

ASX release

19 November 2021

General Meeting of Shareholders

Pioneer Credit Limited (**ASX: PNC**) ('Pioneer' or 'the Company') is pleased to invite Shareholders to a General Meeting of the Company to be held as a virtual meeting at 10am (AWST) on Tuesday 21 December 2021.

The meeting will, among other matters, provide Shareholders with the opportunity to consider and vote on the approval of the \$1.15m participation of Pioneer's founder and Managing Director, Mr Keith John in the Company's \$5.4m equity issue, which was first announced to the market on 1 November 2021 as part of the broader refinancing of the Company's senior finance facilities which returned Pioneer to profitability and positioned it for growth.

The equity issue was conducted at \$0.60 a share which was a substantial premium to the prevailing share price at the time.

Following is the letter to Shareholders being despatched today and the Notice of General Meeting.

Authorised by:
Sue Symmons
Company Secretary

Investor and media enquiries:

Keith John
Managing Director
Pioneer Credit Limited
M: 0438 877 767

Nyomi Horgan
Citadel-MAGNUS
P: 0412 415 573

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

19 November 2021

Dear Shareholders

NOTICE OF GENERAL MEETING OF SHAREHOLDERS

A General Meeting of shareholders of Pioneer Credit Limited (ASX: PNC) ('the **Company**') is scheduled to be held on Tuesday 21 December 2021 at 10 a.m. (AWST) ('**Meeting**').

As the Company only very recently held its Annual General Meeting of Shareholders and given the largely administrative nature of the resolutions to be put before shareholders on this occasion, for ease of participation and for cost efficiency, the Company has chosen to hold this Meeting virtually by live audio webcast. The Company is able to do this for the benefit of shareholders under the Commonwealth's response to the COVID-19 pandemic including by the *Corporations Coronavirus Economic Response Determination (No. 1) 2020* and ASIC's no-action position as set out in its *Media Release 21-061MR* dated 29 March 2021. Accordingly, there will not be a physical location to attend the Meeting in person.

The Company strongly encourages Shareholders to lodge a directed proxy form prior to the Meeting.

Questions should also be submitted in advance of the Meeting, however, votes and questions may also be submitted during the Meeting. Further details of how to participate in the Meeting are set out in the Notice of Meeting.

Below are links to important Meeting documents:

- Notice of Meeting and Explanatory Statement:
<https://www2.asx.com.au/markets/trade-our-cash-market/announcements.pnc>
- Online Meeting platform:
<https://meetings.linkgroup.com/PNCGM21>

If you have nominated an email address and elected to receive electronic communications from the Company, you will also receive an email with a link to an electronic copy of the important Meeting documents.

If you are unable to access any of the important Meeting documents online, and would like to elect to receive a hard copy, please contact Company Secretary, Sue Symmons, via email at ssymmons@pioneercredit.com.au.

Investor and media enquiries:

Keith John
Managing Director
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Pioneer Credit Limited
ACN 103 003 505

Notice of General Meeting

Time: 10 am (AWST)
Date: 21 December 2021
Place: By live audio webcast at <https://meetings.linkgroup.com/PNCGM21>

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote they should seek advice from their professional advisors prior to voting. Should you wish to discuss the matters in this Notice of Meeting please contact the Company Secretary on +61 8 9323 5020.

Notice of General Meeting

TIME AND PLACE OF MEETING

Notice is given that a General Meeting ('GM') of Pioneer Credit Limited (ACN 103 003 505) ('Pioneer' or the 'Company') will be held on **Tuesday 21 December 2021 at 10 am (AWST)** as a virtual meeting.

The Explanatory Statement accompanying this Notice of Meeting provides additional information on matters to be considered at the GM. Terms used in this Notice of Meeting will, unless the context otherwise requires, have the same meaning given to them in the glossary contained in the Explanatory Statement. The Explanatory Statement and Proxy Form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the GM are those who are registered Shareholders at **10 am AWST on Sunday 19 December 2021**.

The GM will be held via telephone and a live audio webcast, which will include a facility for Shareholders to ask questions in relation to the business of the GM. You can participate by logging in online at <https://meetings.linkgroup.com/PNCGM21>.

It is recommended that Shareholders log in to the online platform at least 15 minutes prior to the scheduled start time for the GM by navigating to <https://meetings.linkgroup.com/PNCGM21> on a supported web browser on your computer or online device.

To log in to the GM, you will need your Shareholder Reference Number (SRN), Holder Identification Number (HIN) or Employee Number, as shown on your Proxy Form, and your postcode.

Proxyholders will need a proxy code to log in. This will be provided by the share registry, Link Market Services, via email within 24 hours prior to the GM.

