

Performing Arrangements Portfolio Update

Pioneer Credit Limited (ASX: PNC) ('Pioneer' or 'the Company') is pleased to provide an update on its Performing Arrangements ('PA') portfolio, which at 30 June 2022 was \$515m, an increase of ~37% over FY22.

The composition of the PA portfolio changed during the year to include \$50.5m of insolvency arrangements, which are customer accounts under a Part IX debt agreement under the Bankruptcy Act 1966, and where no interest accrues.

The introduction of insolvency arrangements into the PA portfolio increases the number of 'low touch' customer accounts contributing to annual liquidations. Insolvency arrangements are considered separately for reporting purposes, as these arrangements have higher break rates than traditional PA's, and liquidate over a shorter period.

The PA portfolio underpins the annual liquidations of the Company. By way of comparison to last financial year, the key metrics of the PA portfolio are:

PA Metrics (exc. insolvency arrangements)	FY22 Actual	FY23 Forecast	Growth
Current Balance	\$377m	\$464m	+ \$87m
No. Customers	32.4k	41.7k	+ 9.3k
Liquidations (12m)	\$47.7m	\$59.3m	+ \$11.6m

As Pioneer entered FY23 it had \$65.6m of scheduled PAs (including insolvency arrangements), a significant ~35% increase on the prior period. This increase in contributions from PA's created and acquired over the past financial year materially improves the certainty of liquidations for the Company.

Our growing PA portfolio is demonstrative of the solid operating performance of the business. It provides tangible evidence of the scale and reliability of cashflows from the business, and increasingly the year-on-year improvement in the credit worthiness of the Company, which is important to the broad range of financiers continuing to engage with our business to reduce the cost of funds in the future.

The balance of FY23 liquidations will come from our inventory of ~\$1.5bn in receivables, and where appropriate, the sale of smaller portfolios that are no longer core to requirements.

FY22 Results and Annual Report

The Company expects to release its audited results to the market on 31 August 2022, and to present its comprehensive presentation to shareholders on 1 September 2022. Details of the presentation will be provided closer to the time.

Authorised by Chairman of the Board of Directors of Pioneer Credit Limited.

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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