

ASX Announcement

10 July 2020

Pioneer Noteholders approve changes to Note terms

Further to its recent announcement on 29 June 2020, Pioneer Credit Limited (ASX: PNC) (the '**Company**') advises that it has received the consent of the holders of the Company's secured and subordinated A\$40 million Medium Term Notes due on 22 March 2022 ('**Notes**') to certain changes to the terms of the Notes. The consent of the holders of the Notes is required as part of the Company's proposed refinancing of its existing senior debt facilities, which is progressing.

The key amendments to the terms of the Notes, which remain subject to the proposed senior debt refinancing occurring, include:

- increasing the Margin by 200 bps from +5.25% per annum to +7.25% per annum;
- extending the Maturity Date for the Notes by 12 months, to 22 March 2023;
- amending and increasing the total net debt to loan book value ratio covenant, from 70% to 82.5% until 31 March 2022, reducing to 77.5% thereafter; and
- revising the optional Note redemption dates that can be exercised by Pioneer at the face value of the Notes at the end of each quarter.

Noteholders will also receive a consent fee of 0.5% of the outstanding principal amount of each Note they hold if they voted in favour of the changes, subject to the Company's proposed replacement senior funding package being agreed and settled.

The Company is targeting completion of a senior debt refinancing by 17 July 2020, and requests that the current suspension of its shares remain in place, pending the actual entry into and settlement of the proposed replacement senior funding package.

Authorised by:

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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