Shareholders attending the GM virtually will be able to ask questions and vote online during the GM. All Resolutions will be conducted by poll. More information regarding virtual attendance at the GM (including how to vote, comment and ask questions virtually during the GM) is available in the Virtual Meeting Online Guide.

CONDUCT OF THE MEETING

Please be courteous and respectful to all persons attending the GM. Please keep questions to a reasonable length to allow as many people as possible to participate, contain questions relevant to the matters raised at the GM and don't repeat questions already answered. Please do not photograph or otherwise record the GM.

ITEMS OF BUSINESS

Resolution 1 – Amendment to the Constitution of the Company

To consider and, if thought fit, pass the following resolution as a **special resolution**:

‘That, in accordance with section 136(2) of the Corporations Act, the Company’s Constitution be modified as set out in the Explanatory Statement.

Resolution 2 - Ratification of prior issue of Shares

To consider and, if thought fit, pass the following as an ordinary resolution:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the issue of 7,066,800 fully paid ordinary shares (Shares) as more fully described in the Explanatory Statement, be approved.”

Note – This Resolution is subject to voting exclusions, which are set out in the Explanatory Statement.

Resolution 3 – Approval of issue of Shares to Keith John, Managing Director

To consider and, if thought fit, pass the following as an ordinary resolution:

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 1,099,867 Fully Paid Ordinary Shares to entities associated with Mr Keith John, on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”

Note – This Resolution is subject to voting exclusions, which are set out in the Explanatory Statement.

Resolution 4 - Approval of the issue of Shares to Keith John, Managing Director in consideration for the Medium Term Notes

To consider and, if thought fit, pass the following as an ordinary resolution:

“That for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 833,333 Shares to Midbridge Nominees Pty Ltd, an entity associated with Mr Keith John, at a deemed issue price of \$0.60 per Share, in consideration for the \$500,000 worth of Notes held by Midbridge Nominees Pty Ltd on the terms and conditions set out in the Explanatory Statement.”

Note – This Resolution is subject to voting exclusions, which are set out in the Explanatory Statement.

A handwritten signature in black ink, appearing to read "S. Symmons".

Sue Symmons
Company Secretary

Date: 18 November 2021

IMPORTANT INFORMATION

Virtual Meeting

The GM will be held as a virtual meeting, and will take place at 10 am (AWST) on Tuesday 21 December 2021. Shareholders may join the GM via link at <https://meetings.linkgroup.com/PNCGM21>.

Shareholders are encouraged to participate in the GM by joining the meeting in real time via our online platform at <https://meetings.linkgroup.com/PNCGM21> by;

- asking questions of the Company in advance of the GM by emailing questions to the Company Secretary at investor_relations@pioneercredit.com.au. To allow time to collate questions and prepare answers, questions should be received by the Company Secretary by **5 pm (AWST) on Tuesday, 14 December 2021**;
- asking questions through the online platform during the GM; or
- asking questions or commenting orally via telephone during the GM when the time for questions or comments is announced. Shareholders will need to contact Link Market Services on 1800 990 363 or +61 1800 990 363 prior to the Meeting to obtain a personalised PIN to ask a question or make a comment via telephone. At the time of the GM, the Shareholder will need to dial 1800 316 839 or +61 2 7201 7809 and enter their PIN. Shareholders will receive instructions on how to ask a question or make a comment during the Meeting from the phone moderator. If you cannot be verified by the moderator, you will attend the meeting as a visitor and will not be able to ask a question or make a comment orally; and
- by voting on the resolutions to be considered at the GM either by lodging a Proxy Form before the GM or, to the extent allowed by the Company, by voting during the virtual meeting in accordance with any process and regulation approved by the Company.

Connectivity and other technical issues may arise during the GM. The Chair has discretion as to whether and how the meeting should proceed in the event that any such issues arise. In exercising this discretion, the Chair will have regard to the extent to which participation in the meeting is affected.

Where the Chair considers it appropriate, the Chair may continue to conduct the GM, including conducting polls and voting in accordance with valid proxy instructions. For this reason, Shareholders are encouraged to lodge a proxy as soon as practicable and **by no later than 10 am (AWST) on Sunday 19 December 2021**, being 48 hours prior to the commencement of the meeting.

Voting Eligibility

The business of the GM affects your shareholding and your vote is important. The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to attend and vote at the GM are those who are registered Shareholders at **10 am (AWST) on Sunday 19 December 2021**.

If more than one joint holder of Shares is present at the GM (whether personally, by proxy or by attorney or representative) and tenders a vote, only the vote of the joint holder whose name appears first on the register will be counted.

Voting by Proxy

To appoint proxies, a Proxy Form must be signed by the Shareholder or their duly appointed attorney. If the Shareholder is a corporation, the Proxy Form must be signed in accordance with the Corporations Act or under the hand of its duly appointed attorney or authorised officer.

