pioneer credit

Annual Report

For the year ended 30 June 2025

Contents

Overview

2025 Highlights

Financial Performance

$142.2m	$94.0m	$41.3m	$10.5m
Cash Collections	**EBITDA**	**EBIT**	**NPAT[1]**
FY24: $145.0m	FY24: $88.7m	FY24: $6.7m	FY24: $1.2m
˅ **2%**	^ **6%**	^ **517%**	^ **805%**

1 Normalised for non-recurring expenses

Our Stakeholders

359
Employees

219k
Customers

$1.2m
Community Investment

95k
Customer portal logins

+20
Customer NPS

+6
Employee NPS

$1.5m
Debt waived for vulnerable customers in hardship

53%
Leadership positions filled internally

75%
Independent Board of Directors

35k
Customers on affordable payment arrangements

Tailored solutions for customers affected by natural disasters

Who we are

Pioneer Credit Limited ('Pioneer') is an ASX-listed financial services business supporting everyday Australians to take control of their debt and move toward financial independence.

We work with customers experiencing financial stress, helping them resolve their debt obligations through respectful, flexible and affordable solutions.

Trusted by Australia's major banks, financial institutions and non-bank lenders, we've built long term relationships with our partners by doing the right thing - consistently.

Customer-first, always

Our hopes for all are lofty and our purpose ambitious - *"to put an end to debt stress"*.

Since starting out, we've helped more than 367k customers find a better financial path, with over 219k customers currently engaged with us across Australia.

We acquire retail debt portfolios from vendor partners, and these portfolios form the foundation of our customer relationships.

Every conversation we have is grounded in empathy and driven by what's right for the customer.

We offer tailored, realistic payment options that support the end of debt stress and long-term success for our customers. We see the people behind the portfolios we acquire and work with them to help meet their commitments and move forward, so they can go on to become financially confident 'new consumers' with improved credit standing and greater peace of mind.

Investing in quality service

Providing exceptional customer service remains a key priority. Our team receives ongoing training to ensure every interaction is consistent, compliant and supportive. We monitor customer contact to uphold high standards and continuously improve.

Our people-first approach helps us deliver industry-leading outcomes for our partners, while maintaining the trust of our customers.

Strong partnerships with shared values

We're proud of our strong track record with Australia's major banks, financial institutions, and non-bank lenders. These relationships have been built on transparency, adaptability and results.

As our business continues to grow, we remain focused on operating with care and integrity, protecting vendor reputations and enhancing the customer experience.

Strong corporate culture

Pioneer is built on three principles

Be Human
We see people, and seek to understand

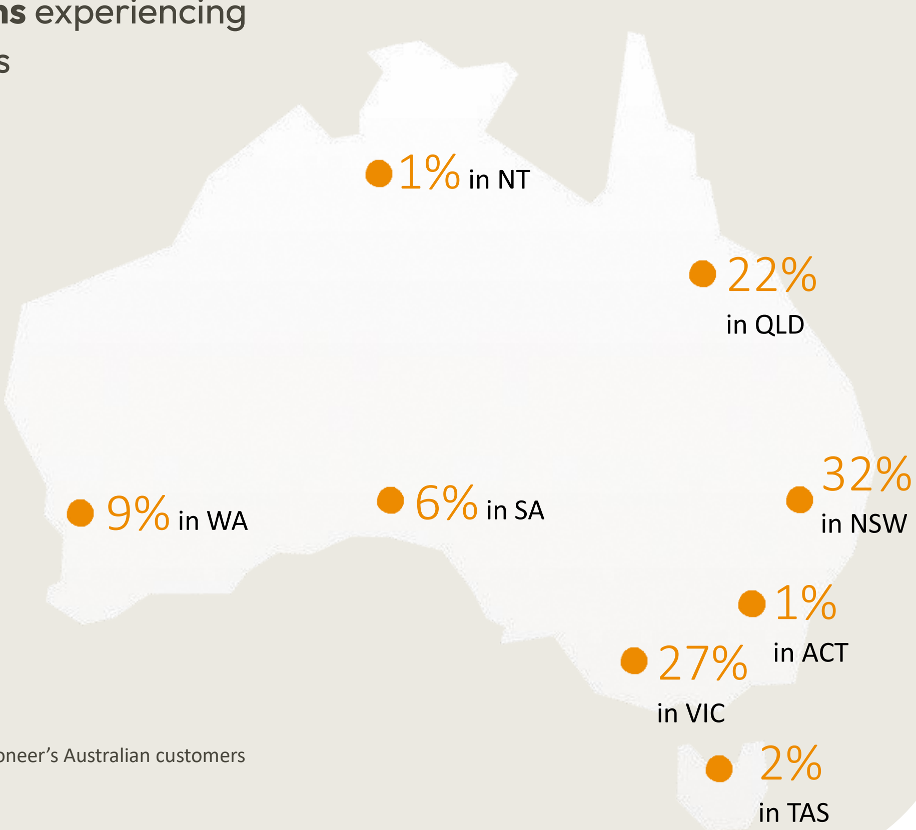
Choose Integrity
We do what's right, not what's easy

Act with Purpose
We commit to making a positive difference

These principles are a well-defined set of values that form the core of what we expect from our people and are embedded throughout the organisation. They set us apart in the markets we operate and we're proud to be considered the first choice for many vendors.

The principles form the foundation for every interaction we have with our customers and stakeholders.

359 **Pioneer** people are helping over **219,000 Australians** experiencing debt stress



Distribution of Pioneer's Australian customers

Performance

Pioneer Credit Limited ABN 44 103 003 505

Appendix 4E

Preliminary Final Report
for the year ended 30 June 2025
(previous corresponding period 30 June 2024)

Appendix 4E – Results for announcement to the market

Key information ($'000)				
Revenue from ordinary activities	up	32%	to	93,520
Profit from ordinary activities after tax attributable to members	up	>100%	to	6,664
Net profit for the period attributable to members	up	>100%	to	6,664

1 Revenue from ordinary activities excludes interest income on bank deposits and loans to management.

Dividends per ordinary share

There is no provision for a final dividend in respect of the year ended 30 June 2025.

Loss of control over entities

The following entities were deregistered during the ended 30 June 2025:

Name of entities	Date deregistered
Pioneer Credit Connect (Fund 1) Pty Limited	16 October 2024
Pioneer Credit Acquisition Services (UK) Limited	3 December 2024
Pioneer Credit Connect (Personal Loans) Pty Limited	22 December 2024

Financial Statements

Released with this Appendix 4E report are the following:

- Consolidated Statement of Financial Position
- Consolidated Statement of Profit or Loss and Other Comprehensive Income
- Consolidated Statement of Changes in Equity
- Consolidated Statement of Cash Flows
- Notes to the consolidated financial statements

This report is based on financial statements which have been audited and an unmodified opinion has been issued

Key ratios

	30 June 2025 (cents)	30 June 2024 (cents)
Net tangible assets per fully paid ordinary share	24.01	16.42
Basic earnings/(loss) per fully paid ordinary share	4.41	(8.66)

Corporate Directory

Directors	Mr Stephen Targett (Chair) Mr Keith John (Managing Director) Ms Pauline Gately Mr Andrew Whitechurch (commenced 2 September 2024) Ms Suzan Pervan (resigned 3 October 2024) Mr Peter Hall (resigned 30 August 2024)
Company Secretary	Ms Susan Symmons
Principal Registered Office	Level 6 108 St Georges Terrace Perth WA 6000
Share Registrar	MUFG Corporate Markets (AU) Level 12 250 St Georges Terrace Perth WA 6000
Auditor	RSM Australia Partners Exchange Tower Level 32/2 The Esplanade Perth WA 6000
Solicitors	K&L Gates Level 32 44 St Georges Terrace Perth WA 6000
Bankers	Nomura Australia Level 41 1 Farrer Place Sydney NSW 2000
Stock Exchange Listings	Australian Securities Exchange (ASX)
Website	www.pioneercredit.com.au

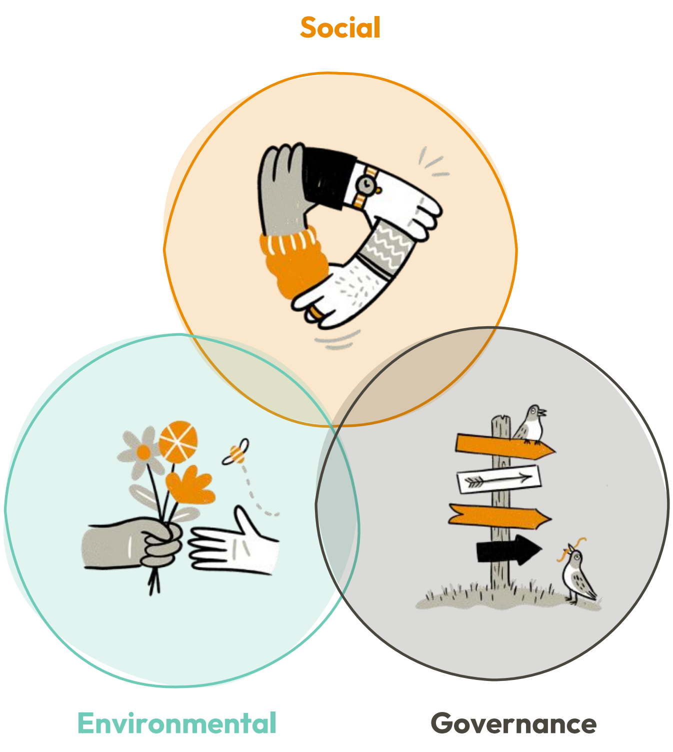
ESG

The Pioneer approach to Environmental, Social and Governance (ESG) is connected to our purpose: to put an end to debt stress. We're committed to operating in a way that creates positive outcomes for our customers, communities, people and partners.

A strategy built on five pillars

Our ESG framework is built on five key pillars identified through consultation with internal and external stakeholders. These are the five areas where we can have the greatest positive impact. We consider these across all aspects of our business including our strategy, investments, operations and risk practices.

To ensure our approach is in-line with institutional investment standards we've taken guidance from authorities including the Sustainability Accounting Standards Board, the International Integrated Reporting Framework and the Australian Institute of Company Directors. Our focus is on embedding responsible practices and ensuring these are part of our core business.



Our approach to ESG

Governance and accountability

We're committed to clear, transparent decision-making that upholds compliance and stakeholder confidence. Oversight by the Board of Directors, supported by internal collaboration, ensures we meet Australian Accounting Standards Board disclosure requirements and legal obligations, while maintaining strong corporate governance.

Sustainable business operations

We apply long-term thinking to business decisions, drawing on established frameworks to support responsible planning and operational discipline. Sustainability at Pioneer means building a business that's resilient, adaptable, and aligned to the expectations of customers, partners and regulators.

Customer and community impact

Our work directly supports people facing debt stress. We help customers find a pathway forward with empathy and practical support, improving financial wellbeing and reducing stress. To date, we've helped over 367k Australians take steps toward a stronger financial future.

People and culture

We know our impact starts with our people. We invest in our people through training to ensure they're equipped to do the right thing, with confidence. Our 'founded in good' ethos shapes how we work, supports one another and delivers for our customers.

Risk and responsibility

We take a proactive approach to managing risk across the business. Our enterprise risk framework helps us safeguard data, respond to regulatory change and maintain trust with the people and partners who rely on us.

Corporate Governance Framework

pioneer credit

Social

Customer Care

We prioritise doing the right thing for our customers, providing a service experience that is respectful and supportive. Our tailored solutions are designed to meet each customers' financial capacity while reflecting our core values and commitment to positive outcomes.

Our customer care includes:

+20

Customer NPS

Our customer service initiatives such as customer portal, capped interest rates, and flexible payment options, result in exceptional customer satisfaction ratings

Complaint management

The Internal Dispute Resolution team aims to resolve all complaints and avoid escalation

$1.5m

Debt waived in FY25

Vulnerable customers supported by our Hardship and Care team had a cumulative $1.5m in debt waived

Customer data protection

Pioneer has comprehensive cyber security practices including encryption, audits, and monitoring to ensure our customers' data is safe

Social

Community

At Pioneer, we're committed to supporting communities and causes that reflect our values. From volunteering to fostering long-term partnerships, we aim to make a tangible, positive difference in the lives of others.

How we give back:

ToyBox partnership

We partner with ToyBox Australia to support sick and disadvantaged children. Our team volunteers, and raises funds to donate gifts at Christmas and to help provide medical equipment, therapy and experiences that bring comfort and joy to children and their families.

Matching donations

We match employee donations, amplifying the support we can provide to local communities.

Since 2014, Pioneer has contributed $1.2 million in donations to a variety of important community causes, helping to create meaningful change for those in need.

Through these initiatives, we turn our purpose into action, supporting communities in practical and meaningful ways.

Social

Pioneer People

We recognise, respect, and value differences in those around us. Pioneer fosters a culture that embraces diverse perspectives, ideas and experiences. We encourage openness, collaboration and understanding.

Our commitment to supporting our people includes:

Engaged and positive culture

We foster a culture of belonging, genuine care and inclusivity. Our +6 employee NPS score reflects the strength of our engaged culture, where the life experiences of our people are valued and respected.

Growth and development

We provide opportunities for career progression through training, coaching and continuous development and secondments. Last year, 53% of leadership vacancies were filled internally.

Wellbeing and Support

Pioneer invests in the wellbeing of its people with recognition programs, employee assistance, wellness initiatives and access to Mental Health First Aid training. Benefits such as discounted gym memberships and wellness facilities help our people thrive at work and beyond.

Belonging

We have always recognised the value of a diverse workforce. Our approach to diversity and inclusion is unique, and captured in our simple but very powerful statement: 'Belonging'.

At Pioneer, Belonging exhibits itself in many ways. It starts with our people knowing they can truly bring their full self to their workplace.

Belonging is more than acknowledging diversity through a 'seat at the table' culture. We aim to amplify every person's voice, remove barriers and appreciate each other for their uniqueness.

Diversity is a fact. Inclusion is a behaviour. Belonging is the emotional outcome that we want Pioneer's culture to be known for.

Our Belonging goals are ambitious. We recognise that. We also recognise that we do not always meet them. But we do try, and where we fall short we are honest about that, and take full responsibility.

Environmental

Pioneer fosters sustainable business practices where practical to have a positive impact on the environment. While Pioneer operates in a non-carbon intensive environment, we adopt sustainable options as part of our everyday business, paving the way for a more sustainable future.

Our environmental stewardship includes:

Supporting customers impacted by natural disasters

5.0 ★★★★★

NABERS Energy Rating
We prioritise in-office paperless operations and efficient energy consumption

Responsible waste recycling, donation and disposal

Governance

Strong governance is the foundation of long-term success. We lead with transparency, independence and ethical practice, ensuring our customers, shareholders and partners can have confidence in the way we do business.

Our governance approach is built on:

Robust risk oversight
Board-level committees oversee risk, audit, people and investment decisions, embedding accountability at every level

Ethical culture
Guided by our Code of Conduct and we foster a culture of integrity - we do what is right, not what is easy

Audit and Assurance
Internal and external audits, reinforced by robust risk and incident management systems, safeguard both our customers and the business

Responsible recoveries
We champion ethical debt recovery, treating every customer with dignity, honesty and respect

75%

Independent Board Directors
75% of our Board are independent directors, providing objective oversight and ensuring decisions are made in the best interest of all stakeholders

Safe reporting channels
Our Whistleblower Policy and reporting tools empower employees to speak up, strengthening a culture of openness and integrity

Regulatory alignment
We proactively align with APRA and other regulatory standards, maintaining a strong track record of compliance and governance discipline

Responsible procurement
Our Supplier Management Framework embeds Modern Slavery Act and human rights' standards across our supply chain

Directors' Report

The Board of Directors present their report on the Consolidated Entity (**'the Group'** or **'the Company'**) consisting of Pioneer Credit Limited (**'Pioneer'**) and the entities it controlled at or during the year ended 30 June 2025.

