent fourth quarter, delivering a third consecutive quarter of strong GMV growth and approximating the high end of our outlook ranges for both our revenues and earnings for the period," said PROG Holdings President and CEO Steve Michaels. "2024 was a successful year, driven by better-than-expected GMV growth, disciplined portfolio management, cost efficiencies, and continued execution on multiple strategic fronts. Our teams' execution across sales, marketing, and technology initiatives, combined with tighter credit conditions in the market, played a key role in driving a meaningful increase in new and repeat customers."

"As we move into 2025, we are excited about continuing to execute our three-pillared strategy to grow, enhance, and expand - investing in our businesses with a focus on increasing customer acquisition and lifetime value. We believe our cash-efficient model gives us the financial flexibility to invest in our future growth and return excess cash to shareholders, as we aim to maximize long-term value creation," concluded Michaels.

### Consolidated Results

Consolidated revenues for the fourth quarter of 2024 were \$623.3 million, an increase of 8.0% from the same period in 2023.

Consolidated net earnings for the quarter were \$57.5 million, compared with \$18.6 million in the prior year period. The effective income tax rate was (37.5)% in the fourth quarter. The effective income tax rate was negative due to a \$27.6 million deferred tax benefit related to an election which resulted in the deemed liquidation of a wholly-owned partnership for tax purposes. Adjusted EBITDA for the quarter was \$65.7 million, or 10.5% of revenues, compared with \$61.0 million, or 10.6% of revenues for the same period in 2023.

Diluted earnings per share for the fourth quarter of 2024 were \$1.34, compared with \$0.41 in the year ago period. On a non-GAAP basis, diluted earnings per share were \$0.80 in the fourth quarter of 2024, compared with \$0.72 for the same period in 2023. The Company's weighted average shares outstanding assuming dilution in the fourth quarter was 5.1% lower year-over-year.

### Progressive Leasing Results

Progressive Leasing's fourth quarter GMV of \$597.5 million was up 9.1% compared to the same period in 2023. The provision for lease merchandise write-offs for the quarter was 7.9%. For the full year 2024, our provision for lease merchandise write-offs was 7.5%, within our 6-8% targeted annual range.

### Liquidity and Capital Allocation

PROG Holdings ended the fourth quarter of 2024 with cash of \$95.7 million and gross debt of \$650.0 million. The Company repurchased \$40.5 million of its stock in the fourth quarter at an average price of \$47.03 per share, leaving \$361.3 million of repurchase authorization under its \$500 million share repurchase program. Additionally, the Company paid a cash dividend of \$0.12 per share.

### 2025 Outlook

PROG Holdings is issuing full year and Q1 2025 outlook for revenues, consolidated net earnings, segment earnings before taxes, adjusted EBITDA, GAAP diluted EPS and non-GAAP diluted EPS. This outlook assumes a difficult operating environment with continued soft demand for consumer durable goods, no material changes in the Company's decisioning posture, an effective tax rate for Non-GAAP EPS of approximately 28%, no material increase in the unemployment rate for our consumer, and no impact from additional share repurchases.

### Full Year 2025 Outlook

| (In thousands, except per share amounts) | Low          | High         |
|------------------------------------------|--------------|--------------|
| PROG Holdings - Total Revenues           | \$ 2,515,000 | \$ 2,590,000 |
| PROG Holdings - Net Earnings             | 115,500      | 133,500      |

|                                             |           |           |
|---------------------------------------------|-----------|-----------|
| PROG Holdings - Adjusted EBITDA             | 260,000   | 280,000   |
| PROG Holdings - Diluted EPS                 | 2.82      | 3.22      |
| PROG Holdings - Diluted Non-GAAP EPS        | 3.10      | 3.50      |
| Progressive Leasing - Total Revenues        | 2,385,000 | 2,445,000 |
| Progressive Leasing - Earnings Before Taxes | 181,000   | 195,000   |
| Progressive Leasing - Adjusted EBITDA       | 260,000   | 275,000   |
| Vive - Total Revenues                       | 65,000    | 70,000    |
| Vive - Loss Before Taxes                    | (5,500 )  | (2,500 )  |
| Vive - Adjusted EBITDA                      | (2,500 )  | —         |
| Other - Total Revenues                      | 65,000    | 75,000    |
| Other - Loss Before Taxes                   | (9,000 )  | (6,000 )  |
| Other - Adjusted EBITDA                     | 2,500     | 5,000     |

**Three Months Ended**  
**March 31, 2025 Outlook**

**(In thousands, except per share amounts)** Low High

|                                      |            |            |
|--------------------------------------|------------|------------|
| PROG Holdings - Total Revenues       | \$ 665,000 | \$ 685,000 |
| PROG Holdings - Net Earnings         | 28,000     | 32,000     |
| PROG Holdings - Adjusted EBITDA      | 63,000     | 68,000     |
| PROG Holdings - Diluted EPS          | 0.73       | 0.78       |
| PROG Holdings - Diluted Non-GAAP EPS | 0.80       | 0.85       |

**Conference Call and Webcast**

The Company has scheduled a live webcast and conference call for Wednesday, February 19, 2025, at 8:30 A.M. ET to discuss its financial results for the fourth quarter of 2024. To access the live webcast, visit the Events and Presentations page of the Company's Investor Relations website, <https://investor.progholdings.com/>.

**About PROG Holdings, Inc.**

PROG Holdings, Inc. (NYSE:PRG) is a fintech holding company headquartered in Salt Lake City, UT, that provides transparent and competitive payment options to consumers. The Company owns Progressive Leasing, a leading provider of e-commerce, app-based, and in-store point-of-sale lease-to-own solutions, Vive Financial, an omnichannel provider of second-look revolving credit products, Four Technologies, a provider of Buy Now, Pay Later payment options through its platform, Four, and Build, provider of personal credit building products. More information on PROG Holdings and its companies can be found at <https://investor.progholdings.com/>.

