

Annual General Meeting – 27 October 2016

Following are the Chairman's and Managing Director's addresses and presentation to the Annual General Meeting of Pioneer Credit Limited (ASX:PNC) to be held today 27 October 2016 at 10 a.m. at Level 8, Exchange Tower, 2 The Esplanade, Perth.

About Pioneer

Pioneer Credit is an Australian company bringing a fresh new approach to financial services. We began life as a financial services provider to people in financial difficulty. Today, with more than 150,000 customers Australia-wide, we continue to focus on helping people get their finances back on track and achieve their goals. In 2016 we have commenced the next chapter in our growth story, with the launch of a range of products to our customers. Ultimately, our aim is to help customers achieve home ownership, using loans we will broker back through our valued banking partners.

For further information about Pioneer visit www.pioneercredit.com.au.

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ASX release

27 October 2016

CHAIRMAN'S ADDRESS TO 2016 AGM – MICHAEL SMITH

I appreciate the opportunity to once again address our shareholders and provide a recap on FY2016.

By way of overview, Pioneer Credit is an emerging Australian financial services provider. With more than 160,000 customers Australia-wide, our focus is on providing them with exceptional levels of customer service along with a range of products to help them achieve their financial goals.

Over the past 7 years Pioneer has grown from being an acquirer and servicer of Tier 1 retail debt portfolios, to now being a provider of new credit to an exciting 'near-prime' rehabilitated customer base. The provision of credit back to the performing part of our portfolios has been a primary goal of the business since inception and the journey you are sharing with us as one of our valued shareholders has been highly profitable to date. We believe the coming periods will be even more profitable as we truly establish Pioneer as not just a leading originator of credit product, but a financial services group that truly understands risk pricing developed from many years of providing services to customers.

With an expert team of over 300 customer service specialists across Australia and the Philippines, the Company has performed well over FY2016, and is positioned for strong growth in the coming years.

To the year just completed (our second full year as an ASX listed entity) Pioneer continued to perform well, during what was a challenging PDP investment period characterised by unreasonably high pricing. As documented and communicated to all Pioneer stakeholders, we remain committed to our disciplined approach in the price at which we acquired assets. We also continued our focus on servicing the best quality Tier 1 retail debt portfolios in Australia. This resulted in fairly static purchasing during much of FY2016 as the Company waited for the impact of what it regarded as overpaying by others in the market place to play out.

In periods of high pricing, debt purchasers are at risk of a higher likelihood of compliance and brand issues for themselves and their vendors as they seek to push consumers harder to repay. This has occurred in recent times with increased scrutiny of customer treatment and some regulatory and consumer driven litigation against purchasers, which has quickly refocused financial institutions' risk appetite and seen them seek to increase their engagement with quality purchasers like Pioneer.

Pioneer has a unique operational strategy which drives vendor engagement and customer loyalty, a corporate strategy which the vendors are supportive of and a balance sheet that has continued to grow very strongly in recent years. Our customer-centric strategy improves the credit standing of customers, maximises likelihood of repayment, fosters loyalty and is looked on favourably by our vendor partners given the positive reputation associations. This, in turn leads us to be able to achieve market leading PDP acquisition pricing and utilisation, and will also bolster our ability to provide alternative financial products to our customers. Our 6 Leadership Principles underpin our strategy and our Managing Director, Keith John will speak to these Principles in his address.

With respect to our FY2016 financial results:

- All of our FY2016 guidance was met or exceeded with:
 - PDP acquisitions above A\$42m – recorded A\$42.3m
 - EBIT margin of at least 31% – recorded 32.2%
 - NPAT of at least A\$8.8m – recorded A\$9.5m
- We recorded large increases in all key earnings measures with:
 - Net revenue up 24% to A\$47.8m
 - EBIT up 28% to A\$15.4m
 - NPAT up 21% to A\$9.5m
 - EPS up 24% to 20.4c
- Total fully franked FY2016 dividend up 15% to 9.8c
- Healthy cash balance and increased financial assets to drive growth and returns in FY2017

Towards the end of the financial year, as expected, changing market dynamics resulted in a softening of competition for new PDPs and stronger vendor engagement with Pioneer because of its unique customer centric offering. In the last quarter of FY2016, Pioneer welcomed a number of new vendor partners. This included the last of the Big 4 banks to become a partner, a prominent Australian investment bank and a number of quality large finance companies.

On listing, part of Pioneer's strategy was to broaden its vendor base and this objective has now well and truly been fulfilled.

In FY2016, Pioneer achieved a high degree of operational success including:

- Successful negotiation of a revised debt facility including an increase in facility limit and removal of quarterly amortisation of the loan;
- Multiple new PDP vendor partners (as mentioned) and Forward Flow Agreements secured;
- Significant investment in our analytics capabilities allowing us to continue to develop even deeper understanding of pricing acquired credit risk and also to further develop our knowledge of the credit being introduced to our rehabilitated customer base;
- The launch of our growth entity, Pioneer Credit Connect and its first 'new customer' product;
- The acquisition of switchmyloan.com.au, which represents our first foray into the mortgage broking sector;
- A successful A\$5.8m equity raising, strongly supported by existing institutional and new shareholders at a premium to the prevailing market price at the time;
- Our customer base exceeded 150,000 for the first time (and is now over 160,000); and
- Achievement of an outstanding Net Promoter Score (a new initiative used to measure, monitor and evaluate relationships with customers) of +15 (for context the major banks generally attract a negative score)

Pioneer operates in a growing yet concentrated industry. The face value of retail debt sold in Australia has been most recently estimated to be over A\$4.5bn p.a. with approximately 80% of this debt sold by six issuers and purchased by four buyers, of which Pioneer is one.

