

ASX release

27 August 2025

## Growing Profitability and Market Share

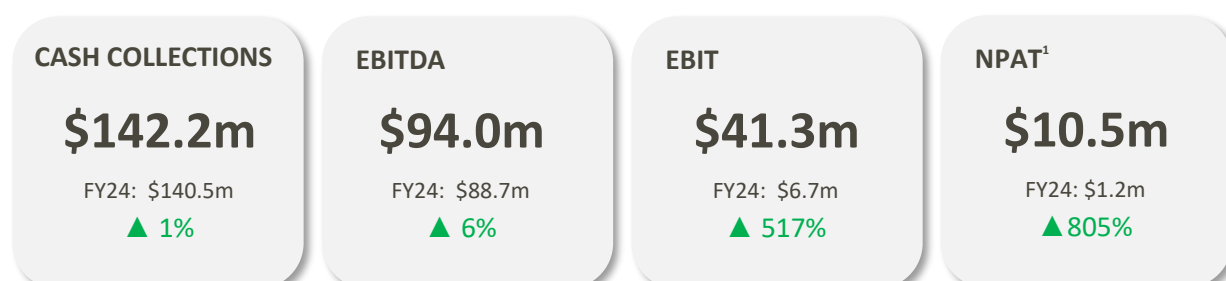
Pioneer Credit Limited ('Pioneer' or the 'Company') is pleased to report its FY25 results, delivering strong profit growth and reinforcing its position as one of the leading participants in Australia's Purchased Debt Portfolio ('PDP') market.

Cash Collections of \$142.2m enabled a 517% increase in EBIT to \$41.3m, compared with FY24, the prior corresponding period ('pcp'). The Company has delivered a Statutory Net Profit after Taxation of \$6.7m (pcp -\$10.0m).

**Normalised Net Profit after Taxation was \$10.5m, beating guidance by 17%.**

Managing Director Keith John commented, *"FY25 was the year we promised to deliver. With statutory and normalised earnings beating guidance, and the one-off costs of the past two years behind us, Pioneer has re-established itself as a profitable and resilient business. We now have the platform, scale and funding strength to grow on this performance"*.

### FY25 Key Financial Results



### Operating Performance

A disciplined approach to cost management underpinned the FY25 result.

Cost to Service<sup>1</sup> fell to 32% (pcp 33%), below the guided range of 35%-37%. This sustained decrease now allows the Company confidence to reset the guidance to 33%-35% going forward. This year's improvement reflects both continued expense discipline and the early benefits from technology-driven productivity gains, including artificial intelligence solutions in compliance.

<sup>1</sup> Normalised

### **Favourable PDP Market Dynamics**

PDP investments were also conducted with strict discipline.

PDP investment for the year was \$69.1m and while below the headline number we expected, it reflects improved purchasing terms, where Forward Flow agreements were renewed at meaningful investment price discounts, and a deliberate pause to preserve balance sheet capacity for near-term opportunities which were emerging. While not finalised during the period, these opportunities offer potential for Pioneer to leverage its brand and reputation for greater shareholder advantage. As you would expect, we have been disciplined in maintaining portfolio quality.

The Company said at the 1H25, that it *'is seeing significant opportunities to acquire more portfolios that align with its operational capability and that are within its risk appetite. These PDPs are from known and trusted vendor partners.'*

As is widely known, only three of the Big Four banks have been active in the debt sale market over the past six years. Following the close of FY25, we are pleased to confirm **Pioneer is a preferred partner of the Big Four banks and is now the only PDP purchaser in Australia with agreements in place with all four.**

### **Balance Sheet and Funding**

The Company also continued to strengthen its balance sheet during the year. The refinancing of the senior facility in July 2024 reduced Pioneer's cost of funds by ~\$8m on an annualised pre-tax basis. As Australia continues what appears a probable interest rate easing cycle, savings are expected with each 25bps cut in the RBA cash rate of ~\$700,000 on an annualised pre-tax basis.

### **Core System Replacement**

Pioneer's Core System Replacement project has also progressed, with benefits expected to flow through in FY26 as the new platform goes live, enhancing scalability and operating leverage. Management and the Board have been refining the timing to ensure go-live is optimised for the Company's operations.

## **PwC Litigation**

The Company continues to make good progress in its litigation against PwC, with the parties agreeing on the terms of discovery, which removed the need for the most recent scheduled court date. Work on the matter is ongoing, and Pioneer, together with its Counsel, remains confident in its position. The Company will provide further updates to the market as developments occur.

## **Outlook**

The Company has long set itself apart by focussing on customer outcomes. Perhaps this was prescient. Either way, we believe it is simply smart business and over time the market has aligned with our approach, and we've become known for prioritising what matters most to customers.

In addition, we have continually reinforced our view that the vendors of PDPs want long term partners with deep relationships across all aspects of the vendor institution and are increasingly preferring, where possible, a purchasing partner that does not extend the credit lifecycle by offering new credit and does not participate in pay-day lending. Pioneer proudly does neither.

Mr John said: *"We are exceptionally pleased with our achievements in FY25. Pioneer is now positioned as a trusted and scaled operator with unrivalled access to the market, a strong funding platform and an operating model that delivers both customer outcomes and shareholder value. With momentum carrying into FY26 and substantial opportunities in front of us, Pioneer is set to deliver sustained growth and attractive returns."*

The Company is pleased to confirm its FY26 Guidance of a Statutory Net Profit after Taxation of at least \$18m.

**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 respectfully support customers to achieve 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. For more details visit [www.pioneercredit.com.au](http://www.pioneercredit.com.au)