

ASX release

2 November 2022

## 2022 Annual General Meeting

Following is Pioneer Credit Limited's (ASX: PNC) ('**Company**') Chairman's Address for the Annual General Meeting to be held by live webcast today at 11 am AWST at:-

<https://meetings.linkgroup.com/PNC22>

Authorised by:  
Company Secretary, Pioneer Credit Limited

### Investor and media enquiries:

Keith John  
Managing Director  
Pioneer Credit Limited  
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### About Pioneer

Pioneer Credit is an ASX-listed company (ASX: PNC) providing high quality, flexible, financial services support to help everyday Australians out of financial difficulty. Pioneer Credit has the trust of long-term vendor partners to do the right thing and respectfully support customers to achieve their financial independence.

Pioneer Credit has established a solid foundation to pursue further growth by leveraging its outstanding industry relationships, compliance record and customer-focused culture.

[www.pioneercredit.com.au](http://www.pioneercredit.com.au)

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## 2022 Annual General Meeting - Chairman's Address

Thank you for joining us in this our first entirely webcast AGM. We hope that you will feel encouraged to participate fully and find the ability to raise questions and have your issues discussed easily. We will be interested in any feedback on how we can improve the experience.

Since listing we have been on quite a journey ranging from being somewhat of a stock market darling to barely surviving a series of extraordinary company-threatening setbacks, to surviving and now taking a leading role in our sector.

In that context FY22 was a significant year for the Company. We established a basis of providing our patient shareholders with the opportunities associated with a return to profitability and taking a senior, and what we think will be, a preferred position in the market.

A feature has been the solid operating performance with liquidations up by 13% to \$105.6m, off what has been a very modest investment of debt portfolios over the prior 2 years.

In working our way through our challenges, we had accepted a high cost of debt. In FY22 we refinanced our business. This required significant one-off expenses that substantially contributed to a net loss of \$33.1m.

As we wade out of the swamp we drop off the mud, start walking in clean clothes and expect to start running again. We expect to return to profitability in FY23, and for that profit to grow solidly from here.

We become profitable by running our business well with proven operations, strong vendor relationships, improved data and IT and an excellent team, without the distractions and costs of the past challenges.

In refinancing, which settled in November last year, we entered a four-year financing facility with significant headroom, and our Medium-Term Notes were increased and extended to expire in 2026.

The ability for us to refinance down further is also in-built into both facilities. Keith John will discuss this in his presentation.

To support this refinancing, additional capital was issued through two equity raises totalling approximately \$21m, both at a premium to the then share price and were well supported by our three largest shareholders in our Managing Director, Mr James Simpson, and Nomura Australia.

We are very grateful for their continued investment in and support of the growth of the Company.

The leadership of our Company are shareholders and virtually all have encouraged the investment of friends and family into the business. Justifying the faith of our supporters is personal and professional.

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The debt purchase industry has undergone significant change in the past year, not only from the ongoing impact of the pandemic. The changes have resulted in quality vendors reconsidering who they sell to and continuing to prefer quality over price when selecting a purchasing partner.

Pioneer has been a beneficiary of this, and in FY22 invested \$100m in new portfolios, a record amount for the Company, and more than the prior two years combined.

With a customer-first service model and enviable compliance record, Pioneer has also entered an industry-first, five year, forward-flow purchasing agreement with the Commonwealth Bank.

This agreement is an example of the evidence supporting our belief in our investment capability and opportunities.

Supporting our position and reputation, we recently refreshed the Pioneer brand and launched our new website to our staff and business partners. The new look reflects an old truth. We are founded in:

- cultural alignment and employee advocacy,
- improving the customer experiences and injecting the brand promise of genuine care, and
- instilling a new vision into stakeholder communication to increase brand equity.

A number of business initiatives have been completed throughout the year that are designed to further bolster our governance and compliance, improve our operational effectiveness, and to continue to reduce the cost to serve in a manner best suited to each of our customers' needs.

Data and technology are major elements of these initiatives with the replacement of our core business system over the next 12 months leveraging digital and growth strategies including customer segmentation, enhanced collections' strategies and improved customer management.

Operational efficiencies and productivity gains are expected across all business functions via process improvements identified through product implementation and the project lifecycle.

Keith will provide a more detailed overview of our strategic priorities for FY23 following the close of this meeting.

Pioneer understands that stakeholders are looking to the corporate world to take a lead on ESG matters. We are conscious of this responsibility and are aware of the social impact our Company can have on its customers many of whom are to some degree, vulnerable.

To that end, we await B Corp's response to certification which evidences that our business is committed to and balances people, planet and profit. Attaining certification proves a business meets the highest global standards of social and environmental performance, public transparency and legal accountability.

In closing, we acknowledge the journey shareholders have been on with us. We've worked extremely hard to position the Company for the good conditions that sit in front of us. We all have much work to do to gain the confidence in the market and have a share price that reflects the true value of the Company. We will continue to work for you to achieve this.

It is usual at this point to thank my fellow directors, management and staff. Our diverse pool of talent is essential to deliver on our initiatives and make a positive impact on society. I am grateful for their continued support, service and efforts. Of course, that is true, but few companies would have done so well in the circumstances faced by Pioneer and those that have prospered will all

say it is due to an extraordinary group of people who could have found an easier way but they did the hard thing, and the right thing together, and I am proud to stand with them.

I thank you, our shareholders, again, for your patience. I look forward to standing before you at next year's AGM, having done what we said we would.

- End -