In a market with concentrated supply, it is crucial to be able to differentiate yourself. Pioneer has been able to do so successfully, and has continued to grow its investments at attractive price points and across the best product types.

Pioneer remains unique among retail debt investors as the only investor of significance that:-

1. has never had a negative customer outcome from an Ombudsman;
2. has never had to provide an enforceable undertaking to any regulator; and
3. has never had a reportable systemic issue from its practices.

With the growing interest from regulators, consumer advocates and the media in the treatment of customers by business with 'social licenses' such as banks, the value of Pioneer's service offering is clear.

Key to our ability to achieve such enviable compliance outcomes is the considerable investment in the development of our people and our approach to building long term sustainable relationships with our customers. Our business is successful in working towards outcomes that are as beneficial to our customers as they are to Pioneer, thereby driving high levels of employee engagement and job satisfaction.

In addition to our enviable compliance record, Pioneer's focus on investing only in quality banking and finance underpins the strength of our balance sheet and the predictability of the customer payments expected to flow from our investments in the coming years.

Pioneer has always had a strong sense of community and is committed to demonstrating high standards of social responsibility, in particular by supporting the community in which it operates in a number of ways.

Pioneer is a founding member of the National Hardship Register, which addresses the serious issues of long term and severe financial hardship experienced by Australia's most vulnerable consumers. The purpose of the Register is to protect consumers who are experiencing severe financial hardship from unnecessary debt collection activity. Through and in addition to this program, Pioneer has provided debt relief to our most vulnerable consumers.

Pioneer also contributes strongly to various initiatives each year including into cancer research, supporting sick children at Princess Margaret Hospital and giving the gift of sound and speech to deaf children. Just recently, Pioneer was a major supporter of Tour de Cure through NSW. In addition to supporting the program financially we also had three members of our team attend and participate in the event, two in a support capacity and one member who rode over 300km through the Blue Mountains over 3 days – a great personal achievement for her and through substantial fund raising, a significant contribution to funding cancer research. We also had another team member compete in a corporate boxing challenge earlier in the year for the charity ToyBox International.

Members of our team also contribute on a personal level. In FY16 we launched Pioneer Hearts, a volunteer program for our staff. During its first year of operation, its projects have

included supporting a local under-privileged school in the Philippines while our Perth team provided their services to The Ear Science Institute Australia to help support the local community hearing bus to reach communities in need.

Our community programs are more than just about 'giving back'. They also ensure that we do not lose focus on the fortunate positions we have.

In concluding my address, I would like to thank Keith John and the Pioneer management team for their continued commitment to the Company over the last 12 months. I'd also like to thank my fellow directors for their ongoing support.

MANAGING DIRECTOR'S ADDRESS TO 2016 AGM – KEITH JOHN

Pioneer has a well-defined set of values that our people work and live by. We call these our Leadership Principles.

Pioneer's Leadership Principles form the core of what we expect from our people, in all aspects of our business. They are embedded throughout the organisation and underpin every interaction we have with our customers and our stakeholders.

Our people are introduced to the Leadership Principles on day 1 of their employment with Pioneer, and they form the basis of all ongoing training as well as our staff recognition programs.

It is through the Leadership Principles, that Pioneer has experienced its strong operational and financial performance, and exceptional brand growth.

Our 6 Leadership Principles:

- Technical Competence
- Clear Communication
- Unwavering Passion
- Fearless Vision
- Unlimited Accessibility
- Selfless Loyalty

Understanding the principles and what they mean within Pioneer is to understand what continues to differentiate us in the market from both a vendor and customer perspective.

With more than 300 customer service team members and 60 corporate team members, having strong alignment in purpose is critical to our ongoing success. I am exceptionally proud of our team and their belief in our Principles.

As I discuss with you today the way we operationalise our business, please remember that our principles underpin every expectation of every person in our business.

We have developed a comprehensive framework that provides employees with a clear pathway to excellence.

After recruitment, which is based solely on selecting people with great behaviours, we introduce our people to Pioneer through a 3 month induction program including 2 weeks in a classroom environment followed by 10 weeks of on-the-job training. The on-the-job training involves significant support and guidance from incumbent team members and a strong desire from all parties to deliver great outcomes for our customers. Employee progress is measured, tested and supported throughout this period to ensure our people are strongly aligned with us as an organisation and that our customers continue to experience exceptional levels of service.

Following completion of probation after six months, every member of our customer service team receives monthly learning and development opportunities to support aspects of their work performance. From a career development perspective, we are committed to promoting

as many people from within our group into new roles as they emerge. Our Talent and Capability team facilitate a number of programs which include:-

1. Ongoing training with a number of structured programs, including:
 - Certificate IV in customer engagement
 - Certificate IV in leadership and management
 - Our Leadership Series for aspiring business leaders, and
2. A range of secondment opportunities (wherever possible) across our business units, previously into Sphere Legal and now into our Pioneer Credit Connect Business.

Our continued focus on the development of our people has delivered another outstanding result in our employee engagement and experience survey with over 90% of our team participating and over 93% of participants saying they would recommend Pioneer as a place to work to their family and friends.

These types of results clearly come through in our financial performance and also in our Net Promoter Score of +15, an outstanding result by any measure, and made even more remarkable considering the circumstances of our customers when they first contact Pioneer.

Expansion

When I started this business in mid 2009 it was clear that you would likely be unsuccessful if you weren't unique and did not deliver a better long term outcome for the customer. I started and have continued building a business with people focused on medium to long term outcomes and with a management team characterised by their personal discipline.