If you are a Shareholder entitled to attend and vote, you may appoint an individual or a body corporate as a proxy. If a body corporate is appointed as a proxy, that body corporate must ensure that it appoints a corporate representative in accordance with section 250D of the Corporations Act to exercise its powers as proxy at the GM.

A proxy need not be a Shareholder of the Company. A Shareholder may appoint up to two proxies and specify the proportion or number of votes each proxy may exercise. If the Shareholder does not specify the proportion or number of votes to be exercised, each proxy may exercise half of the Shareholder's votes.

To be effective, the proxy must be received at the Share Registry of the Company **by no later than 10 am (AWST) on Sunday 19 December 2021**, being 48 hours before the GM. Proxies must be received before that time by one of the following methods:

By Post:	Pioneer Credit Limited c/- Link Market Services Limited Locked Bag A14 Sydney South NSW 1235 Australia
By Facsimile:	+61 2 9287 0309
By Hand:	Link Market Services Limited Level 12, 680 George Street Sydney NSW 2000
Online:	By lodging a proxy online by using the online lodgment facility as detailed in the enclosed Proxy Form.

Completed Proxy Forms must be received by the Company in the manner stipulated above. The Company reserves the right to declare invalid any proxy not received in this manner.

Voting by Attorney

If voting by Attorney, a Proxy Form and the original power of attorney (if any) under which the Proxy Form is signed (or a certified copy of that power of attorney or other authority) must be received by the Company, in the manner set out above, **by no later than 10 am (AWST) on Sunday 19 December 2021**.

Corporate Representatives

A body corporate who is a Shareholder, or which has been appointed as a proxy, is entitled to appoint any person to act as its representative at the GM. The appointment of the representative must comply with the requirements of section 250D of the Corporations Act.

You can download and complete the "Appointment of Corporate Representation" form from Pioneer's share registry's website (www.linkmarketservices.com.au) or forward the completed form to the Company's share registry in accordance with the methods provided above for the receipt of Proxy Forms.

Explanatory Statement

This Explanatory Statement has been prepared for the information of Shareholders in relation to the Company's GM to be held at **10 am (AWST) on Tuesday 21 December 2021**.

The purpose of this Explanatory Statement is to provide Shareholders with information that is reasonably required by Shareholders to decide how to vote upon the Resolutions. The Directors recommend that Shareholders carefully read this Explanatory Statement before determining whether or not to support the Resolutions.

Resolution 1 is a special resolution requiring a 75% majority of votes cast in favour by Shareholders entitled to vote on the resolution. Resolutions 2-4 are ordinary resolutions requiring a simple majority of votes cast in favour by Shareholders entitled to vote on the resolutions. All Resolutions will be put to a poll.

The Chair of the GM intends to vote all undirected proxies (where he has been appropriately authorised) in favour of all Resolutions.

1. Resolution 1 – Amendment to the Company's Constitution

The Company is seeking to amend its Constitution to allow it to hold hybrid and virtual general meetings.

During the COVID-19 pandemic, the Company has taken advantage of various measures (eg *Corporations Coronavirus Economic Response Determination (No. 1) 2020* and ASIC's no-action position as set out in its *Media Release 21-061MR* dated 29 March 2021) to hold a general meeting virtually using technology. These measures were extended by the Australian Parliament on 10 August 2021 and are now in place until 31 March 2022.

While the Australian Federal Treasurer has announced the intention of introducing permanent reforms to give companies the flexibility to use technology to hold meetings, such as hybrid meetings, the Company wishes to amend its Constitution to specifically allow for the holding of hybrid and virtual meetings under its Constitution.

The proposed amendments to the Company's Constitution will:-

- (a) Provide for a general meeting to be held at two or more venues using any technology that gives Shareholders as a whole a reasonable opportunity to participate in the meeting;
- (b) Require that if a general meeting is to be held at two or more places or entirely virtually, using technology, the relevant notice of meeting must include details of the technology that will be used to facilitate the holding of the general meeting;
- (c) Deem Shareholders and where relevant, their proxies, attorneys and representatives to be present at a general meeting which is held at two or more places or entirely virtually, where such Shareholder or their proxy, attorney or representative participates in the general meeting using technology provided for in the relevant notice of meeting;
- (d) Clarify how a quorum is to be constituted for a virtual general meeting;

- (e) Clarify how to deal with technical difficulties which may impact on the ability of Shareholders as a whole to have a reasonable opportunity to participate in the general meeting; and
- (f) Confirm that Shareholders may appoint a proxy to attend a general meeting in any manner authorised by the Corporations Act and the ASX Listing Rules, including by using technology where provided in the relevant notice of meeting.

