

## Cash collections up 24% as Pioneer returns to profit

Pioneer Credit Limited ('Pioneer' or the 'Company') is pleased to report its FY23 results. Cash Collections climbed by 24% to \$132.6m<sup>1</sup> compared with FY22, as the Company returned to profitability.

Managing Director Keith John commented "Cash collections continued to grow through the financial year to close at a record level, reflecting our targeted investment, disciplined cost management and the re-emergence of Pioneer as a profitable business.

"The Company will continue to aggressively pursue opportunities to generate shareholder value in the current economic climate which favours Pioneer's business model."

### FY23 Key Financial Results

- Cash Collections of **\$132.6m<sup>1</sup> up 24%** on FY22
- EBITDA of **\$86.1m up 42%** on FY22
- EBIT of **\$31.2m up >100%** on FY22
- NPAT of **\$0.2m up >100%** on FY22

Pioneer's Net Profit after Taxation (NPAT) of \$0.2m represents a \$33.3m turnaround from FY22 reflecting the incredible work and commitment of our 400 staff members.

The Company's financial results reflect a strong operational performance and contributions from portfolio investments made in late FY22. The Company expects its \$59.2m investment during the period in quality Purchased Debt Portfolios (PDPs) to contribute significantly to FY24 performance and beyond.

With Pioneer's focus on banking and finance portfolios, there is a substantial opportunity for a quality service provider, like Pioneer, to grow its business. Feedback continues to suggest a growing preference of vendors to partner with groups that do not have competing products. As the only significant sector participant that does not compete with its vendor partners, this positioning has become an important advantage to Pioneer.

Consequently, a strong increase in PDP opportunities is anticipated, at attractive price points. Pioneer will continue to prioritise this in line with its funding capacity and free cash flow, which grew significantly in FY23, as reflected in EBITDA (FY23 \$86.1m up 42% on FY22).

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<sup>1</sup> Cash Collections includes payments classified as Other Income

Continuing the Company's cautious approach to Estimated Remaining Collections ('ERC'), after strong cash collections and PDP investment during the year, ERC of \$567.5m has been carried on the Company's balance sheet at \$304.3m.

Pioneer believes it is in an environment of significant tailwinds. A process to decrease funding costs has commenced. Once successfully completed, the Company expects this to make a material contribution to our financial performance, providing additional optionality to enable it to invest more swiftly in PDPs and across the business more generally. With macro-economic pressure driving supply, balanced against decreased funding costs, a fully employed population's strong capacity to service its financial commitments, less competition for portfolios and a vendor preference towards Pioneer, the Company expects profitability to grow materially in the future.

An investor briefing webinar of Pioneer's FY23 results will be held on Tuesday 29 August 2023 at 9am AWST/11am AEST and will be accessible by clicking the following link:-

[https://protect-au.mimecast.com/s/W\\_YQCWLV0MFM0VkiKDI9P?domain=us02web.zoom.us](https://protect-au.mimecast.com/s/W_YQCWLV0MFM0VkiKDI9P?domain=us02web.zoom.us)

A recording of the webinar will also be available via Pioneer's Investor Centre at [www.pioneercredit.com.au/for-business/investor-centre/news-and-announcements](http://www.pioneercredit.com.au/for-business/investor-centre/news-and-announcements) and via LinkedIn at [www.linkedin.com/company/2164432/](http://www.linkedin.com/company/2164432/).

Authorised by The Board of Directors of Pioneer Credit Limited.

**Investor and media enquiries:**

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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)