

Pioneer Upgrades FY24 PDP Investment Guidance

Highlights

- Pioneer has acquired a Debt Portfolio from Panthera Finance Pty Ltd for a total consideration of \$24.1m, part funded by a Nomura Australia Ltd finance facility
- Following the Panthera transaction the Company has upgraded its FY24 PDP Investment Guidance to \$85m (previously \$60m)
- Pioneer continues to progress refinancing its existing senior debt facility

Pioneer Credit Limited ('Pioneer' or the 'Company') (ASX: PNC) advises that it has completed the acquisition of a Purchase Debt Portfolio ('PDP') from Panthera Finance Pty Ltd ('Panthera') for a total consideration of \$24.1m. To part fund this investment Pioneer has also entered into a competitive finance facility with Nomura Australia Limited, which is priced on more favourable terms than the Company's existing debt facilities.

Panthera Portfolio Details

The acquired portfolio of around 32,775 customer accounts, consisting predominantly of credit card and personal loan accounts originated by the Commonwealth Bank of Australia, has a face value of \$367m.

The Nomura Finance Facility is Favourably Priced

To part fund this investment, Pioneer has entered into a competitive finance facility with Nomura Australia Limited ('Nomura Facility') via a newly created Special Purpose Vehicle ('SPV'). The Nomura Facility is more favourably priced than the Company's existing debt facilities. As part of the Nomura Facility, the Panthera sourced PDP will be placed in the SPV, which sits outside the Group's existing asset pool from a funding perspective.

As such, the Nomura Facility does not impact, and has no recourse whatsoever, to Pioneer's existing assets or equity. In all respects, the economics from this SPV will be consolidated in Pioneer's financial statements.

The balance of the Nomura Facility is available to fund other PDP investments subject to meeting certain acceptance criteria as have been agreed with Pioneer.

Pioneer will draw down \$17m from the Nomura Finance Facility, with the balance of the PDP investment and fees equity funded.

The key terms of the Nomura Finance Facility are as follows:

Facility Limit:	\$35.3m
Upfront Fee:	1% of the initial drawdown
Interest Rate:	BBSY + 6.5% margin
Security:	Assets of the SPV only
LVR:	85% for 12 months, 75% thereafter
Term:	2 years

Upgrade to PDP Investment Guidance

As a result of the Panthera transaction, Pioneer has upgraded its prior FY24 PDP Investment Guidance from \$60m to \$85m.

Pioneer's Managing Director Keith John said, "We have spoken for some time about Pioneer's preferred positioning in the Australian market and how this is generating material PDP investment opportunities. The Panthera transaction demonstrates our ability to realise these opportunities. We very much look forward to completing more one-off material PDP transactions over the balance of FY24 and beyond."

Work on refinancing Pioneer's existing senior debt further progressed

The Company continues to progress refinancing its existing senior debt facility. The Board is encouraged by the level of genuine interest in funding Pioneer, including indicative pricing of proposed non-binding refinancing arrangements received to date.

To this end, the Company is seeking to appoint an exclusive preferred party and looks forward to announcing a successful outcome.

Authorised by:
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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.

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