Most of my executive and senior management team have been with me for many years now and are completely committed to the journey we want to take our customers on. Our focus on the discipline of not paying too much for PDPs has ensured that we can continue to differentiate ourselves through our compliance record and invest in building genuine brand equity with our customers.

This investment took its first major significant step to date when we launched our updated brand and livery at last year's AGM. Over the coming weeks you will see our new website for Pioneer Credit Connect which continues that journey and enables customers to engage with us in an entirely new way, i.e. from an originations perspective.

Like everything we do, we have approached this growth opportunity with appropriate caution and are white labelling or broking products through a range of partners as we gather the information we need to continue to prove our modelling over time. While we have no balance sheet risk we do share in the upside potential through appropriate originations. Importantly, in all cases, we will continue to own the customer relationship.

As we expand our product offering and increase our market reach, this is an important aspect of Pioneer's future growth which we look forward to updating shareholders on this further at conclusion of this half year.

New products

The new products in our expanded suite include small business loans, home loans, car loans (all through different partnerships with groups that we have dealt with throughout our business for some time) and our Pioneer Credit branded personal loan which is underwritten through Goldfields Money.

You may be familiar with Goldfields Money. It is an ASX-listed authorised deposit taking institution in which Pioneer owns a 14% equity stake. This constitutes an important investment for Pioneer and is one which we believe will deliver strong value accretion in coming years for the benefit of all shareholders. Importantly we now provide a range of services to Goldfields Money including through our Sphere Legal business and we work collaboratively on new product offerings for our customer base.

During FY2016 in order to support our new product offering we acquired a leading innovator in the online home loan and refinance space, switchmyloan.com.au. (or 'Switch'). Switch is a disrupter of traditional broking and holds introducer agreements with 20 financiers, including the major banks. Switch is an important acquisition for us, not just in terms of enhancing customer value, but also in driving increased digital engagement with our customers. I'm sure you will see some of the fruits of these learnings in the new Pioneer Credit Connect website.

It is important for you to recognise that the current half year is not focused on driving exponential customer growth. Instead, we are focused on ensuring we know how to deliver an appropriate product to our customers in an efficient manner and that our processes ensure that our customers have positive experiences when dealing with us. Once we finalise our learnings from this process, and bed down our service delivery, we look forward to then shifting our focus to working on that customer growth. We look forward to updating you on our progress at the conclusion of this half year.

FY2017 Outlook

From a capital management perspective Pioneer is completing the negotiation of a new, larger 3 year facility with a top tier bank joining the incumbent Bankwest. Key terms and covenants have been settled and we are progressing the completion of the facility in the normal course of business.

We are excited about the way in which FY2017 has commenced. In particular, we now have approximately 85% of our forecast investment of \$A50m for the year under contract and about 40% of our expected investment in next year also contracted. By contrast, as we entered the previous year we only had about 15% of forecast PDP investment under contract. This provides us a solid platform on which to perform during this period and we are pleased to reiterate our guidance for the full year of statutory profit after tax of at least A\$10.5.

In closing today I would like to thank my Board for their continued efforts and commitment to the business. I would also like to thank my executive and senior management teams. Their commitment, application and integrity are and always will be integral to our success. On behalf of all our customers, vendor partners, shareholders and Board I sincerely thank you.



pioneer
credit

2016 ANNUAL GENERAL MEETING

27 October 2016

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Contents

4 Opening and introduction

- Board of Directors
- Executive team
- Meeting procedure

9 Chairman's address

- Corporate snapshot
- FY2016 summary
- Pioneer's differentiation
- Community relationships

16 Meeting formalities

- Financial Report
- Resolutions 1-3

24 Managing Director's address

- Market update
- Strategy discussion
- PDP metrics
- Operational update
- FY2017 guidance

30 Appendix

- FY2016 results detail



Opening and introduction

Board of Directors

Michael Smith
Non-Executive Chairman



Rob Bransby
Non-Executive Director



Anne Templeman-Jones
Non-Executive Director



Keith R. John
Founder &
Managing Director



Mark Dutton
Non-Executive Director



Executive team

Leslie Crockett
Chief Financial Officer



Sue Symmons
General Counsel &
Company Secretary



Lisa Stedman
Chief Operating Officer



Tony Bird
Chief Risk Officer





Meeting procedure

Meeting procedure

Voting shareholders

Yellow card

Non-voting shareholders

Blue card

Visitors

Red card



Chairman - Michael Smith

Corporate snapshot

Strong, growing balance sheet and supportive register with high levels of founder, Board and management ownership

- Pioneer specialises in acquiring and servicing 'Tier 1'¹ retail debt portfolios
- Pioneer operates a unique, customer-centric service model
- Pioneer conducts its business under a guiding set of "Leadership Principles"
- Over 360 employees across Australia and the Philippines

Share price and daily value traded over past year (A\$/A\$m)



Notes:

1. Customers not regarded as credit impaired when originated
2. Excludes 0.3m unlisted options (ex. price A\$1.92, 50k vested 5-Apr-16, 250k vest 5-Apr-17) plus 1.1m performance rights

Top shareholders

Keith John and associates <i>Pioneer Managing Director</i>	15.1%
Banksia Capital <i>Investment firm co-founded by NED Mark Dutton</i>	11.0%
Discovery AM <i>Boutique Australian fund manager</i>	8.4%
OC FM <i>Boutique Australian fund manager</i>	7.4%
Management (<i>ex Keith John</i>)	3.4%