Directors

The following were Directors of Pioneer during the financial year and at the date of this report:

- Mr Stephen Targett (Chair)
- Mr Keith John (Managing Director)
- Ms Pauline Gately
- Mr Andrew Whitechurch (commenced 2 September 2024)
- Ms Suzan Pervan (resigned 3 October 2024)
- Mr Peter Hall (resigned 30 August 2024)

Information on Directors

Mr Stephen Targett	**Independent Non-Executive Chair**
Experience and expertise	• Appointed a Director in June 2021 and Chair on 31 December 2022 • Extensive financial services experience as a board member and an executive in Australia and overseas • Chair of CPT Global Limited. Former Chair of Police & Nurses Limited (P&N) and BCU, a division of P&N • Previously CEO of RACQ Bank and in successive executive positions, led National Australia Bank's European services, Lloyds Banking Group's wholesale and international division and ANZ's institutional bank
Listed Company Directorships including those held at any time in the previous 3 years	Chair – CPT Global Limited
Special responsibilities	Member of Audit and Risk Management Committee Chair of People, Remuneration and Nomination Committee
Interests in share and options	Ordinary Shares: 211,363 Medium Term Notes: 80

Mr Keith John	**Managing Director**
Experience and expertise	• Founder of Pioneer with over 30 years' experience in the financial services industry • Widely regarded expert in the impaired credit sector in Australia
Listed Company Directorships including those held at any time in the previous 3 years	Nil
Special responsibilities	Managing Director Member of People, Remuneration and Nomination Committee
Interests in share and options	Ordinary Shares: 17,247,934 Rights: 2,807,766

Ms Pauline Gately	**Independent Non-Executive Director**
Experience and expertise	• Appointed a Director of Pioneer in August 2023 • 20 years' experience in investment banking, investment strategy, economic research and funds management • Graduate of the Australian Institute of Company Directors, BA (Hons) Economics, Graduate Diploma in Law and Financial Study (Accounting) • International experience in Asia, UK and Australia
Listed Company Directorships including those held at any time in the previous 3 years	Chair – Kalgoorlie Gold Mining Ltd Director – Elixinol Wellness Ltd (Chair of Audit and Risk Committee) Previous – Ardiden Ltd
Special responsibilities	Chair of Audit and Risk Management Committee Member of People, Remuneration and Nomination Committee
Interests in share and options	Nil

Mr Andrew Whitechurch	**Independent Non-Executive Director**
Experience and expertise	• Appointed a Director of Pioneer in September 2024 • 20 years' experience in business strategy, commercial banking, and audit and risk • Chair of Audit & Risk Management Committees at MercyCare Limited, University of Notre Dame and East Metropolitan Health Service • Former WA State General Manager at NAB, Executive General Manager at Bankwest • Holds an MBA from Monash University, including recipient of the MBA Director's Award for Academic Excellence
Listed Company Directorships including those held at any time in the previous 3 years	Nil
Special responsibilities	Member of Audit and Risk Management Committee Member of People, Remuneration and Nomination Committee
Interests in share and options	Ordinary Shares: 85,000

Ms Suzan Pervan	**Independent Non-Executive Director**
	Appointed a Director in August 2023 and resigned on 3 October 2024

Mr Peter Hall	**Independent Non-Executive Director**
	Appointed a Director in January 2021 and resigned on 30 August 2024.

Company Secretary

Ms Susan Symmons joined Pioneer as Company Secretary on 1 October 2015. Ms Symmons has over 30 years' corporate experience including positions with Heytesbury Pty Ltd, Evans & Tate Limited, Automotive Holdings Group Limited, and Helloworld Limited. Ms Symmons holds a Bachelor of Commerce from Curtin University and a Master of Business Law from UNSW and is a member of the Australian Institute of Company Directors and Governance Institute of Australia.

Dividends

No dividends were paid during the financial year (2024: $nil).

Meeting of Directors

The number of meetings held and attended by the Directors during the year ended 30 June 2025 was:

	Board		Audit and Risk Management		People, Remuneration and Nomination	
Name	**Attended**	**Held**	**Attended**	**Held**	**Attended**	**Held**
Mr Stephen Targett	11	11	5	5	5	5
Mr Keith John	11	11	N/A	N/A	5	5
Ms Pauline Gately	11	11	5	5	5	5
Mr Andrew Whitechurch[1]	8	8	4	4	4	4
Ms Suzan Pervan[2]	3	3	1	1	1	1
Mr Peter Hall[3]	3	3	1	1	1	1

1 *Appointed on 2 September 2024*
2 *Resigned on 3 October 2024*
3 *Resigned on 30 August 2024*

Principal Activities

Pioneer acquires portfolios of customers experiencing debt stress from Australia's major banks, financial institutions and non-bank lenders. These Purchased Debt Portfolios (PDPs) are carefully selected using deep industry expertise and advanced data analytics, generally from vendors where Pioneer has strong relationships. We do this to ensure we can deliver exceptional customer service to the customers we acquire and deliver sustainable returns for our shareholders.

Our model is built on disciplined and meaningful investment, efficient cost-to-service (CTS) management and a commitment to long-term, responsible growth. We reinvest returns to strengthen our position as the partner of choice for employees, vendors and investors - always operating with transparency and fairness.

We track our performance through five key metrics:

- Customer Experience – Net Promoter Score (NPS)
- Customer Outcomes – Cash collections and growth in Performing Arrangements (PAs)
- Operational Efficiency – Cost to Service (CTS)
- Investment Discipline – Return on Investment (ROI)
- Employee Engagement – Employee Net Promoter Score (eNPS)

Review of Operations

As has been well articulated to the ASX, and as anticipated by both existing and potential shareholders, FY25 was the turnaround year the Company had promised to deliver.

The forecast statutory net profit after taxation was delivered, that being an amount of $6.7m (FY24: $10.0m loss). After allowing for one-off expenses (and as audited by the Company's auditor) a normalised net profit after taxation of $10.5m (FY24: $1.2m) was achieved.

The Board and Management are pleased to have delivered on those expectations.

Having well delivered on our commitment to shareholders in FY25, and with our strong market position and future opportunity that has been clearly articulated and demonstrated, the foundations have been laid for success.

Senior Debt Facilities

The period commenced with closing the refinancing of the Group's senior debt facility in late July 2024, delivering ~$8m in annualised pre-tax savings from financing costs.

The Syndicated Financing Facility ('Facility') was arranged by the Nomura group of companies including long-term substantial shareholder Nomura Holdings Inc, Nomura Australia Ltd - which acted as Arranger to the Company in 2020 and 2021 and, more recently, Nomura Singapore Inc, which provided a separate special purpose facility in December 2023 at a reduced cost to Pioneer's then finance costs.

The $272.5m Facility includes $50m in growth funding from a syndicate of high-quality lenders including Challenger, Keyview Financial Group, Nomura Special Investments Singapore, and Revolution Asset Management (together, the 'Syndicate'). At the end of FY25 there remained $34.3m in available facility.

The Facility has a four-year term to July 2028 and includes provisions for limit upsizing. If the Syndicate elects not to increase its commitment, the Company retains the flexibility to introduce other senior funders to support future investment opportunities.

Operating Environment and Market

Since inception, the Group has focused on a differentiated servicing strategy that places the customer first and at the core of its offering. While this may have seemed an unusual position for a debt recovery business to take, we have always believed it to be both appropriate and commercially sound.

Putting the customer first also means ensuring that we only work with vendor partners that maintain fair and responsible lending practices. We do not work with any pay-day lenders, nor have we ever acquired unregulated debt such as Buy Now, Pay Later products.

While these decisions may have limited Pioneer's growth opportunities at times, particularly historically where for periods some originators prioritised price over quality, our standards have proven to be even more valuable than we anticipated. As regulatory and societal expectations have shifted firmly towards ethical treatment and responsible conduct, our standards have positioned us ahead of the curve. And we have worked hard to remain there. Pioneer has consistently sought, and will continue, to lead the industry in this regard.

The market has increasingly moved in Pioneer's favour and is now often described as a duopoly. This is largely accurate in the context of Australia's major banks, and Pioneer is proud to be one side of that dynamic.

Among smaller banks and non-bank lenders, there has also been a trend toward greater partner selectivity. Pioneer's clear stance - that we do not compete with our vendor partners by offering lending products, and that we do not acquire pay-day loans - continues to differentiate us. This positioning has helped us continue to strengthen key relationships over an extended period of time and to grow market share and new relationships, as vendors increasingly prioritise alignment in values.

In FY25, Pioneer acquired PDPs from 21 vendors, further de-risking our PDP investment program across product type and vendor concentration.

With a total addressable market of ~$350m in PDP investment in FY25 and with the announcement late in the financial year of the return of institutions that had previously paused their sale programs, the market is expected to grow back to its previous levels of ~$550m over the next two years, before broadly tracking system growth thereafter.

Compliance

The Group's focus on compliance has continued unabated, with significant investment in human capital and system enhancements to safeguard the business and ensure appropriate service for our customers.

During the year, we were pleased to be advised by the Australian Financial Complaints Authority (AFCA), the Ombudsman for Australia's financial services sector, that Pioneer's reduction in disputes lodged with them had decreased at a rate well beyond the industry average.

At AFCA, the highlights for Pioneer (for the 12 months ended 31 March 2025) included:

- 10% decrease in the overall number of complaints
- 3% increase in the resolution rate for those complaints
- 45% decrease in the number of financial difficulty complaints

These outcomes are as pleasing as we could have hoped and reflect our continued prioritisation of our customers, in particular the most vulnerable of those.

Artificial Intelligence in Compliance

During the past year, the Group commenced an ambitious Artificial Intelligence (AI) agenda focused on enhancing the customer experience and lifting productivity. As a key pillar of the organisation, this work has been centred in compliance, beginning with the responsible use of technology to significantly expand our call audit coverage.

Historically, our Call Quality Specialists audited and provided feedback on ~2000 telephone calls per month. We have now finalised the testing of an in-house developed speech-to-text AI solution that increases the coverage to ~40,000 telephone calls per month.

In short, this solution evaluates every call at a site, team, and individual level, to measure adherence to a broad range of compliance obligations. It thereafter is identifying insights to tailor training to the specific needs of teams or individuals to further improve customer outcomes and productivity.

As the number of customer accounts we service in the business grows, this AI-driven capability allows us to scale efficiently without increasing headcount, commencing in our compliance team and thereafter expected to flow through to other support services, to put downward pressure on our cost to service. Early outcomes of efficiency are reflected in our FY25 cost line.

Artificial Intelligence (Generally)

Across the Group, AI has been adopted with care and clear intent. In the initial stages, our focus is on leveraging AI to enhance back-office and support operations, improve service accuracy and speed and increase productivity – always with safety and governance at the forefront.

To support this, we have implemented a robust framework that includes a Responsible Use of AI Policy, an AI Accountable Officer, and an AI Charter, ensuring all aspects of our automation approach are governed appropriately.

Although current applications of AI remain modest in scale, they are already delivering measurable improvements in targeted functions. Importantly, our teams are actively engaging with AI tools, building capability and identifying use cases for the business. Momentum is building and we expect AI adoption to begin making a measurable contribution across our business in the coming financial year.

Cost to Service

Employee expenses remain Pioneer's single largest cost, making workforce efficiency critical to driving profitability improvements. We measure the impact of total expenses, excluding finance costs, as Cost to Service (CTS).

On a normalised basis, CTS for FY24 was 33%, bettering our guided range of 35%-37%. Entering FY25, this was the level we expected to maintain.

Through FY25, we continued to focus on lifting productivity while maintaining strict cost discipline, particularly in employee expenses. This included holding leadership and executive salaries flat for the third and fourth consecutive years, respectively.

A result of this discipline, together with early efficiency gains from AI, CTS for FY25 was 32% (statutory 34%), a further improvement on FY24 and materially better than guidance. Looking ahead, we expect continued reductions in CTS to provide both a competitive advantage in the marketplace and an earnings tailwind in the years to come.

PDP Investment

At the start of the financial year, the Company advised the market of an expected PDP investment of $80m. Over the past few periods we have highlighted the favourable market dynamics, and in December 2024 we increased our PDP investment guidance from $80m to $90m, though in the wash up of the full year Pioneer did not invest the 'headline' number expected. There were two primary reasons:

(1) Shortly after our update it became clear that near-term opportunities were emerging. While not finalisable this period, they offered potential for Pioneer to leverage its brand for shareholder advantage, and

(2) During the period we secured improved terms, achieving a meaningful discount on forward flow agreement renewals. This discount significantly reduced our investment outlay, while investing in the same quality portfolios as we have historically. Similarly, our inventory portfolio investments delivered better outcomes compared to historical pricing.

Given the quality of our past PDP investments, the decision to pause some investment was prudent. The Company said at the 1H25, that it '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.' This statement absolutely holds true.

As is widely known, only three of the Big Four banks have been active in the debt sale market over the past six years. Following the close of FY25, we are pleased to confirm Pioneer is a preferred partner of Big Four banks, and is now the only PDP purchaser in Australia with agreements in place with all four.

As custodians of shareholder capital, we remain focused on disciplined deployment while delivering on our market commitments. Importantly, achieving profit guidance for the year on materially lower PDP investment highlights the operational leverage being unlocked across the Group, an advantage we expect will continue to benefit shareholders in the years ahead.

Business Risk Statement

The Company has a comprehensive risk management framework, and the Board has identified the following key risks:

a) Sufficiency of funding

There are reasonable grounds to believe the Company can pay its debts as and when they become due and payable. Pioneer's senior facility consists of:

- $272.5m Senior Finance Facility, including $50m funding for growth
- Initial term of four years expiring June 2028
- Initially priced at the Bank Bill Swap Rate plus 550 bps

The Company has also issued $55.5m Medium Term Notes, maturing on 29 December 2028.

b) Breach of finance facility covenant

A breach of a covenant under the Company's facility agreement could potentially result in its financiers calling the debt if not remedied within the agreed timeframe. Pioneer maintains a strong track record of covenant compliance, monitoring liquidity reserves, forecast cash flows and covenant compliance on a daily basis to mitigate this risk.

c) Availability and pricing of debt portfolios

Pioneer's growth depends on acquiring debt portfolios at viable prices and maximising recoveries. Portfolio availability and pricing are influenced by factors beyond Pioneer's control, including:

- Consumer credit levels and arrears
- Employment rates and consumer savings
- Corporate outsourcing appetite
- Industry reputation and regulatory changes

Economic conditions, changes in laws or accounting standards and negative publicity around debt collection practices may reduce portfolio supply or vendor willingness to sell. Increased competition also affects access and pricing. Pioneer mitigates these risks by leveraging data analytics, a strong compliance record and industry reputation to maintain its competitive edge and adapt to market dynamics.

d) Purchase of debt portfolios

Pioneer conducts rigorous due diligence before acquiring portfolios, purchasing accounts only from reputable institutions to ensure quality and recovery potential. Acquisitions are primarily personal loans and credit card portfolios, with additional purchases in consumer leases, rental agreements and transactional accounts.

Portfolios are sourced from reputable institutions, including major Australian banks. Pioneer avoids acquiring accounts originally classified as credit impaired or non-conforming, mitigating recovery risk and maintaining portfolio quality.

e) Existing debt portfolios and recovery of accounts

Recovery performance may vary due to macroeconomic factors. Pioneer uses statistical models to forecast payments, though deviations may occur. Portfolios often include accounts with limited contact information and may have been subject to multiple collection attempts by the vendor, making some accounts uncollectable.

Pioneer maximises long-term recoveries by minimising discounts for early payment and encouraging customers unable to meet existing repayment schedules under their existing loan agreement, to enter into new payment arrangements. While this approach is actively promoted, not all customers pay on time.

Inaccurate forecasting or unexpected account behaviour may lead to valuation impairments. Declining portfolio performance could limit Pioneer's ability to pursue new acquisitions. As all portfolios have a finite life, consistent recovery is essential to sustain operations.

f) Technology

Pioneer relies on technology for operations and data management, with cyber security measures and business continuity plans in place to mitigate risk.

A prolonged system outage or data breach could significantly disrupt operations, impair portfolio liquidation, revenue reporting, and cashflow management, resulting in material financial risk.

g) Staffing

Pioneer invests in the acquisition, training and retention of talented personnel. Succession planning and leadership development initiatives are key to sustaining operational excellence.

Pioneer's success depends on identifying, hiring, training, and retaining skilled personnel and senior management. Pioneer needs to retain its existing trained workforce and attract new personnel as it grows. Competition for such personnel is keen and there can be no assurance that Pioneer will always be successful in attracting and retaining such personnel.

If a significant number of staff leave Pioneer within a short period of time, Pioneer may suffer operational difficulties.

h) Reliance on key personnel

Pioneer is substantially reliant on the expertise and abilities of its key personnel to oversee day-to-day operations. There can be no assurance that the departure of one or more of these employees would not have a detrimental impact on the Company.

i) Loss of key relationships

Pioneer maintains a diversified vendor base and leverages its reputation, scale, track record and compliance record to support strong engagement. However, the loss of a key vendor relationship could reduce access to debt portfolios, disrupt strategic partnerships and limit the ability to source portfolios on acceptable terms.

Replacing lost vendors may be time-consuming, costly or result in lower-quality portfolios, potentially impacting profitability and operational performance.

j) Regulatory and legislative risks

Pioneer operates in a highly regulated industry and maintains robust compliance systems and staff training to meet its obligations. The Company actively monitors legislative changes and adapts its practices to ensure ongoing compliance.

Failure to comply with the obligations of its Australian Credit Licence (ACL) and applicable laws and regulations relating to the purchase of debt portfolios, collection on the accounts it acquires, the broader consumer credit industry, including the National Consumer Credit Protection Act 2009 (Cth), Anti Money Laundering and Counter Terrorism Financing Act 2006 (Cth), Privacy Act 1988 (Cth) and the Corporations Act could result in penalties, loss of licenses, termination of agreements, reputational damage and financial loss.

