

PROG Holdings, Inc.

Q4 2024 Earnings Supplement

February 19, 2025

Use of Forward-Looking Statements

Statements in this earnings supplement 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 earnings supplement 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 earnings supplement. 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 earnings supplement.

PROG Holdings Q4 2024 Headlines

- **Progressive Leasing GMV** of \$597.5 million, up 9.1% year-over-year
- **Consolidated revenues** of \$623.3 million, up 8.0%
- **Net earnings** of \$57.5 million
- **Adjusted EBITDA** of \$65.7 million
- **Diluted EPS** of \$1.34; **Non-GAAP Diluted EPS** of \$0.80
- **Provides full year 2025** consolidated revenue and earnings outlook



PROG Holdings Executive Commentary

"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



Steve Michaels
President and CEO,
PROG Holdings, Inc.

PROG Holdings Q4 Consolidated Results

Revenue
in millions



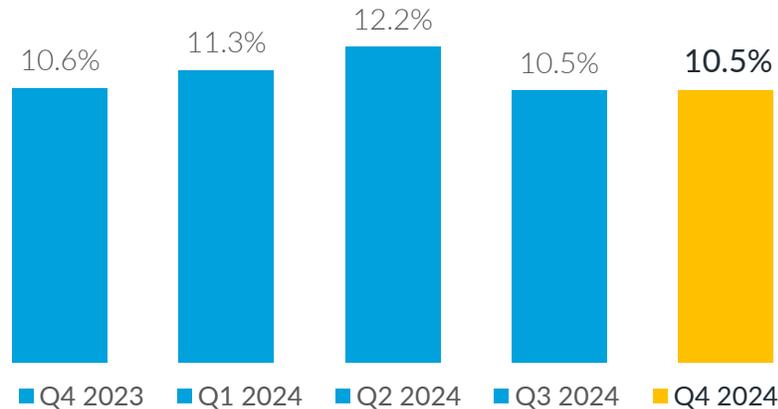
Non-GAAP EPS



Adjusted EBITDA
in millions



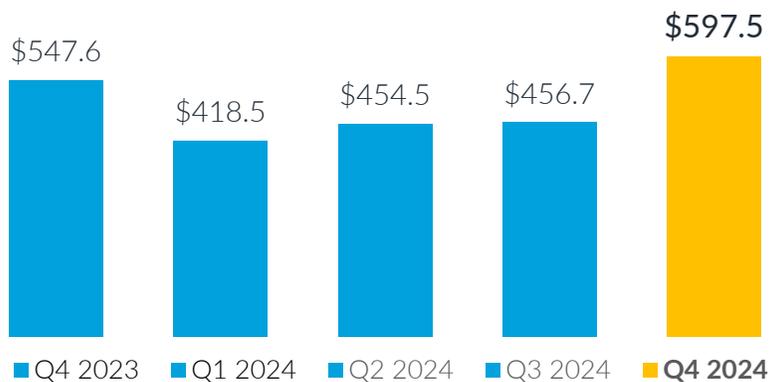
Adjusted EBITDA
as a % of PROG Holdings consolidated revenues



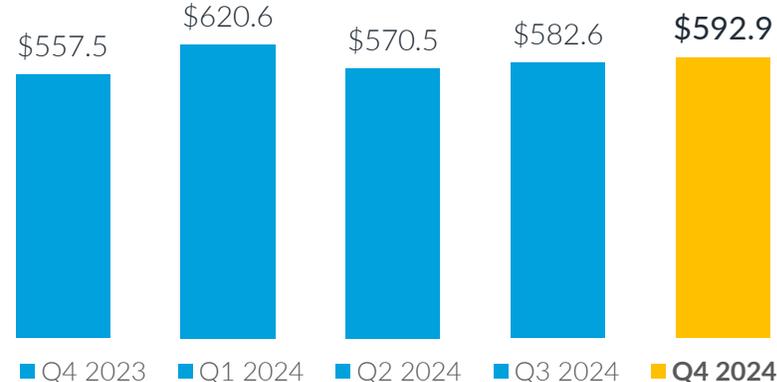
- Consolidated revenue increased 8.0% year-over-year driven primarily by our larger lease portfolio during the period
- Non-GAAP EPS benefited from improvements in our “Other” operations and a reduction of outstanding shares
- Year-over-year growth in Adjusted EBITDA was supported by improvements in our “Other” operations