Capital structure

Share price (26-Oct-16)	A\$1.785
Shares on issue ²	49.5m
Market capitalisation (26-Oct-16)	A\$88.4m
Cash (30-Jun-16)	A\$4.9m
Investment in Goldfields Money (30-Jun-16)	A\$2.6m
Debt (30-Jun-16)	A\$53.4m
Enterprise value (26-Oct-16)	A\$134.3m
Portfolio assets at carrying value (30-Jun-16)	A\$111.1m

FY2016 financial results highlights

Another strong year of growth in FY2016

All FY2016 guidance met or exceeded

- PDP acquisitions above A\$42.0m → A\$42.3m
- EBIT margin of at least 31% → 32.2%
- NPAT of at least A\$8.8m → A\$9.5m

Large increases in all key earnings measures

- Net revenue up 24%
- EBIT up 28%
- NPAT up 21%
- EPS up 24%

CIV rate reached record low levels of 22%

- Testament to Pioneer's cautious and considered approach to PDP acquisition

Fully franked final dividend of 6.2c, taking total DPS for FY2016 to 9.8c

Healthy cash balance and increased financial assets to drive growth in FY2017

FY2016 operational highlights

High degree of operational success throughout FY2016

Successful negotiation of a revised debt facility

- Increase in senior debt facility to A\$60m
- Maintain cautious leverage at <50% LVR (covenanted at 55%)

Multiple new PDP vendor partners and Forward Flow Agreements secured

- Including 4th of the Big 4 banks to become a partner and 1st investment bank

Significant investment in growing analytical capabilities

Launch of Pioneer Credit Connect

- First 'new customer' product launched

Acquisition of mortgage broking innovator switchmyloan.com.au


Successfully raised A\$5.8m in equity at price of A\$1.70

Customer base exceeded 150,000

Outstanding Net Promoter Score performance of +15

How is Pioneer different?

Competitive advantage through customer-centric strategy that improves the credit standing of customers while maximising likelihood of full repayment

			
	Typical debt purchasers		Pioneer's competitive advantages
PDP selection	Most classes of unsecured debt, including bankruptcy compromised and 'Part IX' accounts, telecommunications, utilities and payday loans	'Tier 1' ¹ customer portfolios with a preference for credit cards & personal loans	✓ Premium data analytic function facilitates selection of lower risk portfolios, ultimately maximising liquidations
Competitive bargaining for PDPs	Price-based Individual transaction focused	Reputation-based Relationship management, customer-centric service and strong track record of compliance	✓ Unique alignment with vendor partners, for whom brand preservation is increasingly important
Recovery timeframe	1 to 6 year collection cycle	Liquidation profile up to 10 years Scheduled and non-scheduled payment plans based on customer circumstances	✓ Flexible payment scheduling increases total liquidations
Process and relationship with customers	Find the individual capable of paying Artificial deadlines and counterproductive incentive structures that prioritise immediate payment One size fits all servicing approach Limited interaction channels	Enable the consumer to be able to pay Personalised Account Managers restructure loans and develop tailored repayment strategies to guide customers through their financial recovery Custom servicing approaches Expanded interaction channels	✓ Predictable revenue model with partnership promoting long term customer relationships ✓ 160,000+ customers ✓ 15,000+ customers on a payment plan

Note:

1. Customers not regarded as credit impaired when originated

How is Pioneer different? (cont.)

Pioneer takes particular care in ensuring that vendor relationships are nurtured, and a reputation of rigour, cautiousness, reliability and quality is maintained

1 Purchase certainty

- Pioneer employs strict pricing discipline
- The aim is always to pay a fair long term sustainable price, even if that means missing some contracts in the short term
- Consequently, Pioneer has never defaulted or walked away from a PDP agreement

2 Brand protection and enhancement

- No payday lending, utility, telco or other lower quality customer segments
- Net Promoter Score is used to measure, evaluate and grow relationships with customers

3 Transparency

- Pioneer provides 'easy' dealings:
 - Genuine partnership-driven approach
 - Uniquely open operations foster vendor confidence and provides hassle-free audits
 - High degree of information sharing

4 Compliance record

- No negative outcome at ombudsman level
- Never had a reportable systemic issue
- Never had a regulatory enforceable undertaking
- Unique record among major market participants

Community relationships

Pioneer values its relationships with the community and aims to make a difference where it matters the most



for vulnerable
consumers in
long-term & severe
financial hardship

National Hardship Register (NHR)

- Pioneer is a founding member of the NHR
- NHR addresses long term and severe financial hardship experienced by Australia's most vulnerable consumers

Other charitable relationships and initiatives



Toy Box International
WA focused Children's Charity



Tour de Cure
Can4Cancer's Tour de Cure cycling event



Strike a Chord
Sharing the gift of music with sick and disadvantaged children



Pioneer Hearts
Pioneer's own community-based volunteer program



Meeting formalities

Financial Report, Directors' Report and Independent Auditor's Report

Questions?



Resolution 1 – Ratification of issue of 3,415,031 fully paid ordinary shares

That, for the purposes of ASX Listing Rule 7.4 and all other purposes, the issue of 3,415,031 fully paid ordinary shares to institutional and sophisticated investors, as more fully described in the explanatory notes accompanying this notice of meeting, be approved.

Resolution 1 – Ratification of issue of 3,415,031 fully paid ordinary shares

Proxy votes

For	1,621,406
Open/Usable	345,958
Against	30,024
Abstain	5,160

Resolution 2 – Re-election of Michael Smith, Independent Non-Executive Director

That Mr Michael Smith, who retires in accordance with clause 6.1(f)(i)(A) of the Company's Constitution, and having offered himself for re-election and being eligible, is re-elected as an Independent Non-Executive Director of the Company.