**Forward Looking Statements:**

Statements in this news release regarding our business that are not historical facts are "forward-looking statements" that involve risks and uncertainties which could cause actual results to differ materially from those contained in the forward-looking statements. Such forward-looking statements generally can be identified by the use of forward-looking terminology, such as "continuing", "believe", "aim", "outlook" and similar forward-looking terminology. These risks and uncertainties include factors such as (i) continued volatility and challenges in the macro environment and, in particular, the unfavorable effects on our business of impacts of inflation, a higher cost of living and elevated interest rates, and the impact of those headwinds on: (a) consumer confidence and customer demand for the merchandise that our POS partners sell, in particular consumer durables; (b) our customers' disposable income and their ability to make the lease and loan payments they owe the Company; (c) the availability of consumer credit; and (d) our overall financial performance and outlook; (ii) our businesses being subject to extensive federal, state and local laws and regulations, including certain laws and regulations unique to the industries in which our businesses operate, that may subject them to government investigations and significant monetary penalties, remediation expenses and compliance-related burdens that may result in them changing the manner in which they operate, which may be materially adverse to several aspects of our performance; (iii) an uncertain macroeconomic environment resulting in our proprietary algorithms and decisioning tools used in approving customers no longer being indicative of their ability to perform, which in turn may limit the ability of our businesses to manage risk, avoid lease and loan charge-offs and may result in insufficient reserves to cover actual losses; (iv) a large percentage of Progressive Leasing's revenue being concentrated with several key POS partners, and the loss of any of these POS partner relationships materially and adversely affecting several aspects of our performance; (v) Progressive Leasing being unable to attract additional POS partners and retain and grow its relationships with its existing POS partners, resulting in several aspects of our performance being materially and adversely affected; (vi) Progressive Leasing being unable to attract new consumers and retain and grow its relationships with its existing customers materially and adversely affecting several aspects of our performance; (vii) Vive and Four's business models differing significantly from Progressive Leasing's lease-to-own business, which means each of these businesses have different risk profiles; (viii) our efforts to modernize and enhance certain enterprise-wide information management systems and technologies adversely impacting our businesses and operations; (ix) our inability to protect confidential, proprietary, or sensitive information, including the confidential information of our customers, being adversely affected by cyber-attacks or similar disruptions, which may result in significant costs, litigation and reputational damage or otherwise have a material adverse impact on several aspects of our performance; (x) our capital allocation strategy and financial policies, including our current stock repurchase and dividend programs, as well as any potential debt repurchase program not being effective at enhancing shareholder value, or providing other benefits we expect; (xi) the inability of our businesses to successfully operate in highly and increasingly competitive industries materially and adversely affecting several aspects of our performance; (xii) our business, results of operations, financial condition, and prospects being materially and adversely affected due to Progressive Leasing failing to maintain a consistently high level of consumer satisfaction and trust in its brand; (xiii) our performance being materially and adversely affected due to the transactions offered to consumers by our businesses being negatively characterized by federal, state and local government officials, consumer advocacy groups and the media; (xiv) any significant disruption in our vendors' information technology systems, or disruptions in the information our businesses rely on in their lease and loan decisioning, materially and adversely affecting several aspects of our performance; and (xv) the other risks and uncertainties discussed under "Risk Factors" in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2024, filed with the SEC on February 19, 2025. Statements in this press release that are "forward-looking" include without limitation statements about: (i) our ability to invest in our businesses to increase customer acquisition and lifetime value, and the results of any such investments; (ii) having the financial flexibility to invest in our future growth and return excess cash to shareholders; (iii) maximizing long-term value creation; and (iv) our full year 2025 outlook and our first quarter 2025 outlook. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. Except as required by law, the Company undertakes no obligation to update these forward-looking statements to reflect subsequent events or circumstances after the date of this press release.

**PROG Holdings, Inc.**

**Consolidated Statements of Earnings**

(In thousands, except per share data)

|                         | (Unaudited)        |            |              |              |
|-------------------------|--------------------|------------|--------------|--------------|
|                         | Three Months Ended |            | Year Ended   |              |
|                         | December 31,       |            | December 31, |              |
|                         | 2024               | 2023       | 2024         | 2023         |
| REVENUES:               |                    |            |              |              |
| Lease Revenues and Fees | \$ 592,872         | \$ 557,484 | \$ 2,366,489 | \$ 2,333,588 |

|                                       |         |         |           |           |
|---------------------------------------|---------|---------|-----------|-----------|
| Interest and Fees on Loans Receivable | 30,448  | 19,917  | 97,007    | 74,676    |
|                                       | 623,320 | 577,401 | 2,463,496 | 2,408,264 |

**COSTS AND EXPENSES:**

|                                            |         |         |           |           |
|--------------------------------------------|---------|---------|-----------|-----------|
| Depreciation of Lease Merchandise          | 403,661 | 374,146 | 1,621,101 | 1,576,303 |
| Provision for Lease Merchandise Write-offs | 46,678  | 38,955  | 178,338   | 155,250   |
| Operating Expenses                         | 122,810 | 128,932 | 469,160   | 451,084   |
|                                            | 573,149 | 542,033 | 2,268,599 | 2,182,637 |

|                         |        |        |         |         |
|-------------------------|--------|--------|---------|---------|
| <b>OPERATING PROFIT</b> | 50,171 | 35,368 | 194,897 | 225,627 |
|-------------------------|--------|--------|---------|---------|

|                       |          |          |           |           |
|-----------------------|----------|----------|-----------|-----------|
| Interest Expense, Net | (8,316 ) | (6,857 ) | (31,289 ) | (29,406 ) |
|-----------------------|----------|----------|-----------|-----------|

|                                                     |        |        |         |         |
|-----------------------------------------------------|--------|--------|---------|---------|
| <b>EARNINGS BEFORE INCOME TAX (BENEFIT) EXPENSE</b> | 41,855 | 28,511 | 163,608 | 196,221 |
|-----------------------------------------------------|--------|--------|---------|---------|

|                                     |           |       |           |        |
|-------------------------------------|-----------|-------|-----------|--------|
| <b>INCOME TAX (BENEFIT) EXPENSE</b> | (15,692 ) | 9,936 | (33,641 ) | 57,383 |
|-------------------------------------|-----------|-------|-----------|--------|

|                     |          |          |           |           |
|---------------------|----------|----------|-----------|-----------|
| <b>NET EARNINGS</b> | \$57,547 | \$18,575 | \$197,249 | \$138,838 |
|---------------------|----------|----------|-----------|-----------|