Pioneer invests significantly in compliance infrastructure, including:-

- the maintenance of a dedicated compliance framework, including policies, procedures and internal controls tailored to regulatory requirements
- conducting regular staff training and supervision, ensuring employees understand and adhere to legal and ethical standards
- Implementing a call review and cultural audit process, where customer interactions are monitored to identify and address potential compliance issues
- Engaging the Leadership team in compliance oversight, ensuring that any actual or potential breaches are escalated and resolved promptly
- Monitoring legislative and regulatory developments and participating in public consultation where appropriate
- Allocating significant resources to compliance, including legal, risk and audit functions to support ongoing obligations and respond to regulatory inquiries from bodies such as ASIC and AFCA
- Managing customer complaints and disputes efficiently, using structured resolution processes to maintain trust and reduce regulatory exposure

Despite these measures, Pioneer acknowledges that changes in legislation or enforcement practices may require increased investment in compliance or adjustments to its business model, which could impact profitability or operational viability in certain markets.

k) Funding to purchase new debt portfolios

Pioneer's business relies on acquiring debt portfolios at viable prices and recovering value from those accounts. These purchases are funded through a mix of equity, debt and operational cash flow. Access to funding depends on Pioneer's performance and outlook as well as external factors such as economic and market conditions.

l) Forward flow agreements

Pioneer acquires many debt portfolios under Forward Flow Agreements (FFAs), which may include termination clauses and re-assignment provisions. These can result in the return of accounts even if recoveries are underway, impacting revenue and profitability.

Competitive pressures may force Pioneer to pay higher prices or reduce acquisition volumes. While future value fluctuations are considered, inaccuracies in forecasting models and analytical tools used may adversely affect financial performance.

m) Future acquisitions

Pioneer may pursue strategic acquisitions to support growth, but success depends on identifying suitable targets, completing transactions, and effective integration. Acquisitions may introduce unforeseen risks, disrupt operations, or divert resources. If not completed or integrated successfully, or if performance falls short, financial results may be adversely affected.

n) Management of financial growth

Pioneer's financial performance depends on various factors, some beyond its control. Future growth may require additional capital, but there is no guarantee it can be raised on favourable terms. Failure to secure funding could hinder expansion and negatively impact financial results.

o) Dilution risk

Future capital raisings or the exercise of convertible securities, including securities issued under the Company's equity incentive plan may dilute existing shareholders' ownership. Capital may be raised to fund growth or repay debt.

p) Increased competition

Pioneer faces competition from both established and emerging debt portfolio purchasers, some of which may have or may in the future have superior resources, pricing models, or industry relationships. Competitors offering higher prices or more efficient operations may limit Pioneer's ability to acquire portfolios. Market dynamics may shift unfavourably, and there is no assurance that Pioneer can maintain or grow its market share.

q) Access to and use of data

Pioneer depends on data from credit agencies, servicing partners, and other third parties. Loss of or restricted access, for any reason, including law or regulatory changes or increased costs could adversely impact operations. Further, if competitors gain superior data capabilities, it may lose competitive advantage and face negative business outcomes.

r) Economic factors

Pioneer's performance may be affected by economic conditions such as interest rates, inflation, household disposable income, taxation, employment, consumer sentiment and market volatility. Material adverse changes to these general economic or industry conditions, could reduce customer repayments and impact revenue. Shifts in government policy or regulation may also affect funding and operations.

s) Reputational risk

Damage to Pioneer's reputation, whether due to service quality issues, regulatory breaches or actions by third-party partners, could reduce demand, harm the brand and negatively impact profitability and operations.

t) Litigation

Other than as set out in this Annual Report, Pioneer is not currently involved in material legal proceedings. However, future disputes or adverse regulatory findings could negatively affect its growth, operations and financial performance.

u) Unforeseen expenses

Pioneer may be subject to significant unforeseen expenses or actions. This may include unplanned operating expenses, future legal actions, or expenses in relation to future unforeseen events.

Pioneer expects that it will have adequate working capital to conduct its stated objectives, however, there is a risk that additional funds may be required for such unforeseen expenses and Pioneer's future objectives.

General risks

Most of the general risks discussed below are outside the control of Pioneer and the Board and cannot be mitigated.

a) Stock market volatility

Pioneer's share price may fluctuate due to factors beyond its control, including market conditions, economic trends, interest rates and investor sentiment. Shares carry no guarantee of profitability, dividends, return on capital or trading value. External national and international influences may also impact valuation.

b) General economic conditions

The general economic climate may affect the performance of Pioneer. These factors include the general level of national and international economic activity, inflation and interest rates. These factors are beyond the control of Pioneer and their impact cannot be predicted.

c) Changes in laws and government policy

Changes in laws and government policies (including changes to Pioneer's industry), both nationally and internationally, may adversely affect the financial performance or the current and proposed operations of Pioneer.

d) Insurance risks

Although Pioneer maintains insurance, no assurance can be given that adequate insurance will continue to be available to Pioneer in the future on commercially acceptable terms.

e) Government actions and other events

Decisions by national and international governments may affect Pioneer's operations, infrastructure, and regulatory obligations. Global events, such as conflict, political unrest, pandemics, or natural disasters can also impact markets and Pioneer's performance, with limited ability to obtain insurance coverage for some risks.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Group during the financial year.

Events since the end of the financial year

In July 2025 the following events occurred relating to employee share schemes provided:

Expiry Date	No. Shares	Value per share	Change	Exercise price	Consideration
1 July 2025	100,000	$0.49	Vested	$nil	$nil

Environmental regulation

The consolidated entity is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Remuneration Report - Audited

This Remuneration Report explains the remuneration approach and outcomes for the Company's Key Management Personnel ('KMP') for the year ended 30 June 2025.

Overview

KMP includes all directors and executives responsible for planning, directing, and controlling material activities of the Company. 'Executive' refers to KMP excluding Non-Executive Directors.

This Remuneration Report complies with section 300A of the Corporations Act 2001 and has been audited under Section 308(3C).

List of KMP

Directors	
Mr Stephen Targett	Independent Non-Executive Chair
Mr Keith John	Managing Director
Ms Pauline Gately	Independent Non-Executive Director
Mr Andrew Whitechurch (commenced 2 September 2024)	Independent Non-Executive Director
Ms Suzan Pervan (resigned effective 3 October 2024)	Independent Non-Executive Director
Mr Peter Hall (resigned effective 30 August 2024)	Independent Non-Executive Director

Executives	
Ms Susan Symmons	Company Secretary
Mr Barry Hartnett	Chief Financial Officer
Ms Andrea Hoskins (resigned effective 15 May 2025)	Chief Operating Officer

Remuneration policy and link to performance

In setting the Company's remuneration strategy, the Board is committed to a framework which:

a) Motivates executives to deliver long term sustainable growth within an appropriate control framework
b) Demonstrates a clear and strong correlation between performance and remuneration, and
c) Aligns the interests of executives with the Company's shareholders.

Structuring executive remuneration to align with the life of the assets Pioneer acquires is consistent with Pioneer's differentiated customer servicing approach and reflects the Board's commitment to maintaining an Executive that is focused on making decisions for the long-term benefit of the Company.

Accordingly, no Short Term Incentives ('STIs') are awarded to Executives or the leadership team.

Executives are incentivised with Long Term Incentives ('LTIs') via securities (in the form of Performance and Indeterminate rights ('Rights') or Ordinary Shares) issued under the Pioneer Credit Limited Equity Incentive Plan ('Plan').

The terms of the Rights, generally are:

a) Rights vest over a period of 4 years
b) Rights are issued for Nil consideration
c) Performance rights convert to Ordinary Shares on a one-for-one basis
d) Indeterminate rights may convert to Ordinary Shares on a one-for-one basis or, alternatively, the Board may determine that a vested Right will be satisfied by a cash payment in lieu of Ordinary Shares at the 5-day Volume Weighted Average Price ('VWAP') prior to each vesting date, and
e) Conditions may include the Executive being employed at the vesting date and a minimum VWAP to be achieved before vesting occurs.

Performance

The following table shows the statutory performance indicators of the Group over the last five years.

	2025 $'000	2024 $'000	2023 $'000	2022 $'000	2021 $'000
Profit/(Loss) for the year attributable to the Group	6,664	(10,039)	166	(33,094)	(19,655)
Basic earnings/(loss) per share (cents)	4.41	(8.66)	0.19	(40.48)	(30.43)
Dividend payments paid in financial year	-	-	-	-	-
Dividend payout ratio	N/A	N/A	N/A	N/A	N/A
Closing share price	$0.49	$0.50	$0.31	$0.42	$0.50
(Decrease)/Increase in share price	(2.0%)	61.3%	(26.2%)	(17.0)%	75.4%

Remuneration governance

The Board has a People, Remuneration and Nomination Committee ('PRNC'). The PRNC Charter sets out its responsibilities and is supported by a robust internal framework, which includes:

- A strong and embedded corporate culture, built around the Pioneer Principles, and
- A Delegation of Authority that specifies delegations from the Board to the Managing Director and from the Managing Director to Executive.

The elements of this framework are regularly reviewed.

Role of the PRNC

The PRNC advises the Board on:

- Base salaries for Executives and Board and Committee fees for non-executive Directors, and
- The adequacy and structure of any incentives, including equity-based remuneration plans.

The Committee annually reviews its remuneration strategy to ensure fairness and strategic alignment.

As required under the ASX Corporate Governance Principles, neither the Managing Director nor any other Executive participates in any decision relating to their own remuneration.

The PRNC Charter provides full details of this Committee's role.

Use of remuneration consultants

To ensure the PRNC is fully informed when making decisions it will periodically seek external advice. Any appointment of an advisor is made in accordance with the ASX Corporate Governance Principles.

Voting and comments made at the Company's 2024 Annual General Meeting ('AGM')

At the 2024 AGM, 97% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2024. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

Securities trading policy

The Securities Trading Policy restricts trading for those with market-sensitive information. The policy sets out prohibited trading periods which include:

- The 30-day period prior to, and 3-day period after, release of the full year and half year results, and
- The 30-day period prior to, and 3-day period after, the AGM.

Executives are prohibited from hedging their exposure to any securities held in the Company.

Executive remuneration

The Board recognises that satisfying remuneration expectations is important in attracting and retaining quality people.

As an acquirer of assets that typically liquidate over a period of up to 10 years, the Board recognises the importance of appropriately incentivising Executives such that they are accountable for the most significant part of tenure of acquired assets. In that regard, Executives are primarily incentivised with equity which vests over a medium time frame.

Structuring employee remuneration to align with the life of the assets Pioneer acquires is consistent with Pioneer's differentiated servicing approach and reflects the Board's commitment to maintaining an Executive that is focused on making decisions for the long-term health of the Company.

Executives may be provided LTIs which ensure Executives are incentivised to continue delivering sustainable long-term earnings of the Company.

In limited cases, the Board may recognise individuals by making an ex-gratia payment.

Fixed remuneration consists of base salary and statutory superannuation

The Managing Director reviews the performance of his Executives by meeting each at least quarterly to discuss their performance, and then separately assesses the performance of the Executive team. The review process is consultative in nature and contains an assessment of the Executive's performance against their responsibilities and the Company's expectations.

The Chair meets regularly with the Managing Director to discuss all matters pertaining to the operations of the Company including individual performance, strategy, leadership, management and financial performance. The Chair also obtains feedback from other Directors on the performance of the Managing Director, at least twice per year and provides that feedback to him. The PRNC completes a formal performance evaluation of the Managing Director at least annually against the stated objectives.

Remuneration for all Executives is reviewed at least annually. There is no guaranteed increase in any Executive's employment contract.

Long term incentives

At the Annual General Meeting ('AGM') held on 29 October 2014, shareholders approved the Pioneer Credit Limited Equity Incentive Plan ('the Plan'). At the 2017, 2020 and 2023 AGMs the Company refreshed the Plan under ASX Listing Rule 7.2 (Exception 13).

The Plan offers equity incentives to reward contributions and attract talent.

Long term incentive awards in place during the year

Details of Rights over ordinary shares in the Company that were granted as compensation to each KMP during the reporting period are as follows:

Name	No of rights	Grant date	Expiry date	Fair value at grant date
Ms Susan Symmons	267,908	15 July 2024	30 June 2026	$0.550

All rights have a $nil exercise price and a performance period from 1 July 2024 to 30 June 2026. No dividends are paid and no voting rights are issued to holders of Rights.

Vesting of the above Rights are subject to employment at the vesting date and the achievement of annual financial performance targets as set by the Board. For Rights where those annual financial performance targets have been met, final vesting is subject to the achievement of a final hurdle, being a net profit after tax of at least $18m in FY26.

Long term incentive awards modified during the year

There were no modifications to the conditions of Rights during the reporting period.

Non-Executive Director Arrangements

On appointment to the Board, each Non-Executive Director enters into an agreement with the Company which sets out the fixed fee policy for time and responsibilities.

Non-Executive Directors fees for FY25 were:

- Chair Fee $160,000 (plus Superannuation)
- Audit and Risk Management Committee Chair $120,000 (plus Superannuation)
- Non-Executive Director $100,000 (plus Superannuation)

A Non-Executive Director is not entitled to receive any performance-based fee. They may be entitled to fees or other amounts, as the Board determines, where they perform duties outside the scope of their ordinary duties and are entitled to be reimbursed for out of pocket expenses reasonably incurred.

The maximum pool of non-executive director fees approved by shareholders at the 29 November 2018 AGM was $800,000. Non-Executive Director fees have remained the same since 27 September 2017.

Statutory remuneration disclosures

The following tables details KMP remuneration in accordance with applicable accounting standards:

Statutory remuneration tables

Non-Executive Directors					
			Fixed remuneration[1]		
	Cash salary	Non-monetary benefits	Annual & long service leave	Post-employment benefits	Total
	$	$	$	$	$
Mr Stephen Targett					
2025	160,000	-	-	18,400	178,400
2024	160,000	-	-	17,600	177,600
Ms Pauline Gately[2]					
2025	116,630	-	-	13,412	130,042
2024	92,862	-	-	9,176	102,038
Mr Andrew Whitechurch[3]					
2025	82,692	-	-	9,510	92,202
2024	-	-	-	-	-
Ms Suzan Pervan[4]					
2025	31,846	-	-	3,662	35,508
2024	86,308	-	-	9,494	95,802
Mr Peter Hall[5]					
2025	17,308	-	-	1,990	19,298
2024	114,077	-	-	12,548	126,625
Total					
2025	408,476	-	-	46,974	455,450
2024	453,247	-	-	48,818	502,065

1 No variable remuneration was paid in FY24 or FY25.

2 Ms Pauline Gately is paid via a contracting arrangement through an invoice which is GST inclusive. Payment to the director constitutes an employee relationship for the purposes of the superannuation guarantee, which is paid on the invoice amount exclusive of GST.

3 Appointed effective 2 September 2024.

4 Resigned effective 3 October 2024.

5 Resigned effective 30 August 2024.

Executive Director							
	Fixed Remuneration				Variable Remuneration		
	Cash salary	Non-monetary benefits	Annual & long service leave	Post employment benefits	Options	Rights	Total
	$	$	$	$	$	$	$
Mr Keith John							
2025	778,500	12,395	52,105	30,000	-	344,006	1,217,006
2024	778,500	12,034	(48,463)	27,399	177,666	214,860	1,161,996

Key Management Personnel							
	Fixed Remuneration				Variable Remuneration		
	Cash salary	Non-monetary benefits	Annual & long service leave	Post-employment benefits	Options	Rights	Total
	$	$	$	$	$	$	$
Ms Susan Symmons							
2025	285,600	12,395	(24,297)	30,000	-	74,792	378,490
2024	285,600	12,034	(33,381)	27,399	-	102,286	393,938
Mr Barry Hartnett							
2025	450,000	12,395	52,997	30,000	-	297,492	842,884
2024	450,000	12,034	(53,558)	27,399	-	432,373	868,248
Ms Andrea Hoskins[1]							
2025	396,346	18,322	(7,817)	28,010	-	(83,461)	351,400
2024	450,000	12,034	(15,014)	27,399	-	238,738	713,157
Total							
2025	1,910,446	55,507	72,988	118,010	-	632,829	2,789,780
2024	1,964,100	48,136	(150,416)	109,596	177,666	988,257	3,137,339

1 *Resigned effective 15 May 2025*

Proportion of fixed and variable remuneration

The following table shows the proportion of remuneration that is fixed and that which is linked to performance:

		Fixed remuneration	At risk – STI	At risk – LTI
Executive Director				
Mr Keith John	2025	72%	-	28%
Key Management Personnel				
Ms Susan Symmons	2025	80%	-	20%
Mr Barry Hartnett	2025	65%	-	35%
Ms Andrea Hoskins	2025	100%	-	-

Contractual arrangements with senior executives

The terms of employment for the Company's Executives are formalised in service agreements. There are no benefits payable to any Executive on termination. The significant provisions of each service agreement are:

Employee	Position	Salary	Term of agreement and notice period
Mr Keith John	Managing Director	$778,500 p.a. plus super	Continuing agreement with 12 months' notice by either party
Ms Susan Symmons	Company Secretary	$357,000 p.a. plus super on a 0.8 FTE basis	Continuing agreement with 3 months' notice by either party
Mr Barry Hartnett	Chief Financial Officer	$450,000 p.a. plus super	Continuing agreement with 6 months' notice by either party
Ms Andrea Hoskins	Chief Operating Officer	$450,000 p.a. plus super	Continuing agreement with 6 months' notice by either party

KMP Security holdings

The tables below show the number of Rights, Options and Ordinary Shares in the Company held during the financial year by KMP and entities related to them. Rights granted during the financial year entirely comprise of FY24 award rights surrendered by members of the Plan.