Resolution 2 – Re-election of Michael Smith, Independent Non-Executive Director

Proxy votes

For	9,604,700
Open/Usable	314,004
Against	20,028
Abstain	568

Resolution 3 – Remuneration report

That, the Company's Remuneration Report for the financial year ended 30 June 2016 (as set out in the Directors' Report), be adopted.

Resolution 3 – Remuneration report

Proxy votes

For	9,375,160
Open/Usable	130,655
Against	139,028
Abstain	40,726



Managing Director - Keith R. John

Our people – Leadership Principles

Employee KPIs are tested against the Leadership Principles for qualitative alignment



Technical competence

Be consistent and relentless in exhibiting best practice and sharpening your skills. **Always act with integrity**



Clear communication

Learn to **connect with people** in a way they can relate



Unwavering passion

The fire inside you and the love for what you do and for your team **needs to be visible to all around you**



Fearless vision

Don't be afraid to **look outside the square** and commit to what you see



Unlimited accessibility

Being available when no-one else is



Selfless loyalty

Put your team and your company first without question

Development framework

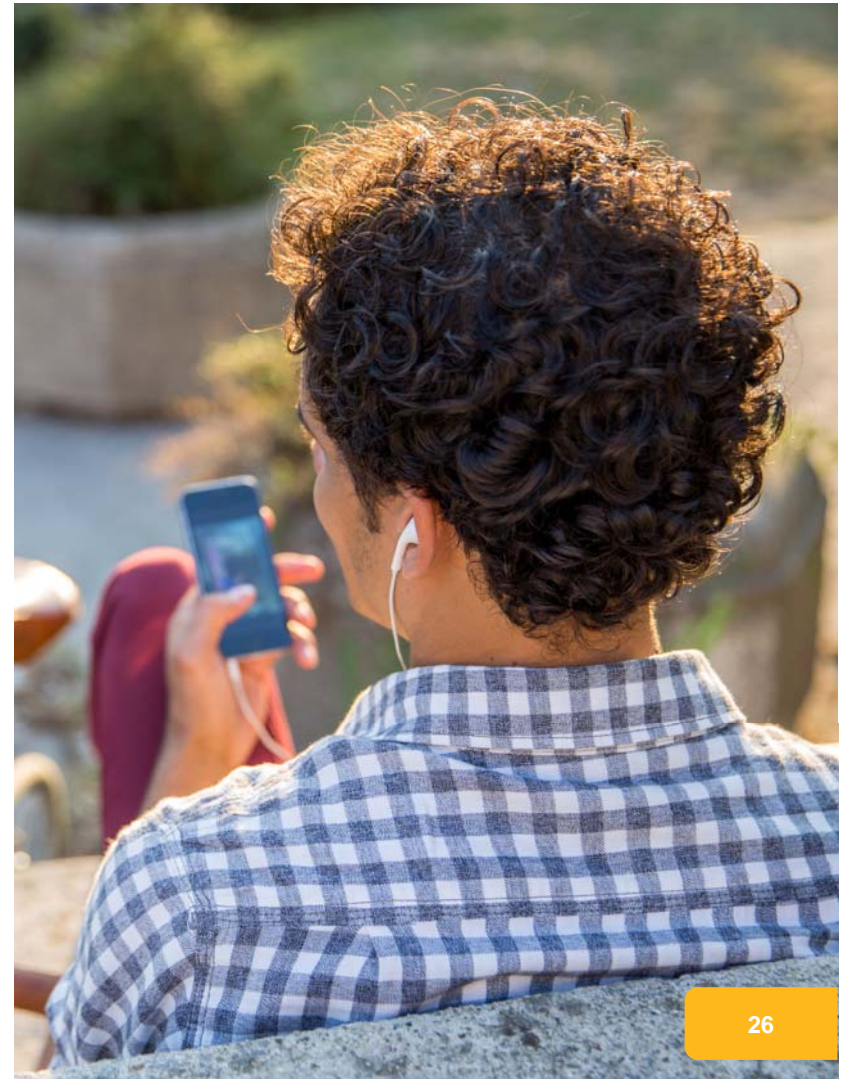
Strong employee development framework in place

Employee induction stream

- Introduction to culture & foundational knowledge delivered over 2 weeks in a classroom environment
- Layers of complexity added over the next 10 weeks through structured 'on the job' training, self evaluation and coaching
- Skills, knowledge and behaviours reaffirmed with formal assessment at week 12

Employee development opportunities

- To develop our people and underpin our service offering
- Monthly Technical and Compliance focused development
- Cert. IV in Customer Engagement
- Cert. IV in Leadership
- Leadership Series – based on Pioneer Leadership Principles for aspiring leaders within the business



Expansion

Pioneer is successfully growing beyond its core business and expanding into new market sectors

New PDPs and vendor partnerships



- Continued growth through the **acquisition of new PDPs and new vendor partnerships**
- Continued focus on appropriate relationships at a fair price
- Pioneer's customer base now **>160,000** people

Expanding into new market sectors



- Pioneer's core skills, expertise and infrastructure are **being leveraged to scale into other market sectors**
- **Full-service broking offering** – enhanced by acquisition of switchmyloan.com.au
- Pioneer is now able to engage with an **entirely new customer base**

Diversified product offering



- New sub-brand, **Pioneer Credit Connect**
- Pioneer Credit Connect is offering a **range of financial products** to 'new' customers who are in a position to broaden their financial capacity
- Launched first **Pioneer-branded personal loan** in conjunction with Goldfields Money