Progressive Leasing Q4 Segment Results

GMV
in millions

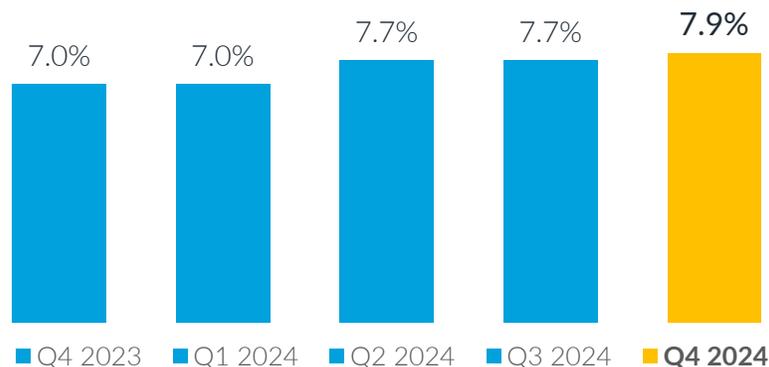


Revenue
in millions

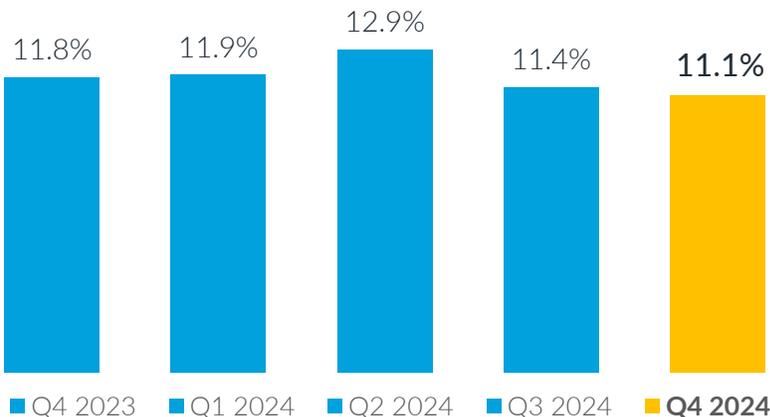


- Year-over-year GMV was up 9.1% which is our third consecutive quarter of strong growth
- Revenue increased 6.3% year-over-year primarily due to a larger lease portfolio
- Write-offs as a percentage of revenue for the year remained within the Company's targeted annual range of 6-8%

Write-Offs*
as a % of Progressive Leasing revenues



Adjusted EBITDA
as a % of Progressive Leasing revenues



*Provision for lease merchandise write-offs



RESULTS

PROG Holdings Consolidated Q4 Results



	Three Months Ended December 31		Change
	2024	2023	
Revenue	\$623.3	\$577.4	8.0%
GAAP Net Earnings	\$57.5	\$18.6	209.1%
Adjusted Net Earnings	\$34.1	\$32.4	5.2%
Adjusted EBITDA \$	\$65.7	\$61.0	7.7%
Adjusted EBITDA %	10.5%	10.6%	-10 bps
GAAP Diluted Earnings Per Share	\$1.34	\$0.41	226.8%
Non-GAAP Diluted Earnings Per Share	\$0.80	\$0.72	11.1%

All dollar amounts in millions except EPS
 GAAP to non-GAAP reconciliation tables available in appendix