Rights

	Balance at 1 July 2024	Granted	Vested	Lapsed / Forfeited	Balance at 30 June 2025	Unvested
Mr Keith John	2,807,766	-	-	-	2,807,766	2,807,766
Ms Susan Symmons	350,000	267,908	(325,000)	-	292,908	292,908
Mr Barry Hartnett	3,062,986	-	(1,440,000)	-	1,622,986	1,622,986
Ms Andrea Hoskins	2,222,986	-	(600,000)	(1,622,986)	-	-
	8,443,738	**267,908**	**(2,365,000)**	**(1,622,986)**	**4,723,660**	**4,723,660**

The below assumptions were used to determine the fair value of Rights at each date using a Black-Scholes pricing model using the grant date share price and historic share price volatility:

Grant date	15 July 2024[1]
Expiry date	30 June 2026
Share price at grant date	$0.550
Exercise price	Nil
Expected volatility	60%
Dividend yield	Nil
Risk free rate	4.11%
Fair value at grant date	$0.550

1 *A valid expectation was created as of 31 October 2023.*

Listed Options

All listed options expired in the year had an exercise price of $0.80 and expiry of 31 March 2025.

	Balance at 1 July 2024	Issued	Expired	Balance at 30 June 2025
Non-Executive Directors				
Mr Stephen Targett	136,363	-	(136,363)	-
Executive Director				
Mr Keith John	4,527,273	-	(4,527,273)	-
Key Management Personnel				
Ms Susan Symmons	36,363	-	(36,363)	-
Mr Barry Hartnett	454,545	-	(454,545)	-
Ms Andrea Hoskins	272,727	-	(272,727)	-
	5,427,271	**-**	**(5,427,271)**	**-**

Management Loans

In May 2022, loans were issued to four Executives for the purposes of acquiring shares under the Priority Offer completed on 18 May 2022. The shares were issued at a purchase price of $0.55 with an attaching Listed Option on a 1 for 1 basis, with an exercise price of $0.80 expiring in March 2025.

In November 2023, a loan was issued to the Managing Director for $1.5m. Both loans are secured by the underlying shares. The Company engaged external advisors to confirm that each loan transaction was of an arm's length nature and no employee benefits have been recognised in relation to the loans or share transaction.

On 13 August 2024, Pioneer issued a loan of $150,000 to the Managing Director, Keith John. The loan was subject to interest at 8.77%. The loan was fully repaid on 1 October 2024. On 17 January 2025, Pioneer issued a loan of $100,000 to the Managing Director, Keith John. The loan is subject to interest at 8.77%. At 30 June 2025 the loan remained outstanding. All accrued interest payments have been made in full and are up to date.

Andrea Hoskins ceased employment on 15 May 2025. It was agreed by the Board her shares under the loan would be repurchased by the Company at this date, and the balance of the loan be written off with no further recourse. The value of the portion written off was $13,636.

All loans are on a full recourse basis with interest accrued monthly at rates of 5% (May 2022 loan facility), 7.6% (November 2023 loan facility), 8.77% (August 2024 and January 2025 loan facility) per annum. The Board retains absolute discretion over loans, passing a resolution during the year allowing for accrued interest to be settled at the end of the loan term.

$	Mr Keith John	Mr Barry Hartnett	Ms Andrea Hoskins
Opening balance	3,000,000	250,000	150,000
Loans to KMP	250,000	-	-
Loans repaid	(150,000)	-	(136,364)
Interest charged	194,767	12,500	6,562
Interest paid	(5,767)	(3,125)	(6,562)
Written off	-	-	(13,636)
Closing balance	**3,289,000**	**259,375**	**-**
Maximum indebtedness in FY25	3,289,000	259,375	150,625

1 *Resigned effective 15 May 2025.*

Shareholdings

	Balance at 1 July 2024	Changes during the year	Balance at 30 June 2025
Non-Executive Directors			
Mr Stephen Targett[1]	211,363	-	211,363
Mr Andrew Whitechurch	-	85,000	85,000
Mr Peter Hall[2]	225,000	(225,000)	-
Executive Director			
Mr Keith John[3]	17,297,934	(50,000)	17,247,934
Key Management Personnel			
Ms Susan Symmons	513,404	325,000	856,404
Mr Barry Hartnett	1,000,870	1,440,000	2,440,870
Ms Andrea Hoskins[4]	397,727	(397,727)	-
	19,664,298	**1,177,273**	**20,841,571**

1 Also holds 80 Medium-Term Notes.
2 Change represents 225,000 shares held at resignation date, 30 August 2024.
4 Change represents an off-market transfer to an employee that is not a participant in the Pioneer Credit Limited Equity Incentive Plan
5 Change represents resignation effective 15 May 2025

Other transactions with Key Management Personnel and their related parties

During the financial year, $8,962 (2024: $1,326) of interest was paid to Mr Stephen Targett in respect of 80 Medium-Term Notes held (2024: 80). The notes were acquired independently, on normal commercial terms and at market rates.

END OF REMUNERATION REPORT

Shares issued on exercise of equity instruments

Ordinary shares were issued during the year ended 30 June 2025 and up to the date of this report on exercise of the following instruments:

Instrument	Exercise price	Number of shares
Performance rights	$nil	3,480,000

Shares pending exercise of performance rights

Unissued ordinary shares pending exercise of Rights at the date of this report are as follows:

Instrument	Exercise price	Number of shares
Performance rights	$nil	7,377,240

All unissued shares are convertible on a one for one basis. Further details about share-based payments to directors and KMP are included in the remuneration report.

Indemnity and insurance of officers

During the year the Company paid a premium to insure its Directors and Officers.

The exposures insured include legal costs that may be incurred in defending proceedings that may be brought against people in their capacity as officers of the Group, and any other payments arising from liabilities incurred in connection with such proceedings.

This does not include such liabilities that arise from conduct involving a wilful breach of duty or the improper use of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

Indemnity and insurance of auditor

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the Corporations Act 2001.

Non-audit services

RSM Australia Partners ('RSM') were appointed auditors on 2 November 2022. The Company may decide to engage the auditor for matters additional to their statutory audit duties. During the year ended 30 June 2025, RSM did not provide the group any non-audit services.

A copy of the Auditor's Independence Declaration under section 307C of the Corporations Act 2001 is on page 3434.

Officers of the Company who are former partners of RSM

There are no officers of the Company who are former partners of RSM.

Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Auditor

RSM Australia Partners continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

Stephen Targett,

Chair

Perth

27 August 2025

RSM Australia Partners

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www.rsm.com.au

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Pioneer Credit Limited for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

RSM

RSM AUSTRALIA

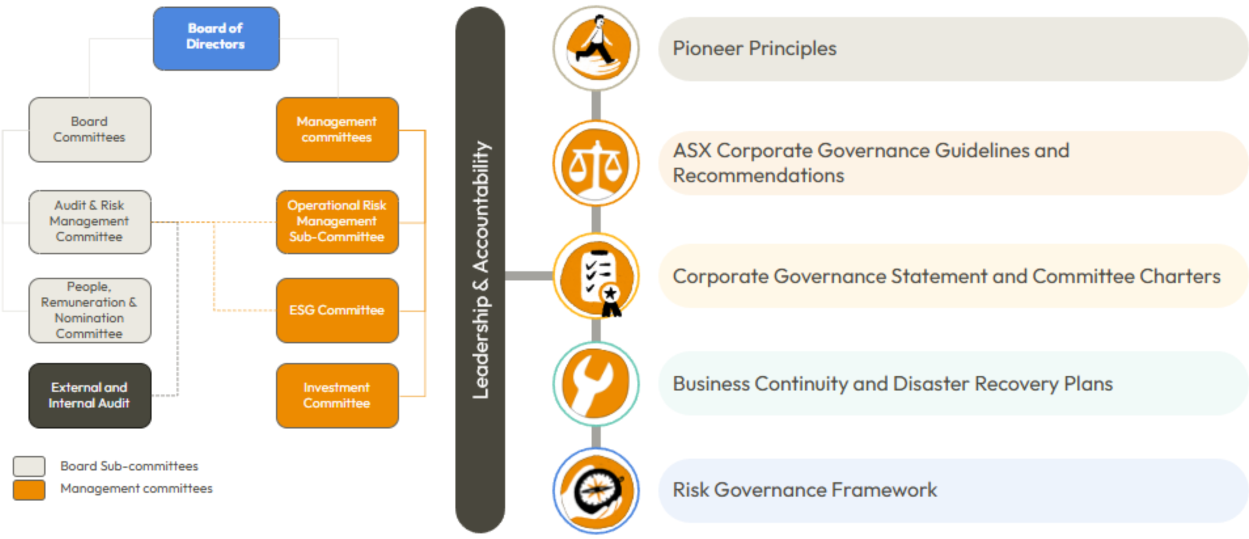
Perth, WA
Dated: 27 August 2025

MATTHEW BEEVERS
Partner

Corporate Governance Statement

Pioneer's long-term success is dependent on its commitment to having strong foundations in governance, risk and compliance. Its corporate governance framework demonstrates a strong compliance culture ensuring the alignment of expectations and protection of all stakeholders.

Corporate Governance Framework



During the year, Pioneer reviewed its governance practices against the Corporate Governance Principles and Recommendations (4th edition).

The Corporate Governance Statement is dated 27 August 2025, outlines the governance framework in place during FY25 and was approved by the Board on the same date. The full statement is available at:

https://pioneercredit.com.au/corporate/governance

Risk Management Framework

Pioneer adopts a balanced approach to risk, seeking opportunities that support strategic objectives while mitigating or eliminating risks that do not align with these goals, where it is cost effective to do so.

To ensure consistent and effective risk management across the organisation, the following elements are in place:

Policies, Procedures and Guidelines

Beyond the core policies recommended by the ASX (e.g., Board and Committee Charters, Code of Conduct, Conflict of Interest Policy, Risk Management Policy, and Whistleblower Policy), Pioneer has implemented comprehensive policies, procedures & guidelines across all key business areas to:

- Promote consistency and repeatability in processes and controls
- Ensure continuity in operations, reducing reliance on key individuals, and
- Enhance efficiency by minimising ambiguity and uncertainty.

Management Level Controls

As part of Pioneer's Line of Defence ('LOD') model, management level controls (i.e. preventative and detective manual / system controls) are implemented to provide internal / external stakeholders with a level of comfort that key processes are being undertaken as intended (i.e. 1st LOD). These controls are captured within Pioneer's Controls Register.

Controls Register

Pioneer has a Controls Register that document existing key controls and corresponding risk / obligations, in providing visibility on the adequacy of controls in place to mitigating existing / emerging key risks, or in complying with applicable regulatory and contractual obligations. The Controls Register establishes accountabilities and facilitates monitoring and reporting activities, as part of Pioneer's risk governance framework and LOD model.

Comprehensive Controls Program

Management Level Controls

Under Pioneer's Three Lines of Defence ('LOD') model, management level controls (both manual and system-based) serve as the first line of defence. These controls are designed to ensure that key processes are expected as intended and are documented in the Controls Register.

Controls Register

The Controls Register provides a centralised record of key controls and their associated risks or obligations. It supports visibility, accountability and monitoring within the risk governance framework and LOD model.

Independent Controls Assessment

To ensure controls remain effective in mitigating risks and meeting obligations, the Operational Risk Management team (as the second line of defence) conducts periodic independent assessments. Each control's scope, frequency and assessment methodology are defined within the Controls Register.

Compliance Calendar

Pioneer's Compliance Calendar outlines the Audit & Risk Management Committee's schedule for reviewing compliance matters throughout the year, ensuring regular oversight and timely consideration of key issues.

Risk Monitoring

To align operations with Pioneer's risk appetite, the following governance forums and initiatives are in place:

- Audit & Risk Management Committee
- Operational Risk Management Committee
- Executive Leadership Group
- Information Technology Governance Group

A quarterly risk review is conducted with all Risk Owners to support the ongoing identification, assessment and monitoring of risk.

Internal Audit

Pioneer's Internal Audit Program is overseen by the Company Secretary and is co-sourced with external specialists to ensure independent and expert evaluation of business processes. This forms the third line of defence in the Company's governance model.

Pioneer Credit Limited ABN 44 103 003 505
Annual Report
For the year ended 30 June 2025

Financial Statements

Contents

Consolidated statement of financial position

	Note	2025 $'000	2024 $'000
ASSETS			
Current assets			
Cash and cash equivalents	8	3,558	4,149
Trade and other receivables	9	7,175	4,331
Other current assets	10	3,690	1,496
Current tax asset		-	3
Purchased debt portfolio	11	116,720	114,058
Total current assets		**131,143**	**124,037**
Non-current assets			
Property, plant and equipment	12	427	524
Intangible assets	12	901	786
Right of use assets	13	5,163	6,420
Other non-current assets	10	3,340	5,924
Deferred tax assets	25	21,367	21,367
Purchased debt portfolio	11	226,244	208,878
Total non-current assets		**257,442**	**243,899**
Total assets		**388,585**	**367,936**
LIABILITIES			
Current liabilities			
Trade and other payables and liabilities	14	20,367	25,656
Provisions	15	2,102	2,234
Lease liabilities	13	1,403	1,277
Current tax liability		1	-
Borrowings	16	10,891	254,270
Total current liabilities		**34,764**	**283,437**
Non-current liabilities			
Provisions	15	976	1,047
Lease liabilities	13	5,553	6,911
Borrowings	16	286,710	32,347
Total non-current liabilities		**293,239**	**40,305**
Total liabilities		**328,002**	**323,742**
Net assets		**60,582**	**44,194**
EQUITY			
Contributed equity	19	130,751	117,664
Reserves	19	868	7,178
Accumulated losses		(71,037)	(80,648)
Capital and reserves attributable to owners of Pioneer Credit Ltd		**60,582**	**44,194**
Total equity		**60,582**	**44,194**

The consolidated statement of financial position should be read in conjunction with the accompanying notes.

Consolidated statement of profit or loss and other comprehensive income

		2025	2024
Continuing operations	**Note**	**$'000**	**$'000**
Interest income at amortised cost	11	88,326	83,576
Net impairment gain/(loss) on PDPs	11	4,817	(17,839)
Other income	20	377	5,343
		93,520	**71,080**
Employee expenses	21	(33,059)	(36,184)
Finance expenses	22	(38,307)	(43,627)
Direct liquidation expenses		(3,055)	(4,187)
Information technology and communications		(4,067)	(4,171)
Depreciation and amortisation	12,13	(1,497)	(1,834)
Consultancy and professional fees	23	(3,495)	(9,005)
Other expenses	24	(3,370)	(3,473)
Profit/(Loss) before income tax		6,670	(31,401)
Income tax (expense)/benefit	25	(6)	21,362
Profit/(Loss) after income tax expense for the year		**6,664**	**(10,039)**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		(10)	(210)
Other comprehensive expense for the year, net of tax		(10)	(210)
Total comprehensive profit/(loss) for the year		**6,654**	**(10,249)**
Earnings/(Loss) per share			
Basic (cents per share)	27	4.41	(8.66)
Diluted (cents per share)	27	3.65	(8.66)

The consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity

	Note	Contributed Equity $'000	Share Based Payment Reserve $'000	Other Reserves $'000	Retained Earnings $'000	Total Equity $'000
Year ended 30 June 2024						
Opening balance		**103,755**	**7,494**	**2,571**	**(71,888)**	**41,932**
Total comprehensive loss for the year		-	-	(210)	(10,039)	(10,249)
Issue of shares	19	9,462	-	-	-	9,462
Share based payments	26	-	1,549	-	-	1,549
Exercise of options	19	3,825	(2,325)	-	-	1,500
Share plan shares vested	19	609	(609)	-	-	-
Share plan shares lapsed/forfeited	19	-	(1,279)	-	1,279	-
Warrants converted	19	13	-	(13)	-	-
Closing balance		**117,664**	**4,830**	**2,348**	**(80,648)**	**44,194**
Year ended 30 June 2025						
Opening balance		**117,664**	**4,830**	**2,348**	**(80,648)**	**44,194**
Total comprehensive profit for the year		-	-	(10)	6,664	6,654
Issue of shares	19	9,427	-	-	-	9,427
Share based payments	26	-	817	-	-	817
Share plan shares vested	19	1,507	(1,507)	-	-	-
Share plan shares lapsed/forfeited	19	-	(89)	-	-	(89)
Treasury shares acquired	19	(421)	-	-	-	(421)
Warrants converted	19	2,574	-	(2,574)	-	-
Warrants expired	19	-	-	(102)	102	-
Transfer from reserve	19	-	(2,845)	-	2,845	-
Closing balance		**130,751**	**1,206**	**(338)**	**(71,037)**	**60,582**

The consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated statement of cash flows

	Note	2025 $'000	2024 $'000
Cash flows from operating activities			
Receipts from liquidations of PDPs and services (inclusive of GST)		139,467	138,638
Payments to suppliers and employees (inclusive of GST)		(55,985)	(50,976)
Interest received		365	410
Interest paid		(31,382)	(37,301)
Income taxes paid		(1)	(5)
Cash flows from operating activities before changes in operating assets		52,464	50,766
Acquisitions of PDPs		(65,056)	(79,598)
Net cash outflow used in operating activities	8	**(12,592)**	**(28,832)**
Cash flows from investing activities			
Payments for property, plant and equipment		(52)	(77)
Payments for intangible assets		(165)	(630)
Net cash outflow used in investing activities		**(217)**	**(707)**
Cash flows from financing activities			
Proceeds from borrowings		260,295	29,750
Repayment of borrowings		(248,395)	(12,223)
Payments for financing transaction costs		(7,108)	-
Proceeds from issue of ordinary shares net of issue costs		9,427	9,462
Lease payments		(1,768)	(1,711)
Payments for Treasury Shares and KMP Loan		(233)	-
Net cash flow from financing activities		**12,218**	**25,278**
Net decrease in cash and cash equivalents		**(591)**	**(4,261)**
Cash and cash equivalents at the beginning of the financial year	8	4,149	8,410
Cash and cash equivalents at the end of the financial year	8	**3,558**	**4,149**

The consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the consolidated financial statements

1. Reporting Entity

The Consolidated Financial Statements for the financial year ended 30 June 2025 comprise Pioneer Credit Limited (the 'Company'), which is a "for-profit entity" and a Company domiciled in Australia and its subsidiaries (collectively, referred to as the 'Group') and the Group's interest in associates and jointly controlled entities. The Group's principal activities over the financial year were acquiring and servicing Purchased Debt Portfolio's ('PDP's'). The Company's principal place of business is Level 6, 108 St Georges Terrace, Perth, Western Australia.

