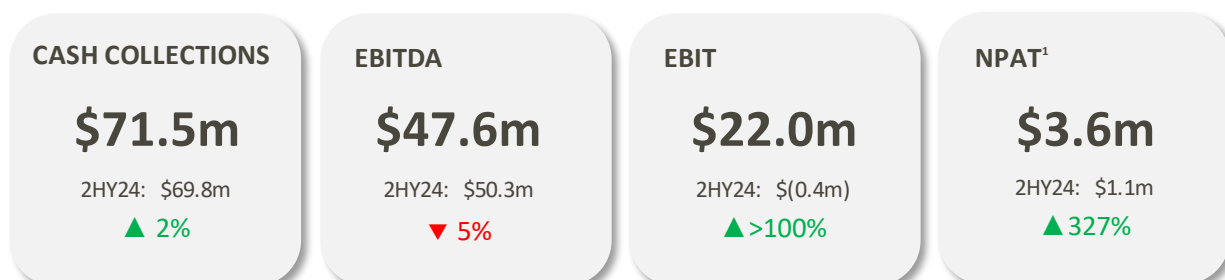


Positioned for Sustained Profitability and Earnings Growth

Pioneer Credit Limited ('Pioneer' or the 'Company') is pleased to report its 1HY25 results, highlighted by a 2% increase in Cash Collections to \$71.5m and a >100% increase in EBIT to \$22.0m, compared with 2HY24. The Company delivered both statutory and normalised profit in line with expectations, and reconfirms its FY25 guidance of a net profit after taxation of at least \$9m.

Managing Director Keith John commented, *"In FY24, we delivered profit after taxation of \$1.2m¹. As committed to shareholders those one-off expenses removed are now reflected in the current half's performance, directly strengthening Pioneer's bottom line. As a result, Net Profit after Taxation for the half is \$3.6m¹ - three times higher than FY24"*.

1H25 Key Financial Results (compared to 2H24)



Operational Highlights

Throughout 1HY25, the Company focused on unlocking operating leverage as it continued modernising its operating platforms and leveraging its enhanced scale and market position. While improving productivity and cost management remain a priority, we are pleased to report a significant reduction in total expenses during the period including Employee Expenses which were down 4%. The reduction in total expenses was achieved despite an aggressive approach to expensing costs rather than capitalising them to the Balance Sheet. Cost to Service ('CTS') was 33% normalised and 36% on a statutory basis in the half-year and at the mid-point of our long-term guided range of 35%-37%.

¹Normalised for non-recurring expenses

Notwithstanding this, during the period, we have enhanced our use of data to drive stronger portfolio performance. Early signs indicate that these initiatives are delivering benefits, and we expect this will help maintain downward pressure on our CTS, with potential upside in portfolio performance over time.

Favourable Market Dynamics Driving PDP Investment

The competitive landscape continues to shift in our favour, supporting the recent \$10m equity raise and increase in the FY25 PDP investment guidance to \$90m. The Company has substantially contracted this investment guidance and 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.

Pioneer does not extend further credit in competition with vendor partners to its customers, and this position continues to enhance the Company's PDP investment opportunities.

Business Stabilisation, Leadership Alignment, and Future Focus

As previously outlined, the Company has undertaken a comprehensive programme to stabilise its operations, strengthen its Balance Sheet, restore sustainable profitability and position the business to capitalise on exceptional market opportunities.

With many of these objectives now realised, the Company has taken steps to align its leadership with its strengthened position and future priorities. This includes enhancing expertise across Operational Risk and Compliance, Data and Analytics, and Operations, with each function now led by a newly appointed Head.

As such, Chief Operating Officer Andrea Hoskins will be departing the business following her five-year tenure with the business and with our strengthened leadership team, the Board does not currently intend to replace this role.

Financing Costs

With the reset of financing costs in July 2024, the Group is benefitting from a lower cost of funds. As Australia enters what appears to be an easing cycle for interest rates, further savings are expected with any reduction in the RBA cash rate, where each 25bps decrease in the cash rate will generate an annualised saving of ~\$700,000.

Outlook

The Company remains firmly focused on completing its Core System Replacement ('CSR') project. Once implemented, the CSR is expected to drive significant efficiencies across the business. The Company also remains operationally disciplined and closely aligned to our vendors partners to optimise future opportunities.

At the FY24 results, Managing Director Keith John remarked, *"It's an exciting time to be at Pioneer and to be a shareholder. We have navigated an extraordinary period, and now, with our commitment, work ethic, and resilience, we are poised to drive significant gains for our shareholders."*

Commenting today, he added, *"We are very pleased to be delivering on our commitments to shareholders. We anticipate this momentum will continue through 2HY25 as management confirm its FY25 guidance of a net profit after taxation of at least \$9m and a statutory net profit after taxation of at least \$18m in FY26."*

Authorised by the Board of Directors of Pioneer Credit Limited.

Investor and media enquiries:

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

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