PROG Holdings Consolidated Results



Cash Flow From Operations

Twelve Months Ended
12/31/2024

\$138.5M

Shares of Common Stock Repurchased

Q4 2024

0.9M

Common Stock Repurchase Amount

Q4 2024

\$40.5M

Cash and Cash Equivalents

As of 12/31/2024

\$95.7M

Gross Debt

As of 12/31/2024

\$650M

Net Leverage Ratio*

As of 12/31/2024

2.0x

Progressive Leasing Q4 Segment Results



	Three Months Ended December 31		Change
	2024	2023	
GMV	\$597.5	\$547.6	9.1%
Revenue	\$592.9	\$557.5	6.3%
Gross Margin %	31.9%	32.9%	-100 bps
S G&A %	13.9%	15.0%	-110 bps
Write-Off % *	7.9%	7.0%	90 bps
Adjusted EBITDA \$	\$65.8	\$65.8	0.0%
Adjusted EBITDA %	11.1%	11.8%	-70 bps

*The provision for lease merchandise write-offs as a percentage of Progressive Leasing revenue

All dollar amounts in millions

GAAP to non-GAAP reconciliation tables available in appendix

PROG Holdings Full-Year 2025 Outlook

(In thousands, except per share amounts)	Full Year 2025 Outlook	
	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

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.

PROG Holdings Q1 2025 Outlook

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

This outlook assumes a difficult operating environment with soft demand for leasable consumer goods, no material changes in the Company's decisioning posture, no material increase in the unemployment rate for our consumer base, an effective tax rate for non-GAAP EPS of approximately 28%, and no impact from additional share repurchases.



APPENDIX

Use of Non-GAAP Financial Measures

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 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 presentation.

The Adjusted EBITDA figures presented in this presentation 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 presentation.

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 included in the presentation. 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.

GAAP to non-GAAP Reconciliation Tables

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 ⁽¹⁾	(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 ⁽¹⁾	(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 ⁽²⁾	\$ 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.

GAAP to non-GAAP Reconciliation Tables

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 ⁽¹⁾	(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 ⁽¹⁾	(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 ⁽²⁾	\$ 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.

GAAP to non-GAAP Reconciliation Tables

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 ⁽¹⁾				(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
September 30, 2024

	Progressive Leasing	Vive	Other	Consolidated Total
Net Earnings				\$ 83,962
Income Tax (Benefit) Expense ⁽¹⁾				(42,115)
Earnings (Loss) Before Income Tax (Benefit) Expense	\$ 47,177	\$ (1,441)	\$ (3,889)	41,847
Interest Expense, Net	7,700	—	(316)	7,384
Depreciation	1,619	155	491	2,265
Amortization	3,771	—	229	4,000
EBITDA	60,267	(1,286)	(3,485)	55,496
Stock-Based Compensation	6,059	354	1,438	7,851
Restructuring Expense	6	—	—	6
Costs Related to the Cybersecurity Incident, Net of Insurance Recoveries	114	—	—	114
Adjusted EBITDA	\$ 66,446	\$ (932)	\$ (2,047)	\$ 63,467

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

GAAP to non-GAAP Reconciliation Tables

PROG Holdings, Inc. Non-GAAP Financial Information Quarterly Segment EBITDA (In thousands)

	(Unaudited) Three Months Ended June 30, 2024			
	Progressive Leasing	Vive	Other	Consolidated Total
Net Earnings				\$ 33,774
Income Tax Expense ⁽¹⁾				14,565
Earnings (Loss) Before Income Tax Expense	\$ 53,966	\$ 631	\$ (6,258)	48,339
Interest Expense, Net	7,655	—	(316)	7,339
Depreciation	1,651	166	441	2,258
Amortization	4,009	—	230	4,239
EBITDA	67,281	797	(5,903)	62,175
Stock-Based Compensation	6,135	360	600	7,095
Restructuring Expense	258	—	2,628	2,886
Costs Related to the Cybersecurity Incident, Net of Insurance Recoveries	116	—	—	116
Adjusted EBITDA	\$ 73,790	\$ 1,157	\$ (2,675)	\$ 72,272