**EARNINGS PER SHARE**

|       |        |        |        |        |
|-------|--------|--------|--------|--------|
| Basic | \$1.39 | \$0.42 | \$4.63 | \$3.02 |
|-------|--------|--------|--------|--------|

|                   |        |        |        |        |
|-------------------|--------|--------|--------|--------|
| Assuming Dilution | \$1.34 | \$0.41 | \$4.53 | \$2.98 |
|-------------------|--------|--------|--------|--------|

**CASH DIVIDENDS DECLARED PER SHARE:**

|              |        |      |        |      |
|--------------|--------|------|--------|------|
| Common Stock | \$0.12 | \$ — | \$0.48 | \$ — |
|--------------|--------|------|--------|------|

**WEIGHTED AVERAGE SHARES OUTSTANDING:**

|       |        |        |        |        |
|-------|--------|--------|--------|--------|
| Basic | 41,438 | 44,337 | 42,584 | 46,034 |
|-------|--------|--------|--------|--------|

|                   |        |        |        |        |
|-------------------|--------|--------|--------|--------|
| Assuming Dilution | 42,796 | 45,075 | 43,549 | 46,550 |
|-------------------|--------|--------|--------|--------|

**PROG Holdings, Inc.**

**Consolidated Balance Sheets**

(In thousands, except share data)

|                 |                 |
|-----------------|-----------------|
| <b>December</b> | <b>December</b> |
| <b>31,</b>      | <b>31,</b>      |
| <b>2024</b>     | <b>2023</b>     |

**ASSETS:**

|                                                                                                               |              |              |
|---------------------------------------------------------------------------------------------------------------|--------------|--------------|
| Cash and Cash Equivalents                                                                                     | \$ 95,655    | \$ 155,416   |
| Accounts Receivable (net of allowances of \$71,607 in 2024 and \$64,180 in 2023)                              | 80,225       | 67,879       |
| Lease Merchandise (net of accumulated depreciation and allowances of \$440,831 in 2024 and \$423,466 in 2023) | 680,242      | 633,427      |
| Loans Receivable (net of allowances and unamortized fees of \$57,342 in 2024 and \$50,022 in 2023)            | 146,985      | 126,823      |
| Property and Equipment, Net                                                                                   | 21,443       | 24,104       |
| Operating Lease Right-of-Use Assets                                                                           | 4,035        | 9,271        |
| Goodwill                                                                                                      | 296,061      | 296,061      |
| Other Intangibles, Net                                                                                        | 73,775       | 91,664       |
| Income Tax Receivable                                                                                         | 10,644       | 32,918       |
| Deferred Income Tax Assets                                                                                    | 26,472       | 2,981        |
| Prepaid Expenses and Other Assets                                                                             | 78,230       | 50,711       |
| Total Assets                                                                                                  | \$ 1,513,767 | \$ 1,491,255 |

**LIABILITIES & SHAREHOLDERS' EQUITY:**

|                                        |           |            |
|----------------------------------------|-----------|------------|
| Accounts Payable and Accrued Expenses  | \$ 93,190 | \$ 151,259 |
| Deferred Income Tax Liabilities        | 74,320    | 104,838    |
| Customer Deposits and Advance Payments | 40,917    | 35,713     |
| Operating Lease Liabilities            | 11,496    | 15,849     |
| Debt, Net                              | 643,563   | 592,265    |
| Total Liabilities                      | 863,486   | 899,924    |

**SHAREHOLDERS' EQUITY:**

|                                                                                                                                                                                           |           |           |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------|
| Common Stock, Par Value \$0.50 Per Share: Authorized: 225,000,000 Shares at December 31, 2024 and December 31, 2023; Shares Issued: 82,078,654 at December 31, 2024 and December 31, 2023 | 41,039    | 41,039    |
| Additional Paid-in Capital                                                                                                                                                                | 358,538   | 352,421   |
| Retained Earnings                                                                                                                                                                         | 1,469,450 | 1,293,073 |
|                                                                                                                                                                                           | 1,869,027 | 1,686,533 |
| Less: Treasury Shares at Cost                                                                                                                                                             |           |           |

|                                                                                          |              |              |
|------------------------------------------------------------------------------------------|--------------|--------------|
| Common Stock: 41,262,901 Shares at December 31, 2024 and 38,404,527 at December 31, 2023 | (1,218,746 ) | (1,095,202 ) |
| Total Shareholders' Equity                                                               | 650,281      | 591,331      |
| Total Liabilities & Shareholders' Equity                                                 | \$ 1,513,767 | \$ 1,491,255 |