Shareholders should note that the Company intends to hold its future Annual General Meetings as hybrid meetings, that is, in person and virtually, and that any solely virtual meetings of Shareholders will be used for purely administrative matters and/or in exceptional circumstances such as a pandemic, disaster or similar situation.

The proposed amendments to the Constitution are set out below:

Amend clause 5.2

5.2 Notice of general meetings

- (a) *Subject to this constitution and to the rights or restrictions attached to any shares or class of shares, notice of a general meeting must be given within the time limits prescribed by the Corporations Act and in the manner authorised by rule 13.1 to each person who is at the date of the notice:*

- (i) *a member;*
- (ii) *a director; or*
- (iii) *an auditor of the Company,*

and, while the Company is a Listed Company, notice must be given to the Exchange within the time limits prescribed by the Listing Rules.

- (b) *A notice of a general meeting must:-*

- (i) *specify the date, time and place (or places) of the meeting and, if the meeting is to be held in two or more places or entirely virtually, using technology approved by the directors, details of the technology that will be used to facilitate the holding of the general meeting and the participation of members and other eligible attendees;*
- (ii) *except as provided in rule 5.2(c), state the general nature of the business to be transacted at the meeting and any other matters required under the Corporations Act.*
- (c) *It is not necessary for a notice of an annual general meeting to state that the business to be transacted at the meeting includes the consideration of the annual financial report and the reports of the directors and auditor, the election of directors or the appointment or fixing of the remuneration of the auditor of the Company.*
- (d) *A person may waive notice of any general meeting by notice in writing to the Company.*

- (e) *The non-receipt of notice of a general meeting or Proxy Form by, or a failure to give notice of a general meeting or a Proxy Form to, any person entitled to receive notice of a general meeting under this rule 5.2 does not invalidate any act, matter or thing done or resolution passed at the general meeting if:*
 - (i) *the non-receipt or failure occurred by accident or error; or*
 - (ii) *before or after the meeting, the person:*
 - (A) *has waived or waives notice of that meeting under rule 5.2(d); or*
 - (B) *has notified or notifies the Company of the person's agreement to that act, matter, thing or resolution by notice in writing to the Company.*
- (f) *A person's attendance at a general meeting:*
 - (i) *waives any objection that person may have to a failure to give notice, or the giving of a defective notice, of the meeting unless the person at the beginning of the meeting objects to the holding of the meeting; and*
 - (ii) *waives any objection that person may have to the consideration of a particular matter at the meeting which is not within the business referred to in the notice of the meeting or in rule 5.2(c), unless the person objects to considering the matter when it is presented.*

Insert new clause 5.2A

5.2A Hybrid and virtual meetings

Subject to the Corporations Act, the Listing Rules and any applicable law:

- (a) *the Company may hold a meeting of members using any technology approved by the directors that gives the members as a whole (and their proxies, attorneys and representatives) a reasonable opportunity to participate;*
- (b) *a member may appoint a proxy, attorney or corporate representative to attend a general meeting in any manner authorised by law, with such appointments to be made by using the technology specified in the relevant notice of meeting; and*
- (c) *a general meeting conducted using technology may be held at multiple venues or entirely virtually, and participation by a member (and a member's proxies, attorneys and representatives) at such a meeting will constitute presence (including for the purposes of quorum) as if the member were present in person at such a meeting and;*
- (d) *the place for a general meeting held only virtually using technology is taken to be the address of the registered office of the Company and the time for the meeting is taken to be the time at that place.*

If, before or during a general meeting of members, any technical difficulty occurs, such that the members as a whole do not have a reasonable opportunity to participate, the chair of the meeting may:

- (a) *adjourn the meeting until the technical difficulty is remedied; or*

- (b) *where a quorum remains present (either at the place at which the chair is present or by technology contemplated by this rule 5.2A) and able to participate, subject to the Corporations Act, continue the meeting (in which case no member may object to the meeting being held or continuing).*

The Board unanimously recommends that Shareholders vote in favour of the Amendment to the Company's Constitution (Resolution 1).

Resolution 2 - Ratification of prior issue of Shares

ASX Listing Rule 7.1 & 7.4

ASX Listing Rule 7.1 imposes limits on the number of Equity Securities (including ordinary shares) that a company can issue or agree to issue without shareholder approval. Under ASX Listing Rule 7.1, generally a company must not, without prior shareholder approval, issue in any 12 month period, a number of Equity Securities which is more than 15% of the number of fully paid ordinary shares on issue 12 months before the issue.

ASX Listing Rule 7.4 states that an issue by a company of securities made without shareholder approval under ASX Listing Rule 7.1 is treated as having been made with approval for the purpose of ASX Listing Rule 7.1, if the issue did not breach ASX Listing Rule 7.1 when made and the Company's Shareholders subsequently approve it.