Focus on new products

Pioneer is growing beyond its core business, with a new diversified product offering



Pioneer Credit Connect

- New growth entity designed to:
 - Extend customer relationship beyond repayment of initial account
 - Provide customers with value based products and education
 - Attract new customers
- First Connect product, mortgage offering (Pioneer Broking) was enhanced by acquisition of switchmyloan.com.au



Goldfields Money collaboration

- Pioneer has a 14.1% equity interest in Goldfields Money Limited
 - Emerging, ASX-listed Authorised Deposit-Taking Institution (ADI) based in Perth
- Pioneer is continuing to work with Goldfields on the development of a number of financial products
- Launch of first collaborative product, a personal loan



New financial products

- Pioneer has launched a range of new financial products, with significant upside potential for Pioneer
- Currently continuing its thorough analysis of all facets of new financial products strategy
- Pioneer anticipates that a trial credit card will be launched late in FY2017

FY2017 outlook

Another year of high quality growth underway

FY2017 operational update

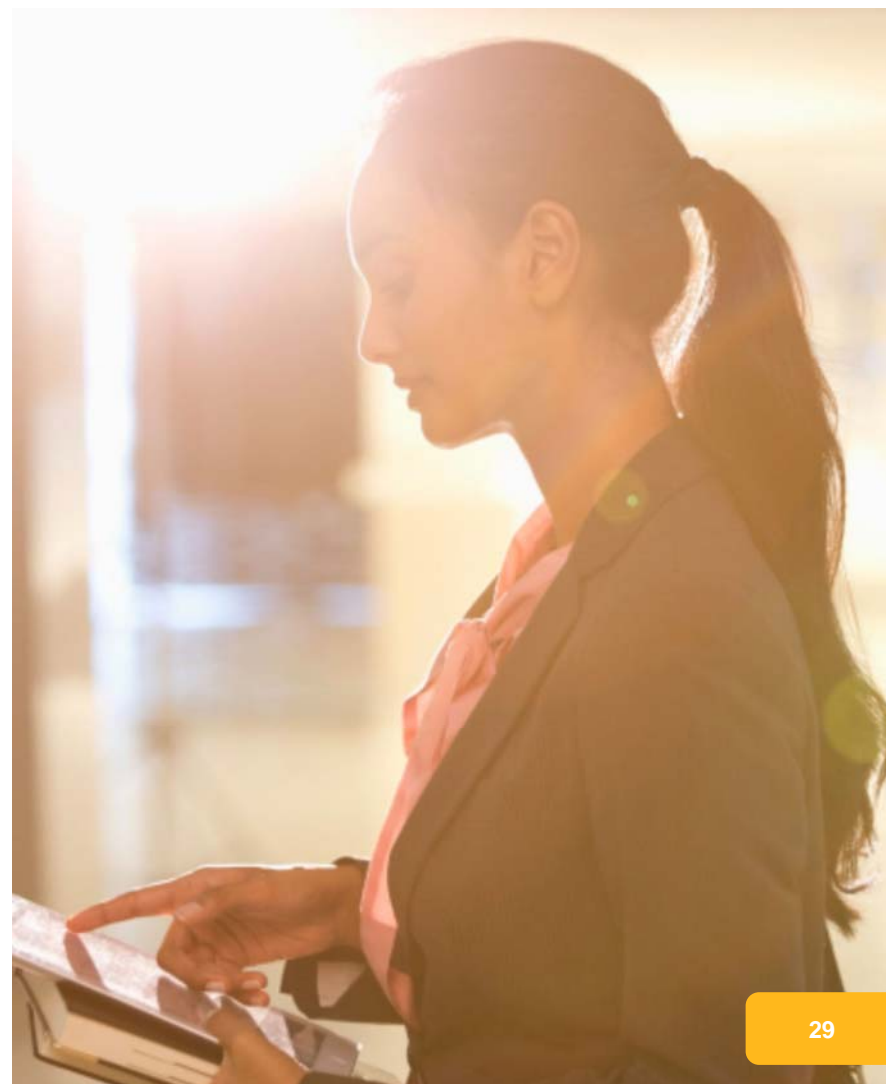
- New and renewal of Forward Flow Agreements completed
- ~85% of guided PDP investment under contract

FY2017 operational outlook

- Advanced in negotiation of new, larger debt facility with a top tier bank joining the incumbent Bankwest
- Further expansion into new market sectors and development of new products
- Secured forward flow tenure reinforces confidence in purchasing guidance of \$50m

FY2017 guidance

- PDP Investment of at least A\$50m
- Statutory Profit after Taxation of at least A\$10.5m





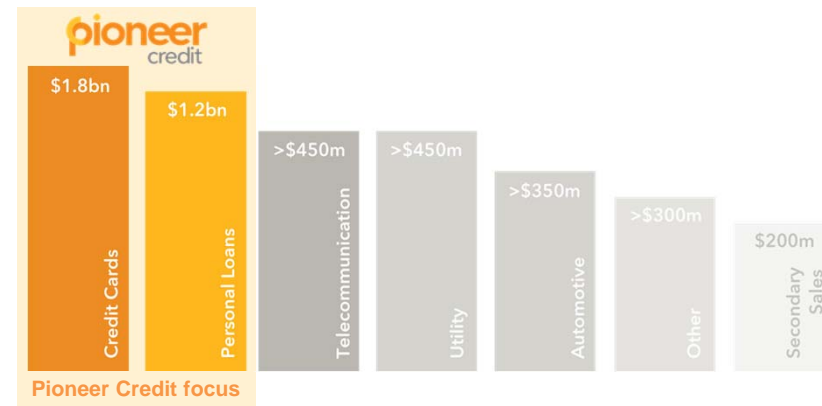
Appendix – Overview & FY16 detail

Australian retail debt sale market overview

Growing industry with macro tailwinds, accessible to only a small number of participants

