

Pioneer launches offer of up to A\$40m medium term notes

Pioneer Credit Limited (ASX: PNC) ("Pioneer") announces today the launch of a secured and subordinated medium term note offering to raise up to A\$40 million ("Notes" or "Offer").

The Offer will lengthen Pioneer's debt maturity profile, diversify its funding sources and deliver a funding structure which supports Pioneer's medium term growth ambitions, including the rollout of its new personal lending business through Pioneer Credit Connect.

In accordance with Part 6D.2 of the Corporations Act 2001 (Cth), the Offer will only be open to eligible professional and sophisticated investors. No prospectus or other disclosure documents in relation to the bond will be lodged with the Australian Securities & Investment Commission or any other regulatory authority.

Acacia Partners is acting as the Arranger and as a Joint Lead Manager with Westpac Institutional Bank to the Offer.

A summary of the key terms of the Notes is set out below.

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| Issuer | Pioneer Credit Limited (ABN 44 103 003 505) |
| Guarantors | To comprise at least 90% of the aggregate consolidated total assets of the Group and at least 90% of the EBITDA of the Group |
| Issue size | Up to A\$40 million |
| Description | Secured and subordinated medium term notes |
| Status and ranking | Notes will be direct, secured and unconditional obligations of the Issuer. Notes rank equally amongst themselves and behind senior bank debt |
| Maturity | 22 March 2022. The Issuer has the option to repay the bond at 101% of par plus any accrued interest one year prior to maturity |
| Coupon | 3 month BBSW mid + 525bps paid quarterly in arrear |

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| Early redemption by the Issuer | Issuer may redeem Notes prior to the Maturity Date at par plus accrued interest following the occurrence of a Tax Event or as further set out in the Terms and Conditions. Issuer also has the option to repay the bond at 101% of par plus any accrued interest one year prior to maturity |
| Early redemption by Noteholders | Noteholders may request redemption upon a Change of Control of the Issuer. If 25% or less of the Notes remain, the Issuer may elect to redeem all remaining Notes |
| Limitation on debt | Total Secured Indebtedness Ratio must not exceed 70% at any time |
| Events of default | As are customary for transactions of this nature |
| Default interest rate | If an Event of Default is subsisting, Notes will accrue interest at the rate of 2% p.a. above the Interest Rate until the Event of Default is remedied |
| Denominations | Notes will be issued with a denomination of A\$1,000 subject to a minimum initial subscription parcel of A\$500,000 |
| Listing | Notes will be unlisted securities |
| Rating | Notes will not be rated |
| Governing law | Western Australia |

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