Background to Resolution 2

On 8 November 2021 the Company announced, amongst other things its entry into a \$200 million, four-year Senior Facility Agreement ("Refinancing"), and a \$5.4 million Equity Issue with \$1.15 million of the Equity Issue subject to the receipt of shareholder approval as it involves the issue of Shares to the Company's Managing Director, Mr Keith John.

Under Resolution 2, the Company seeks shareholder approval under ASX Listing Rule 7.4 for the issue of 7,066,800 fully paid ordinary shares from 1 - 8 November 2021 to institutional and high net worth investors under the Equity Issue.

As the Equity Issue did not fall within any of the specified exceptions to ASX Listing Rule 7.1 and has not yet been approved by Shareholders, it effectively used up the Company's 15% placement capacity under ASX Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval over the 12 month period following the date of issue of those Shares.

The Company is seeking this approval in order to provide the Company with the maximum flexibility to undertake equity raisings without the need for further shareholder approval. The requirement to obtain Shareholder approval for an issue, at the time of issue, could limit the Company's ability to take advantage of the opportunities that may arise.

Notwithstanding an approval by Shareholders of Resolution 2, any future equity raising will remain subject to the 15% limit under ASX Listing Rule 7.1.

No decision has been made by the Board of Directors to undertake any further issue of Equity Securities in the event that approval is received from Shareholders in respect of Resolution 2.

The Board of Directors will only decide to issue further Equity Securities if it considers it is in the best interests of the Company to do so.

At the Company's most recent Annual General Meeting, Shareholders approved an increase to the Company's placement capacity of 10% of the issued capital of the Company under ASX Listing Rule 7.1A, effectively allowing the Company to issue up to 25% of the issued capital of the Company without Shareholder approval.

Information required by ASX Listing Rule 7.5

ASX Listing Rule 7.5 requires that the following information be provided to Shareholders when seeking an approval for the purposes of ASX Listing Rule 7.4:

- (a) The total number of fully paid ordinary shares issued was 7,066,800 ('Shares'). These Shares were issued pursuant to the Company's 15% placement capacity under ASX Listing Rule 7.1.
- (b) the Shares were issued between 1 and 8 November 2021 as part of the Equity Issue.
- (c) The issue price for the Shares was \$0.60 per Share.
- (d) The Shares rank equally in all respects with existing Shares in the Company.
- (e) The Shares were issued to institutional and high net worth individuals including:
 - i. Advisers to the Company with respect to the recent refinancing of the senior funding facility and Medium Term Notes, respectively Jarden Group and Acacia Partners;
 - ii. a former financier of the Company, Nomura; and
 - iii. a member of Key Management Personnel, Chief Financial Officer, Barry Hartnett.

Except for Mr Keith John, the Company's Managing Director, none of the recipients of the Shares in the Equity Issue are related parties of the Company or associates of related parties of the Company. The issue of Shares to Mr Keith John under the Equity Issue is the subject of Resolution 3.

- (f) The funds will be used to accelerate the Company's growth through the acquisition of further parcels of consumer debt, to partially pay back some of the Company's debt and to pay adviser fees.
- (g) the Shares were issued under agreements with the Company pursuant to which the participants agreed to subscribe for Shares under the Equity Issue at an issue price of \$0.60 per Share.
- (h) A voting exclusion statement is included below.

Voting Exclusion

The Company will disregard any votes cast in favor of Resolution 2 by or on behalf of Jarden Group, Acacia Partners, Nomura and Barry Hartnett and any person who participated in the issue of Shares or an associate of those persons. However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as proxy for a person who is entitled to vote on Resolution 2, in accordance with the directions given to the proxy or attorney to vote on Resolution 2 in that way; or

- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - i. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on Resolution 2; and
 - ii. the holder votes on Resolution 2 in accordance with directions given by the beneficiary to the holder to vote in that way.

Technical information required by ASX Listing Rule 14.1A

If Resolution 2 is not passed, the 7,066,800 Shares will be included in calculating the Company's 15% placement capacity under ASX Listing Rule 7.1, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Shares.

If Resolution 2 is passed, the base figure (i.e. variable "A") in which the Company's 15% placement capacity under ASX Listing Rule 7.1 under ASX Listing Rule 7.1A is calculated will be a higher number which in turn will allow a proportionately higher number of equity securities to be issued by the Company without prior Shareholder approval.

The Board unanimously recommends that Shareholders vote in favour of the ratification of the issue of 7,066,800 Shares (Resolution 2).

Resolutions 3 and 4 – Issue of Shares to Mr Keith John

Background

Keith John is the Company's Founder and Managing Director. Over Pioneer's journey, Mr John has continued to provide his support to the Company in various forms, including by participating in its various capital management initiatives. Much of this support has been provided at the request of incoming parties and in some instances, Mr John's participation was required in order for such initiatives to proceed.