2. Basis of Preparation

a) Statement of compliance

The Financial Report complies with Australian Accounting Standards and International Reporting Standards ('IFRS') as issued by the International Accounting Standards Board ('IASB').

The Financial Report is a general-purpose financial report, for a "for-profit-entity" which has been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standards and other pronouncements of the Australian Accounting Standards Board.

The Consolidated Financial Statements were authorised for issue by the Board of Directors on 27 August 2025.

b) Basis of measurement

The Consolidated Financial Statements have been prepared on an historical cost basis and where applicable at fair value for certain financial assets and financial liabilities.

c) Functional and presentation currency

These Consolidated Financial Statements are presented in Australian Dollars ('AUD').

The Group is of a kind referred to in ASIC Corporations Instrument 2016/191 dated 31 March 2016, and in accordance, all financial information presented in Australian dollars has been rounded to the nearest thousand dollars ($000's) unless otherwise stated.

d) Use of estimates and judgements

The preparation of financial statements in conformity with AASB requirements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis, assume a reasonable expectation of future events and are based on current trends and economic data obtained both externally and within the Group. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates have the most significant effect to the amounts recognised in the financial statements or which may result in a material adjustment within the next financial year are included in the following notes:

Note 11 (p.58) - Purchased debt portfolios ('PDPs')

Note 13 (p.61) – Leased Assets

Note 25 (p.70) – Deferred tax assets

e) Taxation

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date.

Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

In evaluating the Company's ability to recover deferred tax assets, management considers all available evidence, including scheduled reversals of deferred tax liabilities, projected future taxable income, the results of recent operations, convincing other evidence, and events occurring after reporting date. The assumptions about future taxable income, including PDP liquidations, require the use of significant judgement and may ultimately vary from management's best estimate.

f) Changes in accounting policies and disclosures

The accounting policies adopted are consistent with those of the previous financial year.

g) Adoption of new and revised Accounting Standards

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

h) New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2025 reporting periods and have not been early adopted by the Group. The Company's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

AASB 18 Presentation and Disclosure in Financial Statements is applicable to annual reporting periods beginning on or after 1 January 2027, replacing IAS 1 'Presentation of Financial Statements'. Many IAS 1 disclosure requirements will be retained, with no impact on the recognition and measurement of items in the financial statements. The standard will affect presentation and disclosure in the financial statements, including introducing five categories (operating, investing, financing, income taxes and discontinued operations) and two mandatory sub-totals ('Operating profit' and 'Profit before financing and income taxes') in the statement of profit or loss and other comprehensive income. There will also be new disclosure requirements for 'management-defined performance measures'. The standard provides enhanced guidance on grouping of information, including whether this information is presented in the primary financial statements or in the notes. The Company will adopt this standard from 1 July 2027 and it is expected that there will be a significant change to the layout of the statement of profit or loss and other comprehensive income.

3. Going Concern

The financial statements have been prepared on a going concern basis which assumes the realisation of assets and the settlement of liabilities in the ordinary course of business.

For the year ended 30 June 2025, the Group derived a net profit after tax of $6.7m (2024: $10.0m loss) and as at year end has net current assets of $96.4m (2024: $159.4m net current liabilities).

The Directors believe that it is appropriate to continue to adopt the going concern basis of preparation as per the detailed cash flow forecast prepared by Management. The cash flow forecast indicates that the Group expects to have sufficient working capital and other funds available to continue for at least twelve months from the date of issue of the financial statements, including satisfying financial covenants and other compliance obligations relating to its Syndicated Facility and MTNs.

The key assumptions that have been used to derive the detailed cashflow forecast include:

- Ongoing PDP acquisitions funded from a combination of the senior debt facility and free cash
- Continued PDP cash collections
- Portfolio sales, in line with the Company's capital management strategy
- Remediation programs from various partner vendors
- Operational FTE recruitment, and
- Expense management

The Syndicated Facility, MTNs and Other loans contain covenants which are closely linked to the carrying value of the PDPs and are highly sensitive to the level and timing of PDP acquisitions, cash collections, and sales. Should a breach of a finance covenant or undertaking appear likely to occur, the Group has options available to ensure compliance, beyond increasing cash collections of PDPs. These include but are not limited to: seeking a waiver of any likely breach from the financiers, raising funds through an equity issue and sales of non-core assets or part of its PDP portfolio.

The going concern forecast includes assumptions relating to recoverability of ongoing remediation programs from a vendor partner. In the event this does not eventuate to the extent forecasted, the Group anticipates these would not have an adverse impact on the going concern assumptions. The Group has the levers available as mentioned above.

Whilst Directors recognise that the key assumptions underpinning the cash flow forecast are subject to future events, some of which are beyond the direct control of the Group, Directors have assessed the cash flow forecast and believe that it is appropriate that the Group continues to prepare its financial report on the going concern basis.

4. Significant Events Occurring in the Current Reporting Period

On 3 July 2024, the Group concluded the Exchange Offer of the $55.5m Medium Term Notes (MTNs) on issue, with a revised maturity date of 29 December 2029 and a margin of 10.5%. $21.467m of the Noteholders did not accept the terms of the Exchange Offer and were redeemed in two tranches as follows:

- $8m (plus interest) on 8 August 2024
- $13.467m (plus interest) on 23 December 2024

New notes with a principal amount of $21.467m were issued as part of the Exchange Offer on 3 July 2024, resulting in an unchanged principal amount of $55.5m MTNs on issue at 30 June 2025.

On 26 July 2024, the Group completed Financial Close of new four-year $272.5m Syndicate Facilities, replacing the $213.4m (excl. interest) Senior Debt Facilities in place at 30 June 2024. The Syndicate Facilities comprise of two cash advance facilities of $222.5m (fully drawn) and $50m (partially drawn) both incurring interest, on the drawn amounts, at the Bank Bill Swap Rate (BBSW) plus 5.5%.

5. Material Accounting Policy Information

The accounting policies that are material to the consolidated entity are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

a) Basis of consolidation

Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Pioneer Credit Limited as at 30 June 2025. Pioneer Credit Limited and its subsidiaries together are referred to in this financial report as the ('Group') or the ('Company'). Supplementary information about the parent entity is disclosed in note 31.

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

The acquisition method of accounting is used to account for business combinations undertaken by the Group. Inter transactions, balances, and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases. Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

b) Income tax

The income tax expense for the period is the tax payable on the current period's income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated based on the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate based on amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from the initial recognition of an asset or liability in a transaction other than a business combination, that at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The Group has implemented the tax consolidation legislation and its entities are taxed as a single entity and the deferred tax assets and liabilities of these entities are offset in the consolidated financial statements.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

c) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

d) Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less loss allowance. Trade receivables are generally due for settlement within 30 days. Trade and other receivables are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

The Group applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles over a 12-month period before 30 June 2025 and the corresponding credit losses experienced within this period. The historical loss rates are adjusted to reflect the current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Trade receivables are written off when there is no reasonable expectation of recovery. Impairment losses are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Refer to note 6 for detailed impairment methodology for trade receivables.

e) Purchased Debt Portfolios

Classifying PDPs at amortised cost and the use of the effective interest rate ('EIR') method requires the Group to estimate future cash flows from PDPs at purchase date and at each balance sheet date.

Cash flow projections are made at the tranche level because these are substantially homogeneous. Cash flow forecasts are generated using statistical cash flow projection models incorporating many factors which are formed by customer and account level data, payment arrangement data and the Group's historical experience with accounts which have similar key attributes. Tranches are assumed to have a maximum life of up to 15 years depending on the characteristics of the tranche.

Management reviews the models on a total portfolio basis to consider factors which have impacted historical or will impact future performance and where necessary cash flows are calibrated to consider these factors.

If total forecast cash flow projections utilised in determining the value of the portfolio were to change by ±5%, the carrying value of PDPs at 30 June 2025 of $343.0m would change by $15.1m in a downside scenario and $15.0m in an upside scenario. An increase or decrease in the carrying value of PDPs, is recognised in the statement of profit or loss at that point in time as an impairment gain or loss.

f) Property, plant, and equipment

All property, plant and equipment acquired are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

The assets' residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting period and an asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss. When revalued assets are sold, it is Group policy to transfer any amounts included in other reserves in respect of those assets to retained earnings.

Depreciation methods and useful lives

Depreciation of property, plant and equipment is calculated using the diminishing balance method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives. Certain leasehold improvements and leased plant and equipment are depreciated on a straight line basis over the term of the lease. Depreciation for each asset is recorded within the following ranges:

- Plant and equipment 15% - 50%
- Furniture, fittings, and equipment 11% - 50%
- Leasehold improvements 20% - 50%

g) Intangible assets

Software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets where the following criteria are met:

- It is technically feasible to complete the software so that it will be available for use
- Management intends to complete the software and use it
- There is an ability to use the software
- It can be demonstrated how the software will generate probable future economic benefits, adequate technical, financial, and other resources to complete the development and to use the software are available, and
- The expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

h) Leases

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. The recognised right-of-use assets are depreciated on a straight-line basis over the lease term.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentive receivable and variable lease payments that depend on an index or a rate. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date as the interest implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset. In calculating the quantum of a substantial modification, the incremental borrowing rate is reset at the date of modification of the lease.

Short-term leases and leases of low-value assets

The Group applies the low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases (less than 12 months) and leases of low-value assets are recognised as expenses on a straight-line basis over the lease term.

i) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid and are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date.

j) Borrowings

All borrowings are initially recognised at fair value which is usually their principal amount, net of directly attributable transaction costs incurred. After initial recognition, borrowings and interest are measured at amortised cost using the effective interest rate method. Where the Group's borrowings include floating rate instruments, the Group recognises borrowings initially at the principal amount owing net of directly attributable transaction costs incurred. Where the simplified approach is taken for floating rate instruments, the directly attributable transaction costs are amortised on a straight-line basis over the term of the facility.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled, or expired. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

k) Provisions

Provisions for legal claims and make good obligations are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as an interest expense.

l) Employee benefits

Short term obligations

Liabilities for wages and salaries, including non-monetary benefits such as annual leave expected to be settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

Long service leave

Liabilities for long service leave are not generally expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are recognised in the provision for employee benefits and measured as the present value of expected future payments to be made up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using rates published in the 'Group of 100 Discount Rate Report and Discount Curve'. Re-measurement as a result of experience, adjustments and changes in actuarial assumptions are recognised in profit or loss. The obligations are presented as current liabilities in the consolidated balance sheet if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting date, regardless of when the actual settlement is expected to occur.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Share based payments

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The grant date fair value of equity-settled share based payment awards granted to employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service conditions at the vesting date.

m) Contributed equity

Ordinary shares issued are classified as equity

Where Pioneer Credit Limited purchases the Company's equity instruments as a result of a share based payment plan, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the owners of Pioneer Credit Limited as treasury shares. Shares held in Pioneer Credit Limited Equity Incentive Plan Trust are disclosed as treasury shares and deducted from contributed equity.

n) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

a) The profit attributable to owners of the Company, excluding any costs of servicing equity other than Ordinary shares, by
b) The weighted average number of Ordinary shares outstanding during the financial year, adjusted for bonus elements in Ordinary shares issued during the year and excluding treasury shares.

Diluted earnings per share

If basic earnings per share is a loss per share, then diluted earnings per share will reflect the same loss per share as basic earnings per share, regardless of all dilutive potential Ordinary shares.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to consider:

a) The after income tax effect of interest and other financing costs associated with dilutive potential Ordinary shares, and
b) The weighted average number of additional Ordinary shares that would have been outstanding assuming the conversion of all dilutive potential Ordinary shares.

o) Goods and services tax (GST)

Revenues, expenses, and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority in which case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the consolidated balance sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

p) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

q) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars, which is the Group's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other income or other expenses.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet
- Income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- All significant resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities and of borrowings and other financial instruments designated as hedges of such investments are recognised in other comprehensive income.

6. Financial Risk Management

The Group's activities expose it to a variety of risks. Consequently, its overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

Risk management is the responsibility of Key Management Personnel. Policies approved by the Board ensure that total risk exposure is consistent with the Group strategy, is in line with covenants and is within internal risk tolerance guidelines.

The Group uses different methods to measure the different types of risk to which it is exposed which include sensitivity analysis of interest rates, preparation, and review of ageing analysis for credit risk and projected cash flow analysis across the portfolio to manage the risk associated with financial assets and liabilities.

The main risks the Group is exposed to through its financial instruments are market risk, liquidity risk and credit risk.

The Group periodically considers the need to make use of derivative financial instruments and hedging arrangements to manage interest rate risk. There are currently no such arrangements in place.

The following table lists financial assets and liabilities, interest rate type and carrying value.

	Interest rate	2025 $'000	2024 $'000
Financial assets			
Cash and cash equivalents	Variable	3,558	4,149
Trade and other receivables	None	7,175	4,331
Other assets	Variable	6,104	5,924
Purchased Debt Portfolios	Fixed	342,964	322,936
Financial liabilities			
Trade and other payables	None	20,367	25,656
Borrowings			
Syndicated debt facilities	Variable	235,797	-
Senior debt facilities	Variable	-	214,631
Medium term notes	Variable	55,340	53,181
Fund 1 facilities	Variable	6,002	18,408
Other loans	Fixed	462	397

Market risk management

Interest Rate Risk

Risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group's main interest rate risk arises from long term loans and borrowings issued at both fixed and variable interest rates. The Group's fixed rate PDP's and receivables are carried at amortised cost and not subject to interest rate risk.

The Group analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions and alternative financing. In undertaking this analysis, the group considers a wide range of economic papers on projected interest rate movements to inform risk management processes. Based on these scenarios, the Group calculates the impact on profit or loss of a defined interest rate shift and cashflow requirements under existing financing arrangements The scenarios are run only for liabilities that represent the major interest-bearing positions. The simulation is done on a monthly basis to verify that the maximum loss potential is within the limit given by management.

To manage interest rate and credit risk arising from the investment in PDPs, the Group undertakes pricing analysis prior to committing to any investment. This analysis includes consideration of information supplied under due diligence, as well as macro and micro economic elements to which senior executives' experience and judgement is applied. In many instances there is knowledge of the expected performance of portfolios with similar characteristics, however ultimately cash flows may differ to these expected.

Currency Risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

New Zealand operations expose the Group to foreign exchange risk. This may result in the fair value of financial assets and liabilities fluctuating due to movements in exchange rates. Fluctuations in the New Zealand dollar relative to the Australian dollar may impact the Group's financial results, though the impact of reasonably foreseeable exchange rate movements are unlikely to be material.

Liquidity risk management

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with financial liabilities that are settled by delivering cash or another financial asset, including the risk of compliance with covenants. A breach in covenant could potentially result in financiers calling the debt, if not remedied within the agreed timeframe. The Group has several options available to improve the liquidity position, such as ceasing to buy PDPs, raising funds through an equity raise, and selling non-core assets or part of its PDP portfolio.

PDP risk is the risk that the Group will be impacted by its ability to acquire new PDPs at sustainable pricing, potentially impacting the future cash flow projections of the Group.

Prudent liquidity risk management requires maintaining sufficient cash reserves and debt funding to meet obligations when due and through maintaining a reputable credit profile.

Management monitors forecasts of the Group's liquidity reserve based on expected cash flow. Cash flow is forecast on a day-to-day basis to ensure that sufficient funds are available to meet requirements.

Maturities of financial liabilities

The following table reflects an undiscounted contractual maturity analysis for financial liabilities. The timing of cash flows represented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

	Within 1 year	Between 1 and 2 years	Between 2 and 5 years	Carrying amount
	$'000	$'000	$'000	$'000
At 30 June 2025				
Trade and other payables	20,367	-	-	20,367
Borrowings	10,891	-	286,710	297,601
	31,258	**-**	**286,710**	**317,968**
At 30 June 2024				
Trade and other payables	25,656	-	-	25,656
Borrowings	254,270	755	31,592	286,617
	279,926	**755**	**31,592**	**312,273**

Credit risk management

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Credit risk arises from cash and cash equivalents, credit exposure to customers, including outstanding receivables and committed transactions. Credit risk is managed on a Group basis. For corporate customers, management assesses the credit quality of the customer. Individual risk limits are set by the Board.

