

ASX Announcement

20 December 2019

## Completion of Re-financing and Performance Update

Pioneer Credit Limited (ASX: PNC) (**'Pioneer'** or the **'Company'**) refers to its previous announcements regarding the agreement for an entity that is part of the group of entities doing business as 'The Carlyle Group' (collectively **'Carlyle'**) to acquire the debt outstanding under Pioneer's senior secured debt facility from Pioneer's senior financiers, subject to the entry into substitution and transfer documentation and the satisfaction of other customary conditions precedent (**Debt Purchase**).

The Company confirms today that completion of the Debt Purchase has occurred.

In addition to the above, Carlyle has agreed to loan to the Company additional interim funding of up to \$28 million to fund ongoing investment in Purchased Debt Portfolios, payment of the special dividend referred to in the Company's announcement on 5 December 2019 and working capital as required. In connection with this refinancing, Carlyle has agreed to waive all existing defaults under the senior debt facility.

The Company also advises that while operational performance for the period to December 2019 has been within expectations, the Company has been operating under constraints due to the standstill agreement with the previous senior financier. Without access to additional funding and with requirements that limited its operational flexibility, Pioneer's growth strategy has been on hold. The Company has not previously guided first half performance, however, advises that liquidations are expected to be approximately 4% above the prior corresponding period at approximately \$52m.

In addition, shareholders should be aware that the Company has incurred significant one-off costs in relation to the events of the current half triggered by the FY19 audit including dealing with the breach of financial covenants, standstill agreements and associated matters, the change of control process and the re-financing, totaling approximately \$7m. The Company therefore expects to report a statutory loss for the period to 31 December 2019.

**ENDS**

### Investor/Media enquiries

John Gardner  
Citadel-MAGNUS  
M: 0413 355 997

Keith John  
Managing Director  
Ph: 08 9323 5000

### 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](http://www.pioneercredit.com.au)