Resolutions 3 and 4 being put to this GM relate to:-

- i. Resolution 3 - Mr John's participation in the recent Equity Issue on 8 November 2021, subject to shareholder approval and as noted in the Explanatory Statement in respect of Resolution 2; and
- ii. Resolution 4 - Mr John's exchange of Medium Term Notes issued on 22 March 2018 for 833,333 Shares ('MTN Swap').

Resolution 3 – Issue of shares to Mr Keith John – Equity Issue

The Equity Issue was critical to the Company's completion of its Refinancing and Mr John's participation provided financiers and investors with support and confidence. At the time, the issue of Shares under the Equity Issue was at a significant premium to the Company's then Share price.

Chapter 2E

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of Shares constitutes giving a financial benefit and Mr Keith John is a related party of the Company by virtue of being a Director.

The Company notes that it is proposed that the Shares will be issued to Mr Keith John or entities associated with Mr Keith John on the same price and terms as other participants in the Equity Issue except that the issue was also subject to the receipt of shareholder approval.

In light of the above, approval under Chapter 2E of the Corporations Act is not being sought as the Company considers that the issue of Shares to Mr Keith John in these circumstances is as if the Company and the Related Party were dealing on arm's length which is an exception to the requirement to seek shareholder approval under section 210 of the Corporations Act.

ASX Listing Rule 10.11

ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to:

- (a) a related party (ASX Listing Rule 10.11.1);
- (b) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the entity (ASX Listing Rule 10.11.2);
- (c) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the entity and who has nominated a director to the board of the entity (in the case of a trust, to the board of the responsible entity of the trust) pursuant to a relevant agreement which gives them a right or expectation to do so (ASX Listing Rule 10.11.3);
- (d) an associate of the persons referred to in rules 10.11.1 to 10.11.3; or
- (e) a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained,

unless an exception in ASX Listing Rule 10.12 applies.

As the issue of the Shares under Resolution 3 involves the issue of equity securities to a related party of the Company (ASX Listing Rule 10.11.1) and the Directors are of the view that none of the exceptions set out in ASX Listing Rule 10.12 apply, Shareholder approval pursuant to ASX Listing Rule 10.11 is required.

If Shareholders approve the issue of the 1,099,867 Shares under the Equity Issue to entities associated with Mr Keith John under Resolution 3, separate approval for that issue is not

required under ASX Listing Rule 7.1 because it falls under Exception 14 of ASX Listing Rule 7.2. Accordingly, the issue of Shares to entities associated with Mr Keith John will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

Technical information required by ASX Listing Rule 14.1A

For the purpose of ASX Listing Rule 14.1A, the following is noted:

- if Resolution 3 is passed, entities associated with Mr Keith John will be issued 1,099,867 Shares on the same terms as Shares currently on issue; and
- if Resolution 3 is not passed, then Mr John will not be issued the Shares and the sum of \$659,920 will not be payable to the Company.

Information Required by the ASX Listing Rule 10.13

The following information is provided to Shareholders in relation to Resolution 3 for the purposes of ASX Listing Rule 10.13:

- (a) The Shares will be issued to Avy Nominees Pty Ltd being entities associated with Mr Keith John;
- (b) These entities fall within the category set out in ASX Listing Rule 10.11.1 by virtue of being entities associated with a Director of the Company;
- (c) 1,099,867 Shares will be issued at \$0.60 per Share being the same price as all other Shares issued under the Equity Issue;
- (d) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) Subject to Shareholder approval under this meeting, the Shares will be issued as soon as practicable after the GM and in any event, no later than 1 month after the date of this meeting;
- (f) Shareholder approval is being sought as Mr Keith John is the Managing Director of the Company. The issue is not intended to remunerate or incentivise Mr John and relates solely to his participation in the Equity Issue with institutional and high net worth individuals;
- (g) The funds raised from the Equity Issue will be used to accelerate the Company's growth through the acquisition of further parcels of consumer debt;
- (h) The Shares are to be issued under a placement letter with the Company pursuant to which Mr Keith John agreed to subscribe for Shares under the Equity Issue at an issue price of \$0.60 per Share. Under the placement letter the Company's obligation to issue Shares to Mr Keith John is subject to the receipt of Shareholder approval; and
- (i) a voting exclusion statement is included below.

Voting Exclusion

The Company will disregard any vote cast in favour of Resolution 3 by or on behalf of Avy Nominees Pty Ltd, Mr Keith John and any other person who will obtain a material benefit as a result of the issue of securities (except a benefit solely by reason of being a holder of ordinary securities in the entity) or an associate of that person (or those persons).