Purchased or originated credit-impaired financial assets ('POCI') are financial assets classified at amortised cost that are purchased or originated at a deep discount that reflects incurred credit losses. At initial recognition, POCI assets do not carry a separate impairment allowance; instead, lifetime expected credit losses are incorporated into the calculation of the effective interest rate.

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and / or regions.

At 30 June 2025 there were no trade receivables that are in default. The Group's trade receivables and consumer loans are subject to AASB 9's expected credit loss ('ECL') model for recognising and measuring impairment of financial assets.

Given the nature of credit-impaired financial assets, the ultimate cash received may differ to the amount recorded.

Impairment of trade and other receivables

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The estimation of credit exposure for risk management purposes is complex and requires the use of models, as the exposure varies with changes in market conditions, expected cash flows and the passage of time. The assessment of credit risk of a portfolio of assets entails further estimations as to the likelihood of defaults occurring, of the associated loss ratio. As a result, the ultimate cash received may differ to the amount recorded.

Judgement has been applied on a forward-looking basis to assess the expected credit losses associated with its financial assets carried at amortised cost.

The following table details the loss allowance balance and movement.

Trade and other receivables	2025	2024
	$'000	$'000
Loss allowance at 1 July	114	31
Increase in provision for loss allowance	27	83
Amounts written off during the period	(80)	-
Loss allowance at 30 June	**61**	**114**

The Group recognises a lifetime expected credit loss for trade receivables. The expected credit loss on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions, and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including the time value of money where appropriate.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and days past due. Grid 1 contains those receivables that have a positive repayment history, made up of government funded agencies, listed financial institutions and other listed public entities. Grid 2 contains all other receivables made up of SME businesses, individuals, and other unlisted financial service providers. In additional to the below, the group has an invoice with a vendor that is past due and expects full settlement in September 2025.

Days past due	0-30	31-60	61-90	91-120	121-150	150+	Total
Expected Credit Loss Rates							
Grid 1	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	
Grid 2	6.1%	6.5%	6.7%	6.7%	6.8%	28.2%	
Grid 3	80%	80%	80%	80%	80%	80%	
Gross Carrying Amounts ($'000)							
Grid 1	2.3	-	0.4	0.2	-	0.5	**3.4**
Grid 2	1.5	-	0.4	-	-	-	**1.9**
Grid 3	-	-	-	-	-	55.9	**55.9**
Lifetime expected loss	3.8	-	0.8	0.2	-	56.4	**61.2**

7. Segment Information

For management purposes, the Company is organised into one main business segment, which is the provisions of financial services specialising in acquiring and servicing PDP's. All significant operating decisions are based upon analysis of the Company as one segment which is reviewed weekly by the KMP (Managing Director, Company Secretary, Chief Operating Officer, Chief Financial Officer, and Chief Information Officer) who is the Chief Operating Decision Maker. The financial results from this segment are equivalent to the financial statements of the Company as a whole.

8. Cash and Cash Equivalents

a) Cash and cash equivalents

	2025	2024
	$'000	**$'000**
Cash at bank	3,558	4,149
	3,558	**4,149**

b) Reconciliation of profit after income tax to net cash inflow from operating activities

	2025	2024
	$'000	**$'000**
Profit/(Loss) for the period	**6,664**	**(10,039)**
Non-cash items in profit or loss:		
Other non-cash expenses	2	(22)
Lease liability interest accrual	528	611
Expected credit losses	(53)	83
Non-cash employee benefits expense	695	1,629
Loss on modification of borrowings	-	2,241
Income tax expense/(benefit)	6	(21,362)
Depreciation and amortisation	1,495	1,834
Interest and transaction costs	3,078	3,063
Embedded derivative	(189)	189
(Increase)/Decrease in assets:		
Trade and other receivables	(2,844)	(2,841)
PDPs	(20,028)	(18,653)
Other assets	390	(1,941)
Increase/(Decrease) in liabilities:		
Trade and other payables and liabilities	(5,100)	16,096
Interest payable	2,967	190
Provisions	(203)	90
Net cash outflow used in operating activities	**(12,592)**	**(28,832)**

c) Non-cash investing and financing activities

	2025	2024
	$'000	**$'000**
Repayment/(Issue) of KMP Loans	136	(1,500)
	136	**(1,500)**

9. Trade and Other Receivables

	2025	2024
	$'000	$'000
Trade receivables	7,031	1,619
Other receivables	144	2,712
	7,175	**4,331**

The Group recognised a loss of $27k (2024: $83k) in profit or loss in respect of the expected credit losses for the year ended 30 June 2025. Refer to note 6 for detailed Impairment methodology for trade receivables.

10. Other Assets

	2025	2024
	$'000	$'000
Current		
Prepayments	926	1,496
Debt service reserve account	1,050	-
Loans to management (Note 33)[1]	1,714	-
	3,690	**1,496**
Non-current		
Cash backed rental guarantee	1,506	1,506
Debt service reserve account	-	1,018
Loans to management (Note 33)[1]	1,834	3,400
	3,340	**5,924**

1 *All loans are issued on a full recourse basis and have been assessed as recoverable from the counterparty.*

11. Purchased Debt Portfolios

	2025	2024
	$'000	$'000
Current	116,720	114,058
Non-current	226,244	208,878
	342,964	**322,936**

PDPs are recognised at fair value at the date of purchase and are subsequently measured at amortised cost applying the EIR with the lifetime expected credit losses incorporated into the calculation of the EIR at inception. This EIR is the rate that exactly discounts the estimated future cash receipts of the purchased portfolio asset to the fair value at initial recognition (i.e., the price paid to acquire the portfolio). All changes in lifetime expected credit losses after the assets' initial recognition are recognised as an impairment change (gain or loss).

Interest on PDPs tranches is accrued using the EIR on each portfolio and recognised as interest income at amortised cost on the consolidated statement of profit or loss and other comprehensive income.

Movement on purchased debt portfolios at amortised cost is as follows:

	2025	2024
	$'000	$'000
Balance at 1 July	322,936	304,283
Debt portfolios acquired	69,080	88,979
Cash collections of PDPs	(142,195)	(136,063)
Interest income accrued	88,326	83,576
Net impairment gain/(loss)	4,817	(17,839)
Balance at 30 June	**342,964**	**322,936**

A detailed analysis of the critical accounting estimates and judgements in Note 2 outlines the elements considered in the application of judgement to estimate future cash flows at the time the EIR is determined and at each subsequent reporting date, including the key underlying variables that are analysed.

Overlays for macroeconomic, modelling and operational risks

The uncertain macroeconomic environment and its potential impact on the operational performance of the Company has the potential to affect forecast future cash flows and thereby impairment of the carrying value of the PDP portfolio.

In determining suitable timeframes for modelling these potential impacts, forward-looking economic assumptions were considered. These include forecasts of unemployment rates, CPI, annual wage growth and the RBA cash rate.

Economic forecasts in general currently expect a short-term inflationary period for Australia before a period of stability leading to a gradual recovery of the economy in the medium term. The Company modelled three scenarios to consider varying periods of dampened short-term performance followed by partial or full recovery of the variances, with no outperformance considered over the longer term. A probability-weighted average of these three scenarios was applied to the future cash flows to recognise macroeconomic risk.

Modelling risks arise where key judgements may impact on the appropriateness of model outputs. Commensurate with the complexity, materiality and business use of the model, the Group mitigates modelling risk through:

- Effective challenge and critical analysis involving objective, qualified and experienced parties in the line of business in which the model is used
- Output verification to ensure that the model performed as expected in line with design objectives and business use, and
- Back testing, model stability analysis and sensitivity analysis.

Given the inherent limitations of historic information predicting future cash collections, additional modelling risk mitigation is considered through calibration of the expected future cash flows.

Operational risk overlays are considered to recognise current or expected operational issues, strategies or challenges that are not otherwise considered in the modelling process and are expected to affect future cash flows.

Pioneer was required to pause communications with a cohort of customers as part of a vendor driven remediation program. This impacted the pattern of historical collections performance of the affected tranches of PDPs, reducing the ERC for those tranches below a reasonable level in the underlying PDP model. Operational overlays have been used this period to ensure that the ERC impact of the remediation programme reflects the temporary nature of the process. The overlay also considers expected reassignment of a small cohort of customers where they meet certain criteria of the vendor's remediation programme.

12. Property, Plant and Equipment and Intangible Assets

a) Property, plant and equipment

	Plant and equipment	Furniture, fittings, and equipment	Leasehold improvements	Total
	$'000	$'000	$'000	$'000
Year ended 30 June 2024				
Opening balance	514	32	135	681
Additions	60	-	48	108
Depreciation charge	(189)	(6)	(70)	(265)
Closing balance	**385**	**26**	**113**	**524**
Cost	2,135	641	2,244	5,020
Accumulated depreciation	(1,750)	(615)	(2,131)	(4,496)
Net book amount	**385**	**26**	**113**	**524**
Year ended 30 June 2025				
Opening balance	385	26	113	524
Additions	65	-	-	65
Depreciation charge	(129)	(2)	(31)	(162)
Closing balance	**321**	**24**	**82**	**427**
Cost	2,200	641	2,244	5,085
Accumulated depreciation	(1,879)	(617)	(2,162)	(4,658)
Net book amount	**321**	**24**	**82**	**427**

b) Intangible assets

	Software and licenses
	$'000
Year ended 30 June 2024	
Opening balance	489
Additions	629
Amortisation	(332)
Closing balance	**786**
Cost	3,706
Accumulated amortisation and impairment	(2,920)
Net book amount	**786**
Year ended 30 June 2025	
Opening balance	786
Additions	164
Amortisation	(49)
Closing balance	**901**
Cost	3,871
Accumulated amortisation and impairment	(2,970)
Net book amount	**901**

Amortisation methods and useful lives

In line with AASB138(118) (a), (b), the Group amortises intangible assets with a limited useful life using the straight-line method over the following periods:

- Patents, trademarks, and licences 3-5 years
- IT development and software 3-5 years

The capitalised salaries were recognised as part of the IT development and software intangible assets. They are recognised at their fair value at the date of acquisition and are subsequently amortised on a straight-line basis.

Impairment of Assets

For the year ended 30 June 2025, the Group conducted an impairment review in accordance with AASB 136 "Impairment of Assets." The assessment was carried out to determine whether any impairment indicators existed for its assets.

The Company has determined that there were no indicators of impairment for any of its assets during the reporting period. The assessment was based on a review of relevant internal and external factors, including but not limited to:

- Internal Factors: No significant declines in the performance of assets, changes in the use of assets, or evidence of obsolescence.
- External Factors: No adverse changes in market conditions, economic environment, or regulatory requirements that would affect the recoverable amount of the assets.

As a result of the assessment, the carrying amounts of the Company's non-financial assets remain unchanged. The Company will continue to monitor and review the carrying amounts of its assets for any indications of impairment.

13. Leased Assets

a) Right of use assets

The consolidated entity leases level 5 – level 8 of 108 St Georges Terrace, Perth, Western Australia. The purpose of this lease is to run the operations of the consolidated group and the lease is due to expire on 30 June 2029.

	$'000
Year ended 30 June 2024	
Opening balance	7,419
Revaluation of lease asset on modification	237
Depreciation	(1,236)
Closing balance	**6,420**
Year ended 30 June 2025	
Opening balance	6,420
Revaluation of lease asset on modification	28
Depreciation	(1,285)
Closing balance	**5,163**

b) Lease liabilities

	2025	2024
	$'000	$'000
Current lease liability	1,403	1,277
Non-current lease liability	5,553	6,911
	6,956	**8,188**

c) Maturity analysis - undiscounted

	$'000
Lease commitments at 30 June 2025	
Within one year	1,839
Later than one year but no later than five years	5,951
Later than 5 years	-
	7,790

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to exercise, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has the option to lease the assets for additional terms. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not exercise) the option to renew.

14. Trade and Other Payables and Other Liabilities

	2025	2024
	$'000	$'000
Trade and other payables	3,353	3,762
PDPs payable	12,993	11,566
Other liabilities	4,021	10,328
	20,367	**25,656**

15. Provisions

	2025	2024
	$'000	$'000
Current		
Provision for long service leave	698	692
Provision for annual leave	1,404	1,476
Share based payments	-	66
	2,102	**2,234**
Non-current		
Lease make good	692	664
Provision for long service leave	284	383
	976	**1,047**

Lease make good

The Group is required to make good each of its leased premises to their original condition at the end of each lease which is 30 June 2029. A provision has been recognised for the present value of the estimated expenditure required at the end of the lease term. No provision for make good has been recognised on the Group's short term leases as agreed with the Lessor.

Share Based Payments

A provision is recognised for the current value of the obligation to settle in future periods, at the market value, the long term incentive Rights that have been converted into a cash obligation.

Payment was made under an agreement with former employees for unvested Rights to be cash settled in line with the vesting dates under the original long term incentive plan. These liabilities are Fair Valued at each reporting date and prior to each repayment date.

Movements in Provisions

Movements in each class of provision during the current financial year, other than employee benefits, are set out below:

Year ended 30 June 2025 $'000	Share based payments	Lease make good
Opening balance	66	664
Amounts utilised	(66)	-
Unwinding of net present value	-	28
Closing balance	**-**	**692**

16. Borrowings

On 3 July 2024, the Group concluded the Exchange Offer of the $55.5m Medium Term Notes (MTNs) on issue, with a revised maturity date of 29 December 2029 and a margin of 10.5%. $21.467m of the Noteholders did not accept the terms of the Exchange Offer and were redeemed in the period.

On 26 July 2024, the Group completed Financial Close of new four-year $272.5m Syndicate Facilities, replacing the $213.4m (excl. interest) Senior Debt Facilities in place at 30 June 2024. The Syndicate Facilities comprise of two cash advance facilities of $222.5m and $50m, both incurring interest at the Bank Bill Swap Rate (BBSW) plus 5.5%.

	2025			2024		
	Current $'000	Non-current $'000	Total $'000	Current $'000	Non-current $'000	Total $'000
Secured						
Syndicate facilities	-	233,651	233,651	-	-	-
Senior debt facilities	-	-	-	213,453	-	213,453
Medium term notes	-	53,059	53,059	21,467	31,592	53,059
Fund 1 facility	6,002	-	6,002	17,493	755	18,248
Interest payable	4,427	-	4,427	1,460	-	1,460
Other loans	462	-	462	397	-	397
	10,891	**286,710**	**297,601**	**254,270**	**32,347**	**286,617**

All borrowings are initially recognised at fair value which is usually their principal amount, net of directly attributable transaction costs incurred, and subsequently measured under amortised cost. Given the Facility has a variable interest rate, it is classified as a floating instrument and the transactions costs are expensed under the simplified approach on a straight-line basis. The MTN's are measured using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all the Facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the Facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled, or expired. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Borrowings are subject to certain financial covenants, assessed at the end of each quarter. The loans will be repayable immediately if the covenants are breached. The consolidated entity is not aware of any facts or circumstances that indicate that it may have difficulty complying with the covenants within 12 months after the reporting period. The Group has complied with the financial covenants of its borrowing facilities during all periods reported.

Secured liabilities and assets pledged as security – Syndicate Facilities

Security has been pledged over all the assets and undertakings of each of Pioneer Credit Ltd, Pioneer Credit Solutions Pty Ltd, Sphere Legal Pty Ltd, Pioneer Credit (Philippines) Pty Ltd, Pioneer Credit Connect Pty Ltd, Pioneer Credit Broking Services Pty Ltd, Credit Place Pty Ltd, and PCS No.2 Pty Ltd and unlimited cross guarantees and indemnities from each of these entities.

The property of Syndicate Security comprises the Group's assets of $326,757,300 as at 30 June 2025 (30 June 2024: $nil).

Secured liabilities and assets pledged as security – Fund 1 Facility

Security has been pledged over all the assets and undertakings of each of Pioneer Credit (Fund 1) Pty Ltd with the financier being Nomura Singapore Limited ('Nomura').

The property of Nomura Security comprises the Group's assets of $16,206,700 as at 30 June 2025 (30 June 2024: 35,437,325)

Secured liabilities and assets pledged as security – MTNs

No assets have been pledged as security for the MTN facility

Available borrowing facilities

Unrestricted access was available at the reporting date of the following borrowing facilities:

	2025			2024		
	Used $'000	Unused $'000	Total $'000	Used $'000	Unused $'000	Total $'000
Secured						
Syndicate facilities	238,250	34,250	272,500	-	-	-
Senior debt facilities	-	-	-	213,551	-	213,551
Medium term notes	55,500	-	55,500	55,500	-	55,500
Fund 1 facility	6,330	-	6,330	19,195	-	19,195
Other loans	462	-	462	397	-	397
	300,542	**34,250**	**334,792**	**288,643**	**-**	**288,643**

Financing arrangements

a) Syndicate Facility

The Group has access to a Syndicate facility of $272.5m at 30 June 2025 (2024: Senior facility of $213.4m) comprised of two cash advance facilities of $222.5m and $50m, both incurring interest at the Bank Bill Swap Rate (BBSW) plus 5.5%.

At 30 June 2025, $238.3m of the facility has been drawn down (2024: Senior facility fully drawn at $213.6m). Interest The Syndicate Facility maturity date is 25 July 2028.

b) Medium Term Notes ('MTNs')

In addition to the Syndicated Facility, the Company has $55.5m subordinated MTNs with a maturity date of 29 December 2028, and a margin of 10.5%.