**PROG Holdings, Inc.**

**Consolidated Statements of Cash Flows**

**(In thousands)**

|                                                                                 | <b>Year Ended December 31,</b> |              |
|---------------------------------------------------------------------------------|--------------------------------|--------------|
|                                                                                 | <b>2024</b>                    | <b>2023</b>  |
| <b>OPERATING ACTIVITIES:</b>                                                    |                                |              |
| Net Earnings                                                                    | \$ 197,249                     | \$ 138,838   |
| Adjustments to Reconcile Net Earnings to Cash Provided by Operating Activities: |                                |              |
| Depreciation of Lease Merchandise                                               | 1,621,101                      | 1,576,303    |
| Other Depreciation and Amortization                                             | 26,977                         | 32,032       |
| Provisions for Accounts Receivable and Loan Losses                              | 386,558                        | 345,383      |
| Stock-Based Compensation                                                        | 29,179                         | 24,920       |
| Deferred Income Taxes                                                           | (56,030 )                      | (32,449 )    |
| Impairment of Goodwill and Other Assets                                         | 6,018                          | —            |
| Income Tax Benefit from Reversal of Uncertain Tax Position                      | (51,443 )                      | —            |
| Non-Cash Lease Expense                                                          | (3,632 )                       | (2,669 )     |
| Other Changes, Net                                                              | (2,640 )                       | (5,992 )     |
| Changes in Operating Assets and Liabilities:                                    |                                |              |
| Additions to Lease Merchandise                                                  | (1,850,425 )                   | (1,721,117 ) |
| Book Value of Lease Merchandise Sold or Disposed                                | 182,509                        | 159,430      |
| Accounts Receivable                                                             | (342,954 )                     | (307,984 )   |
| Prepaid Expenses and Other Assets                                               | (25,394 )                      | (2,110 )     |

|                                        |          |           |
|----------------------------------------|----------|-----------|
| Income Tax Receivable and Payable      | 24,743   | (14,188 ) |
| Accounts Payable and Accrued Expenses  | (8,495 ) | 15,200    |
| Customer Deposits and Advance Payments | 5,204    | (1,361 )  |
| Cash Provided by Operating Activities  | 138,525  | 204,236   |

**INVESTING ACTIVITIES:**

|                                                 |            |            |
|-------------------------------------------------|------------|------------|
| Investments in Loans Receivable                 | (459,463 ) | (214,686 ) |
| Proceeds from Loans Receivable                  | 388,437    | 185,056    |
| Outflows on Purchases of Property and Equipment | (8,316 )   | (9,616 )   |
| Proceeds from Sale of Property and Equipment    | 131        | 48         |
| Other Proceeds                                  | 41         | 365        |
| Cash Used in Investing Activities               | (79,170 )  | (38,833 )  |

**FINANCING ACTIVITIES:**

|                                                                  |            |            |
|------------------------------------------------------------------|------------|------------|
| Borrowings on Revolving Facility                                 | 50,000     | —          |
| Acquisition of Treasury Stock                                    | (138,651 ) | (139,573 ) |
| Dividends Paid                                                   | (20,393 )  | —          |
| Issuance of Stock Under Stock Option and Employee Purchase Plans | 2,364      | 1,357      |
| Cash Paid for Shares Withheld for Employee Taxes                 | (9,660 )   | (3,622 )   |
| Debt Issuance Costs                                              | (2,776 )   | (29 )      |
| Cash Used in Financing Activities                                | (119,116 ) | (141,867 ) |
| (Decrease) Increase in Cash and Cash Equivalents                 | (59,761 )  | 23,536     |
| Cash and Cash Equivalents at Beginning of Period                 | 155,416    | 131,880    |
| Cash and Cash Equivalents at End of Period                       | \$ 95,655  | \$ 155,416 |
| Net Cash Paid During the Period:                                 |            |            |
| Interest                                                         | \$ 37,033  | \$ 36,991  |
| Income Taxes                                                     | \$ 49,840  | \$ 100,433 |

**PROG Holdings, Inc.**

## Quarterly Revenues by Segment

(In thousands)

(Unaudited)

Three Months Ended

December 31, 2024

|                                       | Progressive Leasing | Vive      | Other     | Consolidated Total |
|---------------------------------------|---------------------|-----------|-----------|--------------------|
| Lease Revenues and Fees               | \$ 592,872          | \$ —      | \$ —      | \$ 592,872         |
| Interest and Fees on Loans Receivable | —                   | 16,943    | 13,505    | 30,448             |
| Total Revenues                        | \$ 592,872          | \$ 16,943 | \$ 13,505 | \$ 623,320         |

(Unaudited)

Three Months Ended

December 31, 2023

|                                       | Progressive Leasing | Vive      | Other    | Consolidated Total |
|---------------------------------------|---------------------|-----------|----------|--------------------|
| Lease Revenues and Fees               | \$ 557,484          | \$ —      | \$ —     | \$ 557,484         |
| Interest and Fees on Loans Receivable | —                   | 17,025    | 2,892    | 19,917             |
| Total Revenues                        | \$ 557,484          | \$ 17,025 | \$ 2,892 | \$ 577,401         |

**PROG Holdings, Inc.**

## Annual Revenues by Segment

(In thousands)

Twelve Months Ended

December 31, 2024

|                                       | Progressive Leasing | Vive   | Other  | Consolidated Total |
|---------------------------------------|---------------------|--------|--------|--------------------|
| Lease Revenues and Fees               | \$ 2,366,489        | \$ —   | \$ —   | \$ 2,366,489       |
| Interest and Fees on Loans Receivable | —                   | 64,415 | 32,592 | 97,007             |

|                |              |           |           |              |
|----------------|--------------|-----------|-----------|--------------|
| Total Revenues | \$ 2,366,489 | \$ 64,415 | \$ 32,592 | \$ 2,463,496 |
|----------------|--------------|-----------|-----------|--------------|