However, this does not apply to a vote cast in favour of Resolution 3 by:

- (a) a person as proxy for a person who is entitled to vote on Resolution 3, in accordance with a direction given to the proxy or attorney to vote on Resolution 3 in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides;
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - i. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on Resolution 3; and
 - ii. the holder votes on Resolution 3 in accordance with directions given by the beneficiary to the holder to vote in that way.

The Directors (other than Mr Keith John) unanimously recommend that Shareholders vote in favour of the issue of 1,099,867 Shares to entities associated with Mr Keith John (Resolution 3).

Resolution 4 – Approval of the issue of Shares to Keith John, Managing Director in consideration of the Medium Term Notes

Background

On 22 March 2018 and separately on 8 November 2021, the Company issued secured and subordinated A\$60 million worth of Medium Term Notes to various sophisticated investors, including an entity associated with Mr Keith John. Each Note has a face value of \$1,000. Mr Keith John has an indirect interest in 500 Notes which have a combined face value of \$500,000.

The Notes mature and are due and payable on 30 November 2026. Interest accrues on the Notes at a margin of BBSY +8.75% per annum and is payable quarterly in arrears.

The Company has agreed with Mr Keith John to acquire his Notes at their face value in consideration for the issue of Shares, subject to Shareholder approval. The Notes will be cancelled upon being acquired by the Company, therefore reducing the total amount of Notes outstanding. The number of shares to be issued to Mr John in the MTN Swap is included in the Equity Issue previously announced to the market.

Chapter 2E

A summary of Chapter 2E of the Corporations Act is contained in the Explanatory Statement to Resolution 3.

The issue of Shares in satisfaction of the Notes constitutes giving a financial benefit and Mr Keith John is a related party of the Company by virtue of being a Director.

The Directors (other than Mr Keith John) consider that the issue of Shares to Mr Keith John in these circumstances is as if the Company and the Related Party were dealing on arm's length, which is an exception to the requirement to seek shareholder approval under section 210 of the Corporations Act. This is because the Shares are to be issued at the same price as the Equity Issue and Mr Keith John will forgo interest by accepting Shares in consideration for the Notes as well as the benefits of the secured nature of the Notes. Additionally, the Directors (other than Mr Keith John) consider the issue of Shares in consideration for the Notes will be in the best interests of the Company as the Company will not have to pay the premium required to be paid on redemption under the terms of the Notes which will enhance free cash flow and reduce the Company's debt.

ASX Listing Rule 10.11

A summary of ASX Listing Rule 10.11 is contained in the Explanatory Statement to Resolution 3.

As the issue of the Shares under Resolution 4 involves the issue of equity securities to a related party of the Company (ASX Listing Rule 10.11.1) and the Directors are of the view that none of the exceptions set out in ASX Listing Rule 10.12 apply, Shareholder approval pursuant to ASX Listing Rule 10.11 is required.

If Shareholders approve the issue of the 833,333 Shares to an entity associated with Mr Keith John under Resolution 4, separate approval for that issue is not required under ASX Listing Rule 7.1 because it falls under Exception 14 of ASX Listing Rule 7.2. Accordingly, the issue of Shares to an entity associated with Mr Keith John will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

Technical information required by ASX Listing Rule 14.1A

For the purpose of ASX Listing Rule 14.1A, the following is noted:

- if Resolution 4 is passed, entities associated with Mr Keith John will be issued 833,333 Shares on the same terms as Shares currently on issue; and
- if Resolution 4 is not passed, then entities associated with Mr John will not be issued the Shares and the Company will be responsible for repaying entities associated with Mr Keith John the face value of the Notes as well as accrued interest.

Information Required by the ASX Listing Rule 10.13

The following information is provided to Shareholders in relation to Resolution 3 for the purposes of ASX Listing Rule 10.13:

- (a) The Shares will be issued to Midbridge Nominees Pty Ltd, an entity associated with Mr Keith John;

- (b) Midbridge Nominees Pty Ltd falls within the category set out in ASX Listing Rule 10.11.1 by virtue of being an entity associated with a Director of the Company;
- (c) 833,333 Shares will be issued at \$0.60 per Share being the same price as all other Shares issued under the Equity Issue;
- (d) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) Subject to Shareholder approval under this meeting, the Shares will be issued as soon as practicable after the GM and in any event, no later than 1 month after the date of this meeting;
- (f) Shareholder approval is being sought as Mr Keith John is the Managing Director of the Company. The issue is not intended to remunerate or incentivise Mr John;
- (g) No funds will be raised from the issue as the Shares are being issued in consideration for the 500 Notes held by Mr John;
- (h) The Shares are to be issued under a letter with the Company pursuant to which Mr Keith John agrees to subscribe for Shares at an issue price of \$0.60 per Share in consideration for the 500 Notes held by Mr John. Under the placement letter the Company's obligation to issue Shares to Mr Keith John is subject to the receipt of shareholder approval; and
- (i) a voting exclusion statement is included below.