The MTNs contains an embedded derivative in respect of the early redemption call option of the MTNs. Under the agreement, Pioneer may redeem 20% of the aggregate principal amount of the face value of the MTNs at no additional cost. The call option premium relates to the remaining 80% and steps down over the life of the MTNs:

Redemption Date	Redemption Amount
From 2 December 2025 to 1 December 2026	103.0 per cent
From 2 December 2026 to 1 December 2027	101.5 per cent
From and any time after 2 December 2027	100.0 per cent

This call option has been assessed and considered not closely related and it has therefore been separated and measured at fair value through profit and loss. At 30 June 2025 this derivative is valued at $nil (2024: $0.19m).

c) Fund 1 Facility

Pioneer Credit Fund 1 Pty Ltd, a wholly owned subsidiary of Pioneer Credit Limited also has access to a facility from Nomura. The $24.5m advance facility was initiated for the purpose of an acquisition of PDPs in this entity, incurring interest at the Bank Bill Swap Rate (BBSW) plus 6.5%.

At 30 June 2025, $6.3m of this facility has been drawn (2024: $19.2m). The facility has a two-year initial term, expiring December 2025.

Changes in liabilities arising from the financing activities

	Balance at 1 July 2023	Cash flow	Other non-cash flow[1]	Balance at 30 June 2024
	$'000	$'000	$'000	$'000
Borrowings	266,454	17,527	2,636	286,617
Lease liabilities	9,269	(1,692)	611	8,188
	275,723	**15,835**	**3,247**	**294,805**

	Balance at 1 July 2024	Cash flow	Other non-cash flow[1]	Balance at 30 June 2025
	$'000	$'000	$'000	$'000
Borrowings	286,617	8,818	2,166	297,601
Lease liabilities	8,188	(1,760)	528	6,956
	294,805	**7,058**	**2,694**	**304,557**

[1]Other Non-cash flow items include the effective interest charge determined in accordance with AASB 9.

17. Commitments

The Group has multiple service contracts at 30 June 2025 that include spending commitments. These include a service contract for the operation of its Philippines facility that ends in February 2026, and a CRM contract ending June 2028. The minimum contractual commitments resulting from these agreements are outlined below.

	2025	2024
	$'000	$'000
Within one year	1,811	2,018
Later than one year but not later than five years	1,912	2,557
	3,723	**4,575**

18. Financial Instruments

The Group has the following financial instruments

As at 30 June 2025	Measurement	Current	Non-current	Total
		$'000	$'000	$'000
Financial assets				
Cash and cash equivalents	Amortised cost	3,558	-	3,558
Trade and other receivables	Amortised cost	7,175	-	7,175
Purchased Debt Portfolios	Amortised cost	116,720	226,244	342,964
Other assets	Amortised cost	3,690	3,340	7,030
		131,143	**229,588**	**360,727**
Financial liabilities				
Trade and other payables	Amortised cost	20,367	-	20,367
Borrowings	Amortised cost	10,891	286,710	297,601
		31,258	**286,710**	**317,968**

As at 30 June 2024	Measurement	Current	Non-current	Total
		$'000	$'000	$'000
Financial assets				
Cash and cash equivalents	Amortised cost	4,149	-	4,149
Trade and other receivables	Amortised cost	4,331	-	4,331
Purchased Debt Portfolios	Amortised cost	114,058	208,878	322,936
Other assets	Amortised cost	1,496	5,924	7,420
		124,034	**214,802**	**338,836**
Financial liabilities				
Trade and other payables	Amortised cost	25,656	-	25,656
Borrowings	Amortised cost	254,270	32,347	286,617
		279,926	**32,347**	**312,273**

Classification as trade and other receivables

Trade receivables are amounts due for services performed in the ordinary course of business. Other receivables are held with the objective to collect the contractual cash flows and are therefore measured at amortised cost under AASB 9, which is consistent with their treatment in prior years. All trade receivables are expected to be recovered in one year or less hence have been classified as current.

Fair value of trade and other receivables, trade, and other payables

Due to the short-term nature of the current receivables and payables, their carrying amount is assumed to be the same as their fair value and for most of the non-current receivables and payables, the fair values are also not significantly different to their carrying amounts.

19. Equity

Contributed equity

	2025		2024	
	Shares	$'000	Shares	$'000
Ordinary shares – fully paid excl. treasury shares	159,570,458	130,751	134,272,097	117,664

Share capital movement

Year ended 30 June 2024	Shares	$'000
Opening balance	106,787,206	103,755
Exercise of options	5,000,000	3,825
Vesting of shares	246,000	609
Warrants converted	16,667	13
Issue of shares	22,222,224	9,462
Closing balance	**134,272,097**	**117,664**

Year ended 30 June 2025	Shares	$'000
Opening balance	134,272,097	117,664
Vesting of shares	3,380,000	1,507
Warrants converted	5,416,881	2,574
Issue of shares	17,241,479	9,427
Treasury shares acquired	(739,999)	(421)
Closing balance	**159,570,458**	**130,751**

Ordinary shares

All authorised Ordinary shares have been issued, have no par value and the Group does not have a limited amount of authorised capital. Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Group in proportion to the number of and amounts paid on the shares held.

At a general meeting of shareholders, every shareholder entitled to vote may vote in person or by proxy, attorney, or representative, on a show of hands every shareholder who is present has one vote, and on a poll every shareholder who is present has one vote for every share held, but, in respect of partly-paid shares, shall have a fraction of a vote for each partly-paid share.

Treasury shares

Year ended 30 June 2024	Shares	$'000
Opening balance	5,156,887	3,932
Treasury shares issued to employees	(5,246,000)	(2,635)
Treasury shares acquired during the period	500,000	150
Closing balance	**410,887**	**1,447**

Year ended 30 June 2025	Shares	$'000
Opening balance	410,887	1,447
Treasury shares issued to employees	(3,380,000)	(1,783)
Treasury shares acquired during the period	3,847,272	2,068
Management loan repayments	272,727	136
Closing balance	**1,150,886**	**1,868**

Shares issued to employees are recognised on a first-in-first-out basis. The shares may be acquired on market and are held as treasury shares until such time as they are vested. Forfeited shares are reallocated in subsequent grants. Under the terms of the trust deed, Pioneer Credit Limited is required to provide the trust with the necessary funding for the acquisition of the shares. Included within the balance of treasury shares are 400,000 management shares that were initially recognised in March 2014.

Options

As part of the Company's equity placement completed on 18 May 2022, 29,361,726 listed options were issued. These options had an exercise price of $0.80. All options expired on 31 March 2025. At 30 June 2025, no options remain outstanding.

Share based payment reserve

The following table shows a breakdown of the Share Based Payments Reserve and the movements in this reserve during the reporting period.

The share-based payments reserve is used to recognise the grant date fair value of options and Rights issued but not exercised, over the vesting period.

	2025	2024
	$'000	$'000
Opening balance	4,830	7,494
Share based payments and executive share plan	817	1,549
Transfer from reserve to retained earnings	(2,845)	-
Forfeiture of shares under plan	(89)	(1,279)
Options exercised	-	(2,325)
Rights issued (Note 26)	(1,507)	(609)
Closing balance	**1,206**	**4,830**

Warrant reserve

The following table shows a breakdown of Warrant Reserve and the movements in this reserve during the reporting period.

	2025		2024	
	Number	$'000	Number	$'000
Opening balance	5,550,141	2,676	5,566,808	2,689
Warrants converted	(5,416,881)	(2,574)	(16,667)	(13)
Warrants expired - transferred to retained earnings	(133,260)	(102)	-	-
Closing balance	**-**	**-**	**5,550,141**	**2,676**

Foreign exchange translation reserve

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars. The following table shows a breakdown of Foreign Exchange Translation Reserve and the movements in this reserve during the reporting period.

	2025	2024
	$'000	$'000
Opening balance	(328)	(118)
Foreign currency translation	(10)	(210)
Closing balance	**(338)**	**(328)**

20. Other Income

	2025	2024
	$'000	$'000
Fees for services	9	391
Interest Income	367	414
Other[1]	1	4,538
	377	**5,343**

[1]*Other income is predominantly remediation payments received across multiple products, tranches and vintages (year of PDP investment).*

21. Employee Expenses

	2025	2024
	$'000	$'000
Wages and salaries	26,447	28,354
Superannuation	2,640	2,719
Change in liabilities for employee benefits	-	82
Share based payment transactions (note 26)	728	1,549
Other associated personnel expenses	3,244	3,480
	33,059	**36,184**

22. Finance Expenses

	2025	2024
	$'000	$'000
Bank fees and borrowing expenses	3,643	3,283
Loss on modification of borrowings	-	2,241
Interest and finance charges paid/payable for financial liabilities not at FV	34,136	37,492
Lease liability	528	611
	38,307	**43,627**

23. Consultancy and Professional Fees

	2025	2024
	$'000	$'000
Consulting fees	2,438	8,000
Accounting fees	539	603
Legal fees	518	402
	3,495	**9,005**

24. Other Expenses

	2025	2024
	$'000	$'000
Occupancy costs	969	924
Administration expenses	2,021	1,857
Other	433	609
(Decrease)/Increase in provision for loss allowance (note 6)	(53)	83
	3,370	**3,473**

25. Income Tax

Income tax recognised in profit or loss

	2025	2024
	$'000	$'000
Current tax on profits for the year	106	-
Adjustments for current tax and deferred tax of prior periods	(2,252)	-
Deferred tax expense/(benefit)	2,152	(21,367)
Income tax expense/(benefit)	**6**	**(21,367)**

Numerical reconciliation prima facie tax to income tax benefit

	2025	2024
	$'000	$'000
Profit/(Loss) from operations before income tax expense	6,670	(31,401)
Tax at the Australian tax rate of 30.0% (2024: 30.0%)	2,001	(9,420)
Non-deductible entertainment costs	38	9
Non-deductible share-based payments	219	465
Other non-deductible expenses and assessable income	-	(346)
Tax losses not previously recognised as a deferred tax asset	(2,252)	(12,070)
Income tax expense/(benefit)	**6**	**(21,362)**

Deferred tax asset comprises temporary differences attributable to:

	2025	2024
	$'000	$'000
Employee benefits (annual leave)	421	443
Retirement benefit obligations (superannuation payable)	180	184
Other accrued expenses (audit, accounting, payroll tax)	132	53
Fixed Assets	640	640
Provision for doubtful debts	18	34
Provision for long service leave	295	322
Provision for impairment (PDPs) through profit or loss	4,814	5,269
Provision for make-good lease	208	199
Unrealised FX loss	-	1
Transaction costs	1,098	1,499
Lease liability	2,087	2,456
Tax losses	13,041	12,210
Deferred tax assets	**22,934**	**23,310**
Offset of deferred tax liabilities	(1,567)	(1,943)
Net deferred tax assets	**21,367**	**21,367**

Key estimates and judgements

Management has determined that the above deferred tax assets, comprising temporary differences and unused tax losses, on the basis that it is probable that the Group will derive future taxable profits sufficient to realise these assets. In undertaking this assessment, management has assessed forecast taxable profit sensitivities underpinned by Board approved forecasts for the period FY2026 to FY2030. The recognition of deferred tax assets represents a management estimate and judgement which may have a significant risk of causing a material adjustment to the carry amount of the asset recognised within the next financial year.

Deferred tax liability comprises temporary differences attributable to:

	2025 $'000	2024 $'000
Prepayments	(12)	(17)
Unrealised FX gain	(6)	-
Right of use asset	(1,549)	(1,926)
Deferred tax liability	**(1,567)**	**(1,943)**
Offset against deferred tax asset	1,567	1,943
Net deferred tax liability	**-**	**-**

Deferred tax assets not brought to account:

	2025 $'000	2024 $'000
Unused tax losses	9,765	13,037
Other temporary differences	-	-
	9,765	**13,037**

The above deferred tax assets have not been recognised because the Group is not able to satisfy the asset recognition criteria at year end. Unused Tax Losses will be carried forward indefinitely to be offset against future taxable income subject to meeting the Australian Taxation Legislation requirements.

Deferred tax asset movements:

	2025 $'000	2024 $'000
Opening balance	23,310	-
(Charged)/credited to P&L	(376)	23,310
	22,934	**23,310**

Deferred tax asset liability movements:

	2025 $'000	2024 $'000
Opening balance	(1,943)	-
Credited/(Charged) to P&L	376	(1,943)
	(1,567)	**(1,943)**

26. Share Based Payments

Employee share scheme

No shares were issued under an Employee share scheme during the reporting period.

Equity incentive plan

The Company operates the Pioneer Credit Limited Equity Incentive Plan whereby certain eligible employees are granted Rights. Each Right entitles the holder to one fully paid ordinary share for no consideration, subject to vesting conditions being met.

The cost of the equity settled transaction is determined by the fair value at the date when the grant is made using an appropriate valuation model. Inputs to the valuation model include spot price, exercise price, vesting period, expected future volatility, risk free rate and dividend yield.

The cost is recognised in employee expenses (note 21) together with a corresponding increase in equity (reserves) over the vesting period. 267,908 Rights were issued to Executives or members of the Leadership Team during the reporting period (2024: 9,269,841). The share-based expense in the period is as follows:

	2025	2024
	$'000	$'000
Existing plans	769	374
Plans granted during the year	48	672
Modification of plans	-	503
	817	**1,549**

Each Right entitles the holder to one fully paid ordinary share for no consideration. If the holder leaves the Company, subject to Good Leaver and other conditions including Board discretion, the Rights will remain on-foot. An additional 267,908 shares were granted under the incentive plan on 15 July 2024, being shares granted in FY24 that had been forfeited by other members of the plan. The below assumptions were used to determine the fair value of the Rights at each date using a Black-Scholes pricing model using the grant date share price and historic share price volatility:

Grant date	**15 July 2024**[1]
Expiry date	30 June 2026
Share price at grant date	$0.550
Exercise price	Nil
Expected volatility	60%
Dividend yield	Nil
Risk free rate	4.11%
Fair value at grant date	$0.550

1 *A valid expectation was created as of 31 October 2023.*

Summary of Rights Granted

	2025	2024
	No. Rights	No. Rights
Unvested Rights at 1 July	12,398,266	4,165,250
Issued	(3,380,000)	(246,000)
Lapsed/Forfeited	(1,673,934)	(554,575)
Cash settled	(135,000)	(236,250)
Granted	267,908	9,269,841
Closing balance	**7,477,240**	**12,398,266**

Pioneer Credit Limited Equity Incentive Plan Trust

The Trust acquires shares on market for the purpose of satisfying Rights that vest under the Pioneer Credit Limited Equity Incentive Plan.

The Trust purchased 467,472 shares during the financial year valued at $283,822. As at 30 June 2025 the Trust held 1,150,886 shares (2024: 410,887).

27. Earnings/(Loss) Per Share

Basic earnings/(loss) per share

	2025	2024
	Cents	Cents
From continuing operations attributable to ordinary shareholder of the Company	4.41	(8.66)
Total basic earnings/(loss) per share attributable to ordinary shareholders of the Company	4.41	(8.66)

Diluted earnings/(loss) per share

	2025	2024
	Cents	Cents
From continuing operations attributable to ordinary shareholders of the Company	3.65	(8.66)
Total diluted (loss)/earnings per share attributable to ordinary shareholders of the Company	3.65	(8.66)

Reconciliation of earnings/(loss) used in calculating earnings per share

	2025	2024
	$'000	$'000
Profit/(Loss) from continuing operations attributable to ordinary shareholders of the Company used in calculating basic earnings per share.	6,664	(10,039)
Profit/(Loss) from continuing operations attributable to ordinary shareholders of the Company used in calculating basic earnings per share.	6,664	(10,039)

Weighted average number of shares used as the denominator

	2025	2024
	Number	Number
Weighted average number of ordinary shares used as the denominator in calculating basic earnings/(loss) per share	151,195,522	115,870,793
Weighted average number of ordinary and potential shares used as the denominator in calculating diluted earnings per share	182,560,486	163,022,626

Performance rights

Rights granted under the Pioneer Credit Limited Equity Incentive Plan are considered to be potential Ordinary shares and have been included in the determination of diluted earnings per share.

28. Events Taking Place After the Reporting Period

In July 2025 the following events occurred relating to employee share schemes provided:

Issue Date	No. Shares	Value per share	Change	Exercise price	Consideration
1 July 2025	100,000	$0.49	Vested	$nil	$nil

29. Capital Management

The Group's objectives when setting a capital management plan are to:

- Ensure that the Group will be able to continue as a going concern whilst maximising the return to shareholders through an optimal mix of debt and equity
- Focus on reducing the current cost of capital
- Identify the gearing levels based on the Group's risk appetite and maximise the return on invested capital ensuring that all capital invested or reinvested to achieve internal return hurdles, and
- Focus on capital recycling through the sale of non-core portfolios

Although the Group is not subject to any regulatory requirement with respect to its capital position, it maintains a focus on reducing current gearing levels with the significant sources of funding being supplied by shareholder equity and variable rate financier borrowings, as well as appropriate trade working capital arrangements.

The Board monitor key balance sheet ratios as part of the strategy as well as to demonstrate compliance with the financier covenant requirements. Three-year rolling capital forecast analysis is regularly reviewed to assess the impact of growth and future opportunity on funding requirements with a focus on determining adequacy of short to medium term requirements.