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

	(Unaudited) Three Months Ended March 31, 2024			
	Progressive Leasing	Vive	Other	Consolidated Total
Net Earnings				\$ 21,966
Income Tax Expense ⁽¹⁾				9,601
Earnings (Loss) Before Income Tax Expense	\$ 35,453	\$ 918	\$ (4,804)	31,567
Interest Expense, Net	8,567	—	(317)	8,250
Depreciation	1,810	166	392	2,368
Amortization	5,421	—	229	5,650
EBITDA	51,251	1,084	(4,500)	47,835
Stock-Based Compensation	4,711	338	1,593	6,642
Restructuring Expense	18,014	—	—	18,014
Costs Related to the Cybersecurity Incident	116	—	—	116
Adjusted EBITDA	\$ 74,092	\$ 1,422	\$ (2,907)	\$ 72,607

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

GAAP to non-GAAP Reconciliation Tables

PROG Holdings, Inc.
Non-GAAP Financial Information
Quarterly Segment EBITDA
(In thousands)

	(Unaudited)			
	Three Months Ended			
	December 31, 2023			
	Progressive Leasing	Vive	Other	Consolidated Total
Net Earnings				\$ 18,575
Income Tax Expense ⁽¹⁾				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.

GAAP to non-GAAP Reconciliation Tables

PROG Holdings, Inc.
Non-GAAP Financial Information
Annual Segment EBITDA
(In thousands)

	Twelve Months Ended			
	December 31, 2024			
	Progressive Leasing	Vive	Other	Consolidated Total
Net Earnings				\$ 197,249
Income Tax Benefit ⁽¹⁾				(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.

	Twelve Months Ended			
	December 31, 2023			
	Progressive Leasing	Vive	Other	Consolidated Total
Net Earnings				\$ 138,838
Income Tax Expense ⁽¹⁾				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.

GAAP to non-GAAP Reconciliation Tables

PROG Holdings, Inc.
Non-GAAP Financial Information
Consolidated & Progressive Leasing
Adjusted EBITDA %

Consolidated Adjusted EBITDA %

	Three Months Ended				
	December 31, 2023	March 31, 2024	June 30, 2024	September 30, 2024	December 31, 2024
(in thousands)					
Consolidated Revenues	\$ 577,401	\$ 641,870	\$ 592,161	\$ 606,145	\$ 623,320
Adjusted EBITDA	60,966	72,607	72,272	63,467	65,683
Adjusted EBITDA %	10.6%	11.3%	12.2%	10.5%	10.5%

Progressive Leasing Adjusted EBITDA %

	Three Months Ended				
	December 31, 2023	March 31, 2024	June 30, 2024	September 30, 2024	December 31, 2024
(in thousands)					
Progressive Leasing Revenues	\$ 557,484	\$ 620,550	\$ 570,516	\$ 582,551	\$ 592,872
Adjusted EBITDA	65,762	74,092	73,790	66,446	65,813
Adjusted EBITDA %	11.8%	11.9%	12.9%	11.4%	11.1%

GAAP to non-GAAP Reconciliation Tables

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 (Benefit) Expense ⁽¹⁾				51,000 - 53,000
Projected Earnings (Loss) Before Income Tax (Benefit) 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.

GAAP to non-GAAP Reconciliation Tables

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

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

GAAP to non-GAAP Reconciliation Tables

PROG Holdings, Inc.
Non-GAAP Financial Information
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 ⁽¹⁾	(0.10)	(0.10)
Projected Non-GAAP Earnings Per Share Assuming Dilution ⁽²⁾	<u>\$ 3.10</u>	<u>\$ 3.50</u>

(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.

GAAP to non-GAAP Reconciliation Tables

PROG Holdings, Inc.
Non-GAAP Financial Information
Reconciliation of the Three Months
Ended March 31, 2025 Outlook for
Earnings Per Share Assuming Dilution
to Non-GAAP Earnings Per Share
Assuming Dilution

	Three Months Ended March 31, 2025	
	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 ⁽¹⁾	(0.02)	(0.02)
Projected Non-GAAP Earnings Per Share Assuming Dilution ⁽²⁾	<u>\$ 0.80</u>	<u>\$ 0.85</u>

(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.