Voting Exclusion

The Company will disregard any vote cast in favour of Resolution 4 by or on behalf of Midbridge Nominees Pty Ltd, Mr Keith John and any other person who will obtain a material benefit as a result of the issue of securities the subject of this Resolution 4 (except a benefit solely by reason of being a holder of ordinary securities in the entity) or an associate of that person (or persons).

However, this does not apply to a vote cast in favour of Resolution 4 by:

- (a) a person as proxy for a person who is entitled to vote on Resolution 4, in accordance with a direction given to the proxy or attorney to vote on Resolution 4 in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides;
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - i. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on Resolution 4; and

- ii. the holder votes on Resolution 4 in accordance with directions given by the beneficiary to the holder to vote in that way.

The Directors (other than Mr Keith John) unanimously recommend that Shareholders vote in favour of the issue of 833,333 Shares to an entity associated with Mr Keith John in consideration for 500 Notes (Resolution 4).

Glossary

\$ or A\$ means Australian dollars;

General Meeting or **GM** means the meeting of Shareholders convened by the Company to be held as a virtual meeting via by live audio webcast at <https://meetings.linkgroup.com/PNCGM21> on Tuesday 21 December 2021 at 10 am (AWST) for the purpose of considering and voting on the Resolutions;

ASX means the Australian Securities Exchange;

ASX Listing Rules means the Listing Rules under the Australian Securities Exchange;

AWST means Australian Western Standard Time;

Corporations Act means *Corporations Act 2001* (Cth);

Directors means the directors of the Company;

Equity Issue means of the equity issue totalling \$5.4m to institutional and high net worth individuals as announced to the ASX on 8 November 2021.

Equity Securities means

- i. a share;
- ii. unit;
- iii. option over an issued or unissued share or unit;
- iv. a right to an issued or unissued share or unit;
- v. an option over, or right to, a security referred to in (c) or (d) above;
- vi. a convertible security;
- vii. any security that ASX decides to classify as an equity security; and
- viii. but not a security ASX decides to classify as a debt security;

Explanatory Statement means the explanatory statement accompanying the Notice of Meeting;

Medium Term Notes or Notes means the Medium Term Notes issued on 22 March 2018 and 8 November 2021.

MTN Swap means the exchange of Medium Term Notes issued on 22 March 2018 for Shares the subject of Resolution 3 as noted in the Explanatory Statement in respect of Resolution 4;

Notice or Notice of Meeting means the notice of meeting provided to Shareholders for the purpose of convening the GM;

Resolutions means the resolutions set out in the Notice of Meeting to be considered at the GM;

Shareholders means the registered holders of ordinary shares in the Company; and

Shares means the fully paid ordinary shares of the Company.

LODGE YOUR VOTE



ONLINE

www.linkmarketservices.com.au



BY MAIL

Pioneer Credit Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia



BY FAX

+61 2 9287 0309



BY HAND

Link Market Services Limited
Level 12, 680 George Street, Sydney NSW 2000



ALL ENQUIRIES TO

Telephone: 1300 554 474

Overseas: +61 1300 554 474



X99999999999

PROXY FORM

I/We being a member(s) of Pioneer Credit Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

☐ the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name and email of the person or body corporate you are appointing as your proxy (an email will be sent to your appointed proxy with details on how to access the virtual meeting)

Name

Email

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the General Meeting of the Company to be held at **10:00am (AWST) on Tuesday, 21 December 2021** (the **Meeting**) and at any postponement or adjournment of the Meeting.

The Meeting will be conducted as a virtual meeting and you can participate by logging in online at <https://meetings.linkgroup.com/PNCGM21> (refer to the Virtual Guide and **Notice of General Meeting and Explanatory Statement**).

The Chairman of the Meeting intends to vote all available proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an ☒

Resolutions

For Against Abstain*

- 1 Amendment to the Constitution of the Company
- 2 Ratification of prior issue of Shares
- 3 Approval of issue of Shares to Keith John – Equity Issue
- 4 Approval of issue of Shares to Keith John – MTN Swap

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name and email address of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting Virtually the appropriate "Certificate of Appointment of Corporate Representative" must be received at vote@linkmarketservices.com.au prior to admission in accordance with the Notice of General Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:00am (AWST) on Sunday, 19 December 2021**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).



BY MAIL

Pioneer Credit Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
Level 12
680 George Street
Sydney NSW 2000

*during business hours Monday to Friday (9:00am - 5:00pm) and subject to public health orders and restrictions



COMMUNICATION PREFERENCE

We encourage you to receive all your Shareholder communication via email. This communication method allows us to keep you informed without delay, is environmentally friendly and reduces print and mail costs.



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Communications' and click the first button to receive all communications electronically and enter your email address. To use the online facility, securityholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).