- Growing industry, driven by:
 - Increasing levels of consumer debt
 - Increasing proportion of Australian debt that is not able to be recovered easily by issuers
 - Increasing tendency for institutions to outsource recoveries by on-selling the underlying receivable
- Concentrated industry, with c. 80% of retail debt sold by 6 issuers (Big 4 banks, GE and Telstra) and purchased by 4 buyers
- Significant barriers to entry
 - Relationships with debt sellers
 - Trusted brand and quality customer service staff
 - Access to capital and ability to scale
 - Regulatory compliance
 - Data and analytics capability required to value and operationalise purchased portfolios

Make-up of Australian retail debt sale market in FY2015



A\$4.5bn+

Approximate face value of retail debt sold in Australia in FY2015

62%

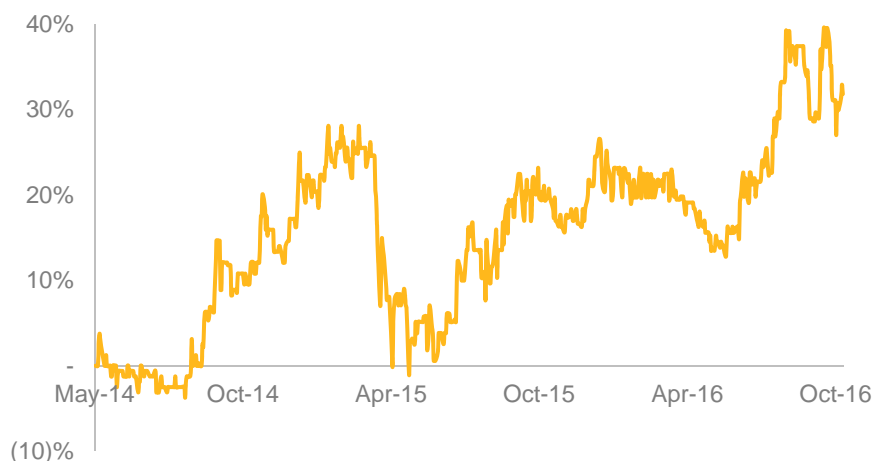
Proportion of sales conducted through Forward Flow Agreements (the rest is through rule based inventory and spot sales)

Focus on shareholder returns

Board and management ownership of almost 30% supports an ongoing focus on delivering strong underlying earnings growth

Total shareholder returns¹

- At close to all time highs, with significantly improved liquidity
- Potential for significant further share price and valuation uplift



Source: Bloomberg

Notes:

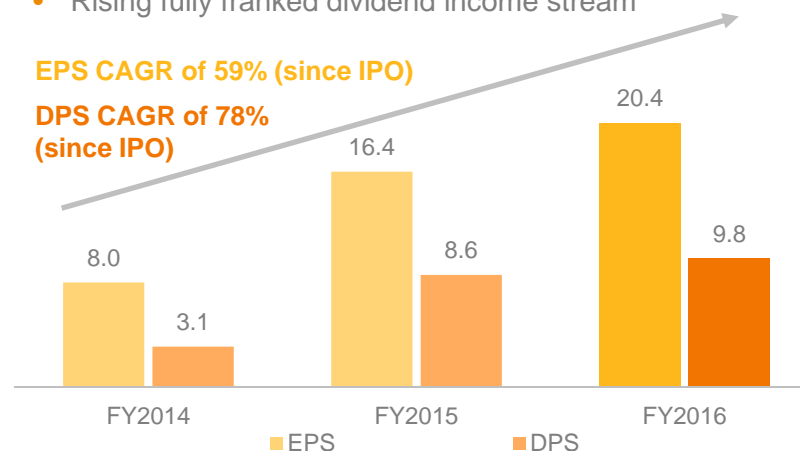
1. Assumes dividends are reinvested

EPS and DPS (cents)

- FY16 EPS of 20.4c, up 24% over prior corresponding period
- Consistently high payout ratio of c. 50%, with growing DPS
- Rising fully franked dividend income stream

EPS CAGR of 59% (since IPO)

DPS CAGR of 78% (since IPO)



Key profit & loss metrics

Pleasing enhancement of all key profit & loss metrics

Key profit & loss metrics	FY2015	FY2016	
PDP liquidations	A\$55.2m	A\$60.4m	↑ 9%
CIV ⁴	(A\$16.7m)	(A\$13.1m)	↓ 22%
Net revenue	A\$38.7m	A\$47.8m	↑ 23%
EBITDA ¹	A\$29.7m	A\$29.7m	Stable
EBIT	A\$12.1m	A\$15.4m	↑ 28%
NPAT	A\$7.8m	A\$9.5m	↑ 21%
CIV expensing rate ²	30.2%	21.7%	↓ 28%
EBIT margin (on net revenue)	31.2%	32.2%	↑ 3%
EPS (basic)	16.4c	20.4c	↑ 24%
DPS	8.55c	9.80c	↑ 15%
Franking	100%	100%	Stable

Notes:

1. EBITDA before the non-cash Change in Value movement
2. Calculated as CIV / PDP liquidations
3. Total FY2016 dividend of 9.8c divided by share price as at 30-Jun-16 of A\$1.60
4. CIV – Change in Value