**Twelve Months Ended**

**December 31, 2023**

|                                       | Progressive Leasing | Vive      | Other    | Consolidated Total |
|---------------------------------------|---------------------|-----------|----------|--------------------|
| Lease Revenues and Fees               | \$ 2,333,588        | \$ —      | \$ —     | \$ 2,333,588       |
| Interest and Fees on Loans Receivable | —                   | 68,912    | 5,764    | 74,676             |
| Total Revenues                        | \$ 2,333,588        | \$ 68,912 | \$ 5,764 | \$ 2,408,264       |

**PROG Holdings, Inc.**

**Gross Merchandise Volume by Quarter**

**(In thousands)**

**(Unaudited)**

**Three Months Ended December 31,**

|                     | <b>2024</b> | <b>2023</b> |
|---------------------|-------------|-------------|
| Progressive Leasing | \$ 597,493  | \$ 547,575  |
| Vive                | 34,979      | 31,918      |
| Other               | 134,580     | 53,260      |
| Total GMV           | \$ 767,052  | \$ 632,753  |

**Use of Non-GAAP Financial Information:**

Non-GAAP net earnings, non-GAAP diluted earnings per share, and adjusted EBITDA are supplemental measures of our performance that are not calculated in accordance with generally accepted accounting principles in the United States ("GAAP"). Non-GAAP diluted earnings per share for the full year 2025 and first quarter 2025 outlook excludes intangible amortization expense. Non-GAAP net earnings and non-GAAP diluted earnings per share for the year ended December 31, 2024 exclude intangible amortization expense, restructuring expenses, costs related to the cybersecurity incident, net of insurance recoveries, reversal of the uncertain tax position related to Progressive Leasing's \$175 million settlement with the FTC in 2020, and the tax benefit associated with the deemed liquidation of a partnership for tax purposes. Non-GAAP net earnings and non-GAAP diluted earnings per share for the year ended December 31, 2023 exclude intangible amortization expense, restructuring expenses, costs related to the cybersecurity incident, regulatory insurance recoveries, and accrued interest on an uncertain tax position related to Progressive Leasing's \$175 million settlement with the FTC in 2020. The amount for the after-tax non-GAAP adjustment, which is tax effected using our statutory tax rate, can be found in the reconciliation of net earnings and earnings per share assuming dilution to non-GAAP net earnings and earnings per share assuming dilution table in this press release.

The Adjusted EBITDA figures presented in this press release are calculated as the Company's earnings before interest expense, net, depreciation on property and equipment, amortization of intangible assets and income taxes. Adjusted EBITDA for the full year 2025 and first quarter 2025 outlook excludes stock-based compensation expense. Adjusted EBITDA for the three months and year ended December 31, 2024 excludes stock-based compensation expense, restructuring expenses, and costs related to the cybersecurity incident, net of insurance recoveries. Adjusted EBITDA for the three months and year ended December 31, 2023 excludes stock-based compensation expense, restructuring expenses, costs related to the cybersecurity incident and regulatory insurance recoveries. The amounts for these pre-tax non-GAAP adjustments can be found in the segment EBITDA tables in this press release.

Management believes that non-GAAP net earnings, non-GAAP diluted earnings per share, and adjusted EBITDA provide relevant and useful

information, and are widely used by analysts, investors and competitors in our industry as well as by our management in assessing both consolidated and business unit performance.

Non-GAAP net earnings, non-GAAP diluted earnings, and adjusted EBITDA provide management and investors with an understanding of the results from the primary operations of our business by excluding the effects of certain items that generally arose from larger, one-time transactions that are not reflective of the ordinary earnings activity of our operations or transactions that have variability and volatility of the amount. We believe the exclusion of stock-based compensation expense provides for a better comparison of our operating results with our peer companies as the calculations of stock-based compensation vary from period to period and company to company due to different valuation methodologies, subjective assumptions and the variety of award types. This measure may be useful to an investor in evaluating the underlying operating performance of our business.

Adjusted EBITDA also provides management and investors with an understanding of one aspect of earnings before the impact of investing and financing charges and income taxes. These measures may be useful to an investor in evaluating our operating performance because the measures:

- Are widely used by investors to measure a company's operating performance without regard to items excluded from the calculation of such measure, which can vary substantially from company to company depending upon accounting methods, book value of assets, capital structure and the method by which assets were acquired, among other factors.
- Are used by rating agencies, lenders and other parties to evaluate our creditworthiness.
- Are used by our management for various purposes, including as a measure of performance of our operating entities and as a basis for strategic planning and forecasting.

Non-GAAP financial measures, however, should not be used as a substitute for, or considered superior to, measures of financial performance prepared in accordance with GAAP, such as the Company's GAAP basis net earnings and diluted earnings per share and the GAAP revenues and earnings before income taxes of the Company's segments, which are also presented in the press release. Further, we caution investors that amounts presented in accordance with our definitions of non-GAAP net earnings, non-GAAP diluted earnings per share, and adjusted EBITDA may not be comparable to similar measures disclosed by other companies, because not all companies and analysts calculate these measures in the same manner.

#### PROG Holdings, Inc.

#### Reconciliation of Net Earnings and Earnings Per Share Assuming Dilution to Non-GAAP Net Earnings and Earnings Per Share Assuming Dilution

(In thousands, except per share amounts)

|                                                                               | (Unaudited)        |           |           |           |                     |
|-------------------------------------------------------------------------------|--------------------|-----------|-----------|-----------|---------------------|
|                                                                               | Three Months Ended |           |           |           | Twelve Months Ended |
|                                                                               | Mar 31,            | Jun 30,   | Sept 30,  | Dec 31,   | Dec 31,             |
|                                                                               | 2024               |           |           |           |                     |
| Net Earnings                                                                  | \$ 21,966          | \$ 33,774 | \$ 83,962 | \$ 57,547 | \$ 197,249          |
| Add: Intangible Amortization Expense                                          | 5,650              | 4,239     | 4,000     | 4,000     | 17,889              |
| Add: Restructuring Expense                                                    | 18,014             | 2,886     | 6         | 1,785     | 22,691              |
| Add: Costs Related to the Cybersecurity Incident, Net of Insurance Recoveries | 116                | 116       | 114       | (61 )     | 285                 |
| Less: Tax Impact of Adjustments <sup>(1)</sup>                                | (6,183 )           | (1,883 )  | (1,071 )  | (1,488 )  | (10,625 )           |
| Less: Reversal of Uncertain Tax Position                                      | —                  | —         | (53,599 ) | —         | (53,599 )           |
| Less: Tax Benefit from Partnership Deemed Liquidation                         | —                  | —         | —         | (27,635 ) | (27,635 )           |
| Add: Accrued Interest on Uncertain Tax Position                               | 1,078              | 1,078     | —         | —         | 2,156               |

|                                                                               |           |           |           |           |            |
|-------------------------------------------------------------------------------|-----------|-----------|-----------|-----------|------------|
| Non-GAAP Net Earnings                                                         | \$ 40,641 | \$ 40,210 | \$ 33,412 | \$ 34,148 | \$ 148,411 |
| Earnings Per Share Assuming Dilution                                          | \$ 0.49   | \$ 0.77   | \$ 1.94   | \$ 1.34   | \$ 4.53    |
| Add: Intangible Amortization Expense                                          | 0.13      | 0.10      | 0.09      | 0.09      | 0.41       |
| Add: Restructuring Expense                                                    | 0.40      | 0.07      | —         | 0.04      | 0.52       |
| Add: Costs Related to the Cybersecurity Incident, Net of Insurance Recoveries | —         | —         | —         | —         | 0.01       |
| Less: Tax Impact of Adjustments <sup>(1)</sup>                                | (0.14 )   | (0.04 )   | (0.02 )   | (0.03 )   | (0.24 )    |
| Less: Reversal of Uncertain Tax Position                                      | —         | —         | (1.24 )   | —         | (1.23 )    |
| Less: Tax Benefit from Partnership Deemed Liquidation                         | —         | —         | —         | (0.65 )   | (0.63 )    |
| Add: Accrued Interest on Uncertain Tax Position                               | 0.02      | 0.02      | —         | —         | 0.05       |
| Non-GAAP Earnings Per Share Assuming Dilution <sup>(2)</sup>                  | \$ 0.91   | \$ 0.92   | \$ 0.77   | \$ 0.80   | \$ 3.41    |
| Weighted Average Shares Outstanding Assuming Dilution                         | 44,528    | 43,721    | 43,169    | 42,796    | 43,549     |

(1) Adjustments are tax-effected using an assumed statutory tax rate of 26%.

(2) In some cases, the sum of individual EPS amounts may not equal total non-GAAP EPS calculations due to rounding.

#### PROG Holdings, Inc.

#### Reconciliation of Net Earnings and Earnings Per Share Assuming Dilution to Non-GAAP Net Earnings and Earnings Per Share Assuming Dilution

(In thousands, except per share amounts)

|                                                  |                    |           |           |           |                     |
|--------------------------------------------------|--------------------|-----------|-----------|-----------|---------------------|
|                                                  | (Unaudited)        |           |           |           |                     |
|                                                  | Three Months Ended |           |           |           | Twelve Months Ended |
|                                                  | Mar 31,            | Jun 30,   | Sept 30,  | Dec 31,   | Dec 31,             |
|                                                  | 2023               |           |           |           |                     |
| Net Earnings                                     | \$ 48,033          | \$ 37,218 | \$ 35,012 | \$ 18,575 | \$ 138,838          |
| Add: Intangible Amortization Expense             | 5,724              | 5,723     | 5,650     | 5,651     | 22,748              |
| Add: Restructuring Expense                       | 757                | 963       | 238       | 10,575    | 12,533              |
| Add: Costs Related to the Cybersecurity Incident | —                  | —         | 1,805     | 1,028     | 2,833               |

|                                                                |           |           |           |           |            |
|----------------------------------------------------------------|-----------|-----------|-----------|-----------|------------|
| Less: Regulatory Insurance Recoveries                          | (525 )    | —         | —         | —         | (525 )     |
| Less: Tax Impact of Adjustments <sup>(1)</sup>                 | (1,549 )  | (1,738 )  | (2,000 )  | (4,486 )  | (9,773 )   |
| Add: Accrued Interest on FTC Settlement Uncertain Tax Position | 970       | 970       | 971       | 1,078     | 3,989      |
| Non-GAAP Net Earnings                                          | \$ 53,410 | \$ 43,136 | \$ 41,676 | \$ 32,421 | \$ 170,643 |
| Earnings Per Share Assuming Dilution                           | \$ 1.00   | \$ 0.79   | \$ 0.76   | \$ 0.41   | \$ 2.98    |
| Add: Intangible Amortization Expense                           | 0.12      | 0.12      | 0.12      | 0.13      | 0.49       |
| Add: Restructuring Expense                                     | 0.02      | 0.02      | 0.01      | 0.23      | 0.27       |
| Add: Costs Related to the Cybersecurity Incident               | —         | —         | 0.04      | 0.02      | 0.06       |
| Less: Regulatory Insurance Recoveries                          | (0.01 )   | —         | —         | —         | (0.01 )    |
| Less: Tax Impact of Adjustments <sup>(1)</sup>                 | (0.03 )   | (0.04 )   | (0.04 )   | (0.10 )   | (0.21 )    |
| Add: Accrued Interest on FTC Settlement Uncertain Tax Position | 0.02      | 0.02      | 0.02      | 0.02      | 0.09       |
| Non-GAAP Earnings Per Share Assuming Dilution <sup>(2)</sup>   | \$ 1.11   | \$ 0.92   | \$ 0.90   | \$ 0.72   | \$ 3.67    |
| Weighted Average Shares Outstanding Assuming Dilution          | 48,139    | 46,896    | 46,133    | 45,075    | 46,550     |

(1) Adjustments are tax-effected using an assumed statutory tax rate of 26%.