- FY2016 profit & loss guidance beaten:
 - ✓ EBIT margin of at least 31%
 - ✓ Net profit after tax of at least \$8.8m
- Focus on liquidation of customers not previously expected to pay which helped to lift profitability
- CIV reduced despite higher PDP liquidations
 - CIV expensing rate reached record lows, testament to Pioneer's superior PDP assessment framework and servicing methodology
 - EPS and DPS continue to appreciate
 - Fully franked dividend represents payout ratio of 50% and FY2016 yield of 6.1%³

Key cash flow metrics

Pioneer continued to achieve strong cash generation in FY2016

Key cash flow metrics	FY2015	FY2016		
Gross operating cash flow	A\$29.2m	A\$30.1m	↑	3%
Operating cash flow pre PDP acquisitions	A\$24.8m	A\$25.1m	↑	1%
PDP acquisitions ¹	(A\$49.4m)	(A\$41.9m)	↓	15% ²
Free cash flow	(A\$25.5m)	(A\$18.5m)	↑	28%
Net proceeds of financing	A\$25.4m	A\$19.3m	↓	24%
Dividends paid	(A\$2.2m)	(A\$4.7m)	↑	115%
Net equity raising and DRP proceeds	-	A\$6.6m		
Net change in cash	(A\$2.3m)	A\$2.7m		
Gross operating cash flow / EBITDA (pre CIV)	98.3%	101.5%	↑	3%

- PDP acquisitions of A\$42m in line with guidance
 - A disciplined choice to not grow investments due to Pioneer's view that PDPs are at times being purchased at unsustainable valuations in the current market
- Pioneer successfully raised equity capital through a placement and its dividend reinvestment plan in FY2016

Note:

1. FY2015 includes c. A\$10m paid for prior periods; actual PDP acquisitions were A\$39.9m
2. Actual increase on normalised basis of 6%

Key balance sheet metrics

Pioneer has a strong, growing balance sheet and sits well within debt covenants

Key balance sheet metrics	FY2015	FY2016	
Cash and cash equivalents	A\$2.2m	A\$4.9m	↑ 126%
Financial assets at fair value	A\$81.9m	A\$111.1m	↑ 36%
Total assets	A\$94.9m	A\$127.4m	↑ 34%
Borrowings	A\$32.9m	A\$53.4m	↑ 62%
Total liabilities	A\$42.0m	A\$62.6m	↑ 49%
Net assets	A\$52.9m	A\$64.8m	↑ 22%
Gearing (net debt / PDP assets)	36.7%	45.6%	↑ 24%
Total credit facilities	A\$54.1m	A\$67.1m	↑ 24%

- Large cash increase evidences strong PDP liquidation and supports continued growth
- Significant increase in PDP assets, funded by equity and increases in borrowings
 - Pioneer remains well within its covenants
 - Pioneer internal ceiling <50% gearing, covenant is at 55%
 - Large undrawn debt balance of A\$13.0m available

Key PDP metrics (cont.)

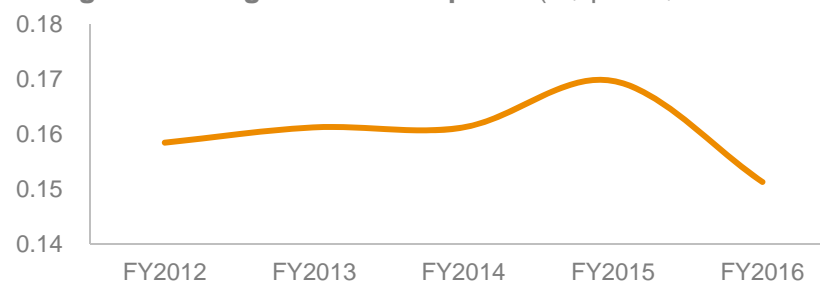
Maintenance of strong pricing discipline across well understood products

- Demonstrated capital allocation discipline across EPS accretive investments that lead to further opportunities
- Significant majority of portfolios acquired from Big 4 banks
- Purchasing discipline – weighted average purchase price decreased to 15.2c, the lowest average price in 4 years¹
 - This resulted in fairly static purchasing during much of FY2016 as others overpaid (in Pioneer's view)
- Overpaying leads to compliance and brand issue risks, in turn refocusing financial institution risk appetite
 - Increases financial institution engagement with quality purchasers like Pioneer
 - Pioneer welcomed a number of new vendors partners in 4Q FY2016, significantly broadening the partnership base

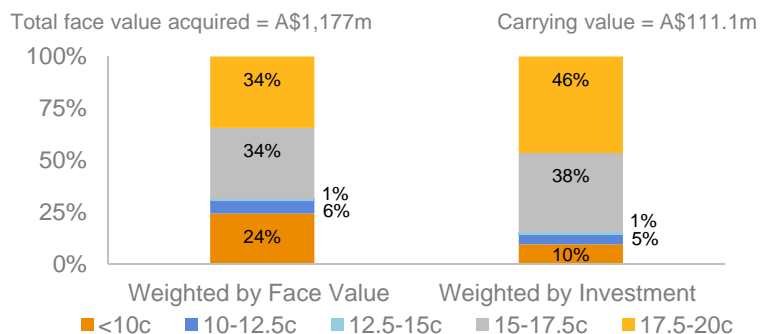
Notes:

1. Purchase price proportional to PDP face value represents realistic cost per A\$ of PDP acquired
2. Includes portfolios paid to 30 June 2016
3. Excludes low value secondary or non-core portfolios of immaterial value

Weighted average investment price² (A\$ per A\$1 of face value)



Historical aggregate PDP investment^{2,3}



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