(2) In some cases, the sum of individual EPS amounts may not equal total non-GAAP EPS calculations due to rounding.

## PROG Holdings, Inc.

### Non-GAAP Financial Information

#### Quarterly Segment EBITDA

(In thousands)

(Unaudited)

Three Months Ended

December 31, 2024

|                                   | Progressive Leasing Vive | Other | Consolidated Total |
|-----------------------------------|--------------------------|-------|--------------------|
| Net Earnings                      |                          |       | \$ 57,547          |
| Income Tax Benefit <sup>(1)</sup> |                          |       | (15,692 )          |

|                                                                          |           |           |             |           |
|--------------------------------------------------------------------------|-----------|-----------|-------------|-----------|
| Earnings (Loss) Before Income Tax Benefit                                | \$ 48,186 | \$ (956 ) | \$ (5,375 ) | 41,855    |
| Interest Expense, Net                                                    | 6,731     | —         | 1,585       | 8,316     |
| Depreciation                                                             | 1,494     | 156       | 547         | 2,197     |
| Amortization                                                             | 3,771     | —         | 229         | 4,000     |
| EBITDA                                                                   | 60,182    | (800 )    | (3,014 )    | 56,368    |
| Stock-Based Compensation                                                 | 5,760     | 282       | 1,549       | 7,591     |
| Restructuring Expense                                                    | (68 )     | 1,853     | —           | 1,785     |
| Costs Related to the Cybersecurity Incident, Net of Insurance Recoveries | (61 )     | —         | —           | (61 )     |
| Adjusted EBITDA                                                          | \$ 65,813 | \$ 1,335  | \$ (1,465 ) | \$ 65,683 |

(1) Taxes are calculated on a consolidated basis and are not identifiable by Company segment.

**(Unaudited)**

**Three Months Ended**

**December 31, 2023**

|                                             | Progressive Leasing | Vive   | Other       | Consolidated Total |
|---------------------------------------------|---------------------|--------|-------------|--------------------|
| Net Earnings                                |                     |        |             | \$ 18,575          |
| Income Tax Expense <sup>(1)</sup>           |                     |        |             | 9,936              |
| Earnings (Loss) Before Income Tax Expense   | \$ 35,857           | \$ 59  | \$ (7,405 ) | 28,511             |
| Interest Expense, Net                       | 6,915               | 24     | (82 )       | 6,857              |
| Depreciation                                | 1,941               | 211    | 353         | 2,505              |
| Amortization                                | 5,422               | —      | 229         | 5,651              |
| EBITDA                                      | 50,135              | 294    | (6,905 )    | 43,524             |
| Stock-Based Compensation                    | 4,024               | 306    | 1,509       | 5,839              |
| Restructuring Expense                       | 10,575              | —      | —           | 10,575             |
| Costs Related to the Cybersecurity Incident | 1,028               | —      | —           | 1,028              |
| Adjusted EBITDA                             | \$ 65,762           | \$ 600 | \$ (5,396 ) | \$ 60,966          |

(1) Taxes are calculated on a consolidated basis and are not identifiable by Company segment.

**PROG Holdings, Inc.**

**Non-GAAP Financial Information**

**Twelve Month Segment EBITDA**

**(In thousands)**

|                                                                          | <b>Twelve Months Ended</b> |           |              |                    |
|--------------------------------------------------------------------------|----------------------------|-----------|--------------|--------------------|
|                                                                          | <b>December 31, 2024</b>   |           |              |                    |
|                                                                          | Progressive Leasing        | Vive      | Other        | Consolidated Total |
| Net Earnings                                                             |                            |           |              | \$ 197,249         |
| Income Tax Benefit <sup>(1)</sup>                                        |                            |           |              | (33,641 )          |
| Earnings (Loss) Before Income Tax Benefit                                | \$ 184,782                 | \$ (848 ) | \$ (20,326 ) | 163,608            |
| Interest Expense, Net                                                    | 30,653                     | —         | 636          | 31,289             |
| Depreciation                                                             | 6,574                      | 643       | 1,871        | 9,088              |
| Amortization                                                             | 16,972                     | —         | 917          | 17,889             |
| EBITDA                                                                   | 238,981                    | (205 )    | (16,902 )    | 221,874            |
| Stock-Based Compensation                                                 | 22,665                     | 1,334     | 5,180        | 29,179             |
| Restructuring Expense                                                    | 18,210                     | 1,853     | 2,628        | 22,691             |
| Costs Related to the Cybersecurity Incident, Net of Insurance Recoveries | 285                        | —         | —            | 285                |
| Adjusted EBITDA                                                          | \$ 280,141                 | \$ 2,982  | \$ (9,094 )  | \$ 274,029         |

(1) Taxes are calculated on a consolidated basis and are not identifiable by Company segment.

|                                   | <b>Twelve Months Ended</b> |      |            |
|-----------------------------------|----------------------------|------|------------|
|                                   | <b>December 31, 2023</b>   |      |            |
|                                   | Progressive Leasing        | Vive | Other      |
| Net Earnings                      |                            |      | \$ 138,838 |
| Income Tax Expense <sup>(1)</sup> |                            |      | 57,383     |

|                                             |            |          |             |            |
|---------------------------------------------|------------|----------|-------------|------------|
| Earnings (Loss) Before Income Tax Expense   | \$ 216,271 | \$ 4,545 | \$(24,595)  | 196,221    |
| Interest Expense, Net                       | 28,978     | 593      | (165 )      | 29,406     |
| Depreciation                                | 7,482      | 745      | 1,058       | 9,285      |
| Amortization                                | 21,684     | —        | 1,064       | 22,748     |
| EBITDA                                      | 274,415    | 5,883    | (22,638 )   | 257,660    |
| Stock-Based Compensation                    | 17,327     | 1,190    | 6,403       | 24,920     |
| Restructuring Expense                       | 12,533     | —        | —           | 12,533     |
| Regulatory Insurance Recoveries             | (525 )     | —        | —           | (525 )     |
| Costs Related to the Cybersecurity Incident | 2,833      | —        | —           | 2,833      |
| Adjusted EBITDA                             | \$ 306,583 | \$ 7,073 | \$(16,235 ) | \$ 297,421 |

(1) Taxes are calculated on a consolidated basis and are not identifiable by Company segment.

#### **PROG Holdings, Inc.**

#### **Non-GAAP Financial Information**

#### **Reconciliation of Full Year 2025 Outlook for Adjusted EBITDA**

**(In thousands)**

|                                                     | Fiscal Year 2025 Ranges |                       |                       | Consolidated Total    |
|-----------------------------------------------------|-------------------------|-----------------------|-----------------------|-----------------------|
|                                                     | Progressive Leasing     | Vive                  | Other                 |                       |
| Estimated Net Earnings                              |                         |                       |                       | \$115,500 - \$133,500 |
| Income Tax Expense <sup>(1)</sup>                   |                         |                       |                       | 51,000 - 53,000       |
| Projected Earnings (Loss) Before Income Tax Expense | \$181,000 - \$195,000   | \$(5,500) - \$(2,500) | \$(9,000) - \$(6,000) | 166,500 - 186,500     |
| Interest Expense, Net                               | 30,000 - 28,000         | 1,500 - 1,000         | 6,000 - 5,000         | 37,500 - 34,000       |
| Depreciation                                        | 6,000 - 7,000           | 500                   | 2,500                 | 9,000 - 10,000        |
| Amortization                                        | 15,000                  | —                     | 1,000                 | 16,000                |
| Projected EBITDA                                    | 232,000 - 245,000       | (3,500) - (1,000)     | 500 - 2,500           | 229,000 - 246,500     |
| Stock-Based Compensation                            | 28,000 - 30,000         | 1,000                 | 2,000 - 2,500         | 31,000 - 33,500       |

|                           |                       |                 |                   |                       |
|---------------------------|-----------------------|-----------------|-------------------|-----------------------|
| Projected Adjusted EBITDA | \$260,000 - \$275,000 | \$(2,500) - \$0 | \$2,500 - \$5,000 | \$260,000 - \$280,000 |
|---------------------------|-----------------------|-----------------|-------------------|-----------------------|

(1) Taxes are calculated on a consolidated basis and are not identifiable by Company segment.

**PROG Holdings, Inc.**

**Non-GAAP Financial Information**

**Reconciliation of the Three Months Ended March 31, 2025 Outlook for Adjusted EBITDA**

(In thousands)

|                                              | Three Months Ended<br>March 31, 2025 |
|----------------------------------------------|--------------------------------------|
|                                              | Consolidated Total                   |
| Estimated Net Earnings                       | \$28,000 - \$32,000                  |
| Income Tax Expense <sup>(1)</sup>            | 12,000 - 13,000                      |
| Projected Earnings Before Income Tax Expense | 40,000 - 45,000                      |
| Interest Expense, Net                        | 9,000                                |
| Depreciation                                 | 2,000                                |
| Amortization                                 | 4,000                                |
| Projected EBITDA                             | 55,000 - 60,000                      |
| Stock-Based Compensation                     | 8,000                                |
| Projected Adjusted EBITDA                    | \$63,000 - \$68,000                  |

(1) Taxes are calculated on a consolidated basis and are not identifiable by Company segment.

**PROG Holdings, Inc.**

**Reconciliation of Full Year 2025 Outlook for Earnings Per Share**

**Assuming Dilution to Non-GAAP Earnings Per Share Assuming Dilution**

**Full Year 2025**

Low      High

|                                                                        |         |         |
|------------------------------------------------------------------------|---------|---------|
| Projected Earnings Per Share Assuming Dilution                         | \$ 2.82 | \$ 3.22 |
| Add: Projected Intangible Amortization Expense                         | 0.38    | 0.38    |
| Subtract: Tax Effect on Non-GAAP Adjustments <sup>(1)</sup>            | (0.10)  | (0.10)  |
| Projected Non-GAAP Earnings Per Share Assuming Dilution <sup>(2)</sup> | \$ 3.10 | \$ 3.50 |

(1) Adjustments are tax-effected using an assumed statutory tax rate of 26%.

(2) In some cases, the sum of individual EPS amounts may not equal total non-GAAP EPS calculations due to rounding.

#### **PROG Holdings, Inc.**

#### **Reconciliation of the Three Months Ended March 31, 2025 Outlook for Earnings Per Share**

#### **Assuming Dilution to Non-GAAP Earnings Per Share Assuming Dilution**

|                                                                        | <b>Three Months Ended</b> |         |
|------------------------------------------------------------------------|---------------------------|---------|
|                                                                        | <b>March 31, 2025</b>     |         |
|                                                                        | Low                       | High    |
| Projected Earnings Per Share Assuming Dilution                         | \$ 0.73                   | \$ 0.78 |
| Add: Projected Intangible Amortization Expense                         | 0.09                      | 0.09    |
| Subtract: Tax Effect on Non-GAAP Adjustments <sup>(1)</sup>            | (0.02 )                   | (0.02 ) |
| Projected Non-GAAP Earnings Per Share Assuming Dilution <sup>(2)</sup> | \$ 0.80                   | \$ 0.85 |

(1) Adjustments are tax-effected using an assumed statutory tax rate of 26%.

(2) In some cases, the sum of individual EPS amounts may not equal total non-GAAP EPS calculations due to rounding.

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