As far as possible, PDPs are funded from free cash flow, allowing undrawn balances to be maintained. Cash is monitored daily to ensure that immediate and short-term requirements are met.

Details of financing facilities at 30 June 2025 are set out in Note 16.

Dividends

No dividends were declared or paid during the financial year. No dividends have been declared after the financial year end.

Franking Account

The balance of the franking account at year end is, on a tax rate of 30.0%, $6.5m (2024: $6.5m).

30. Group Structure

Significant investments in subsidiaries

The consolidated financial statements incorporate the assets, liabilities, and results of the following subsidiaries:

Name of entity	Country of incorporation	Class of shares	Equity holding %	
			2025	2024
Pioneer Credit Solutions Pty Ltd	Australia	Ordinary	100	100
Sphere Legal Pty Ltd	Australia	Ordinary	100	100
Pioneer Credit (Philippines) Pty Ltd	Australia	Ordinary	100	100
Pioneer Credit Connect Pty Ltd	Australia	Ordinary	100	100
Pioneer Credit Broking Services Pty Ltd	Australia	Ordinary	100	100
PCS No.2 Pty Ltd[1]	Australia	Ordinary	100	100
Credit Place Pty Ltd	Australia	Ordinary	100	100
Pioneer Credit Solutions (NZ) Limited	New Zealand	Ordinary	100	100
Pioneer Credit (SPV) Pty Ltd	Australia	Ordinary	100	100
Pioneer Credit Fund 1 Pty Ltd	Australia	Ordinary	100	100
Pioneer Credit Limited Equity Incentive Plan Trust	Australia	N/A	100	100
Pioneer Credit Acquisition Services (UK) Limited[2]	United Kingdom	Ordinary	N/A	100
Pioneer Credit Connect (Fund 1) Pty Ltd[2]	Australia	Ordinary	N/A	100
Pioneer Credit Connect (Personal Loans) Pty Ltd[2]	Australia	Ordinary	N/A	100

[1] PCS No.2 Pty Ltd was renamed from Switchmyloan Ptd Ltd during FY25.

[2] Pioneer Credit Connect (Fund 1) Pty Limited, Pioneer Credit Acquisition Services (UK) Limited and Pioneer Credit Connect (Personal Loans) Pty Ltd were liquidated and deregistered during FY25.

31. Parent Entity Financial Information

The individual financial statements for the Parent entity show the following aggregate amounts:

	2025	2024
	$'000	$'000
Balance Sheet		
Current assets	3,931	1,481
Total assets	90,745	120,542
Current liabilities	(10,851)	(267,755)
Total liabilities	(304,739)	(291,543)
Net assets	**(213,994)**	**(171,001)**
Contributed equity	130,751	117,664
Reserves	868	7,178
Accumulated losses	(345,613)	(295,843)
Total equity	**(213,994)**	**(171,001)**
Loss after tax for the year from continuing operations	**(49,770)**	**(70,755)**

Guarantees entered into by the Parent entity

The Parent entity is bound by an unlimited guarantee and indemnity as part of the Group, with security held over all property.

Contingent liabilities of the parent entity

The parent entity had no contingent liabilities as at 30 June 2025.

Capital commitments – Property, plant and equipment

The parent entity had no capital commitments for property, plant and equipment as at 30 June 2025.

Material accounting policy information

The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 5, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity
- Investments in associates are accounted for at cost, less any impairment, in the parent entity, and
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

32. Deed of Cross Guarantee

Pioneer Credit Limited, Pioneer Credit Solutions Pty Limited, Sphere Legal Pty Limited, Pioneer Credit (Philippines) Pty Limited, Pioneer Credit Connect Pty Limited, PCS No.2 Pty Limited, Pioneer Credit Broking Services Pty Limited, and Credit Place Pty Limited are parties to a deed of cross guarantee, entered into on 25 June 2015. PCS No.2 Pty Limited was joined to this deed on 6 June 2016 and Credit Place Pty Limited was joined to this deed of cross guarantee on 12 June 2017.

Under the deed, each Company guarantees the debts of the others. By entering the deed, these entities have been relieved from the requirement to prepare a financial report and Directors' report under ASIC Corporations (Wholly owned Companies) Instrument 2016/785 issued by the Australian Securities and Investments Commission.

The consolidated financial statements of Pioneer Credit Limited include the subsidiaries as set out in note 30.

Pioneer Credit Solutions (NZ) Limited, Pioneer Credit (SPV) Pty Limited and Pioneer Credit (Fund 1) Pty Limited are not party to the deed of cross guarantee. They are stand-alone wholly-owned companies. The Directors have determined that Pioneer Credit Solutions (NZ) Limited, Pioneer Credit (SPV) Pty Limited and Pioneer Credit (Fund 1) Pty Limited are not reporting entities.

Set out below is a consolidated statement of profit or loss and other comprehensive income and statement of financial position of the Closed Group.

	2025	2024
Statement of profit or loss and other comprehensive income of closed group	**$'000**	**$'000**
Interest income at amortised cost	80,333	75,090
Net impairment gain/(loss) on PDPs	21,767	(22,594)
Other income	1,242	804
	103,342	**53,300**
Employee expenses	(33,059)	(36,184)
Finance expenses	(36,299)	(42,145)
Direct liquidation expenses	(2,464)	(3,161)
Information technology and communications	(4,067)	(4,171)
Depreciation and amortisation	(1,497)	(1,834)
Consultancy and professional fees	(3,444)	(8,984)
Other expenses	(3,416)	(3,468)
Profit/(Loss) before income tax	19,096	(46,647)
Income tax benefit	(6)	21,367
Profit/(Loss) after income tax expense for the year	**19,090**	**(25,280)**
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss		
Foreign currency translation (loss) / gain	(41)	(392)
Other comprehensive income for the year, net of tax	(41)	(392)
Total comprehensive profit/(loss) for the year	**19,049**	**(25,672)**

Statement of financial position of closed group	2025 $'000	2024 $'000
ASSETS		
Current assets		
Cash and cash equivalents	3,523	1,213
Trade and other receivables	6,400	3,487
Other current assets	2,629	1,496
Purchased debt portfolio	110,013	100,834
Total current assets	**122,565**	**107,030**
Non-current assets		
Property, plant and equipment	427	524
Intangible assets	901	786
Right of use assets	5,163	6,420
Other non-current assets	3,986	5,552
Deferred tax assets	21,367	21,367
Purchased debt portfolio	213,788	184,320
Total non-current assets	**245,632**	**218,969**
Total assets	**368,197**	**325,999**
LIABILITIES		
Current liabilities		
Trade and other payables and liabilities	20,138	25,344
Provisions	2,102	2,234
Lease liabilities	1,403	1,277
Current tax liability	5	-
Borrowings	4,889	241,538
Total current liabilities	**28,537**	**270,393**
Non-current liabilities		
Provisions	976	1,047
Lease liabilities	5,553	6,911
Borrowings	276,484	19,846
Total non-current liabilities	**283,013**	**27,804**
Total liabilities	**311,550**	**298,197**
Net assets	**56,647**	**27,802**
EQUITY		
Contributed equity	130,751	117,664
Reserves	1,079	7,358
Retained income	(75,183)	(97,220)
Total equity	**56,647**	**27,802**

	2025	2024
Equity – accumulated losses of closed group	**$'000**	**$'000**
Accumulated losses at the beginning of the financial year	(97,220)	(73,219)
Loss after tax expense	19,090	(25,280)
Share plan shares lapsed/forfeited	2,845	1,279
Warrants expired	102	-
Accumulated losses at the end of the financial year	**(75,183)**	**(97,220)**

33. Related Party Transactions

Key management personnel

	2025	2024
	$	$
Cash salary	2,318,922	2,663,817
Non-monetary benefits	55,507	55,884
Annual & long service leave	72,988	(150,416)
Post-employment benefits	164,984	181,163
Options	-	177,666
Rights	632,829	988,257
	3,245,230	**3,916,371**

Loans from related parties

The balance of and amounts owed to Directors and key management personnel in relation to Medium term notes are as follows:

	2025	2024
	$	$
Opening balance	80,273	-
MTNs acquired by related parties during the year	-	80,000
Interest charged	11,783	1,519
Interest paid	(8,962)	(1,326)
Consent fee charged	-	80
Closing balance	**83,094**	**80,273**

Loans to key management personnel

In May 2022, loans were issued to four executives for the purposes of acquiring shares under the Priority Offer completed on 18 May 2022. The shares were issued at a purchase price of $0.55 with an attaching Listed Option on a 1 for 1 basis, with an exercise price of $0.80 expiring in March 2025.

In November 2023, a loan was issued to the Managing Director for $1.5m. Both loans are secured by the underlying shares. The Company engaged external advisors to confirm that each loan transaction was of an arm's length nature and no employee benefits have been recognised in relation to the loans or share transaction.

On 13 August 2024, Pioneer Credit Limited issued a loan of $150,000 to the Managing Director Keith John. The loan was subject to interest at 8.77%. The loan was fully repaid on 1 October 2024. On 17 January 2025, Pioneer Credit Limited issued a loan of $100,000 to the Managing Director Keith John. The loan is subject to interest at 8.77%. At 30 June 2025 the loan remains outstanding, all accrued interest payments have been made in full and are up to date.

Andrea Hoskins ceased employment on 15 May 2025. It was agreed by the Board her shares would be repurchased by the company at this date, and the balance of the loan be written off with no further recourse. The value of the portion written off was $13,636, included as a non-monetary benefit in her remuneration.

All loans are on a full recourse basis with interest accrued monthly at rates of 5% (May 2022), 7.6% (November 2023), 8.77% (August 2024 and January 2025) per annum. The Board retains absolute discretion over loans, passing a resolution during the year allowing for accrued interest to be settled at the end of the loan term.

	2025	2024
	$	$
Opening balance	(3,400,000)	(1,900,000)
Loans to KMP	(250,000)	(1,500,000)
Loans repaid	300,000	-
Interest charged	(209,865)	(166,810)
Interest paid	11,490	166,810
Closing balance	**(3,548,375)**	**(3,400,000)**

34. Remuneration of Auditors

During the year the following fees were paid or are payable for services provided by the auditor of the Group, its related practices and non-related audit firms:

	2025	2024
	$	$
RSM Australia:		
Audit and review of financial reports	452,552	471,900
Statutory assurance services required by legislation to be provided by the auditor	9,900	10,725
Total remuneration	**462,452**	**482,625**

Amounts are inclusive of GST and expense reimbursement.

Consolidated Entity Disclosure Statement

Name of Entity	Entity Type	Country of Incorporation	Ownership %	Tax Residency
Pioneer Credit Ltd	Body Corporate	Australia	100	Australia*
Pioneer Credit Solutions Pty Ltd	Body Corporate	Australia	100	Australia*
Sphere Legal Pty Ltd	Body Corporate	Australia	100	Australia*
Pioneer Credit (Philippines) Pty Ltd	Body Corporate	Australia	100	Australia*
Pioneer Credit Connect Pty Ltd	Body Corporate	Australia	100	Australia*
Pioneer Credit Broking Services Pty Ltd	Body Corporate	Australia	100	Australia*
PCS No.2 Pty Ltd[1]	Body Corporate	Australia	100	Australia*
Credit Place Pty Ltd	Body Corporate	Australia	100	Australia*
Pioneer Credit Solutions (NZ) Ltd	Body Corporate	New Zealand	100	Australia*
Pioneer Credit (SPV) Pty Ltd	Body Corporate	Australia	100	Australia*
Pioneer Credit Fund 1 Pty Ltd	Body Corporate	Australia	100	Australia*
Pioneer Credit Ltd Equity Incentive Plan Trust	Trust	Australia	100	Australia*
Pioneer Credit Acquisition Services (UK) Ltd[2]	Body Corporate	UK	N/A	UK
Pioneer Credit Connect (Fund 1) Pty Ltd[2]	Body Corporate	Australia	N/A	Australia*
Pioneer Credit Connect (Personal Loans) Pty Ltd[2]	Body Corporate	Australia	N/A	Australia*

* Pioneer Credit Limited (the 'parent entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime.

1 Renamed from Switchmyloan Ptd Ltd during FY25.

2 Pioneer Credit Connect (Fund 1) Pty Limited, Pioneer Credit Acquisition Services (UK) Limited and Pioneer Credit Connect (Personal Loans) Pty Ltd were liquidated and deregistered during FY25.

Directors' Declaration

In the Directors' opinion:

a) The financial statements and notes set out on pages 37 to 81 are in accordance with the Corporations Act 2001, including:
   - Complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements, and
   - Giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2025 and of its performance for the year ended on that date

b) There are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable

c) At the date of this declaration, there are reasonable grounds to believe that the members of the extended closed Group identified in note 30 will be able to meet any obligations or liabilities to which they are, or may become, liable by virtue of the deed of cross guarantee described in note 32, and

d) the information disclosed in the consolidated entity disclosure statement is true and correct.

Note 2 confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declarations by the Managing Director and Chief Financial Officer required by section 295A of the Corporations Act 2001.

This declaration is made in accordance with a resolution of Directors.

Keith John

Managing Director

Perth

27 August 2025

RSM Australia Partners

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INDEPENDENT AUDITOR'S REPORT

To the Members of Pioneer Credit Limited

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of Pioneer Credit Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion the accompanying financial report of the Group is in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
(ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (*including independence standards*) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed this matter
Measurement of Purchased Debt Portfolios (PDPs) Refer to Note 11 in the financial statements	

The Group holds PDPs with a carrying value of $342,964,000, as set out in Note 11 of the financial statements. The PDPs are held at amortised cost.
 	
The measurement of the PDPs is estimated by the Group using internally developed cash flow models (the models).
 	
Complexity arises in respect of the accounting for PDPs due to the following:
 	
• The requirement to calculate credit-adjusted effective interest rates (CAEIRs) when PDPs are acquired involves significant judgement in estimating the amount and timing of future expected cash flows. In particular, judgement is required in estimating the attributes of PDPs that underpin modelled cash flow forecasts on acquisition.
• Re-estimating future cash flows for PDPs at the end of each period results in impairment gains/losses which also require significant judgement and reliance on internally developed cash flow models.
• Estimating the impact of the macro-economic outlook and future operational performance on forecast cash flows requires considerable judgement.
• The models used by management remain sensitive to the inherent uncertainty of estimating future cash flows, both at acquisition date and at period end.
 	
As a result, the assessment of the carrying value PDPs is a key audit matter.
	Our audit procedures, including those performed by our Data Analytic and Corporate Finance specialists, included:
	
	• Assessing the Group's accounting policy for compliance with Australian Accounting Standards;
	• Assessing the process undertaken by management to measure and account for PDPs;
	• Testing the design, implementation and operating effectiveness of selected controls in relation to the PDP input data and models;
	• Testing the mathematical accuracy and mechanics of the end to end PDP modelling process by re-creating the modelling process in an independent environment;
	• Assessing the methodology used by the Group to determine the construction of the PDP models;
	• Assessing if the PDP models included the expected amounts and timing of cash flows from customers;
	• Assessing the reasonableness of the assumptions and key estimates used in the PDP models by:
	  ○ Testing a sample of customer account characteristics to source documentation or system information to assess the existence, accuracy and completeness of the PDP model data; and
	  ○ Assessing the original CAEIRs used in the model for consistency to what had previously been determined and applied on historic PDPs in accordance with AASB 9;

	• Testing a sample of current year additions, disposals and liquidations to underlying source documents; • Testing the reasonableness of PDP interest income and impairment gain/losses as calculated by management's PDP modelling; • Testing the accuracy of the mathematical outputs of the modelled forecasted cash flows for all PDP tranches; • Testing the PDP model performance retrospectively, on a sample basis, against actual historic liquidations, including the reasonableness of the assignment PDPs to modelled forecasted cash flows; • Challenging the assumptions, judgements and quantifications made in determining the management expert judgement adjustment and model risk and operational risk overlays; • Testing the correct mathematical application of model risk and operational risk overlays and adjustments; and • Assessing the adequacy of disclosures contained in the financial report.
Liquidity and going concern Refer to Note 3 in the financial statements	
For the year ended 30 June 2025, the Group derived a net profit after tax of $6,664,000 and has net current assets of $96,379,000 The Directors have prepared the financial report on the going concern basis. The Group's various borrowings facilities contain covenants which are closely linked to the carrying value of the PDPs and the level and timing of forecasted cash flows including PDP acquisitions, liquidations and sales as disclosed in Note 11 to the financial statements. The achievement of the cash flow forecasts are subject to future events, some of which are beyond the direct control of the Group.	Our audit procedures included: • Assessing and discussing with management and Directors the reasonableness of the Group's cash flow forecast for the 12-month period ended 31 August 2026; • Checking the mathematical accuracy of management's cash flow forecast; • Challenging the reasonableness of the key assumptions used by management in the cash flow forecast by comparison to our knowledge of the business and comparison of prior year forecast cash flows to actual cash flows; • Assessing the sensitivity of the key assumptions within management's cash flow forecast, particularly in relation to forecast PDP liquidations, acquisitions and sales and operating costs estimates;

	• Reading and understanding the key terms of the various borrowings facilities; • Checking the mathematical accuracy of covenant calculations over the 12 month period ended 31 August 2026 and critically assessing the forecasted covenant calculations including applying sensitivities to PDP liquidations, acquisitions and sales to identify reasonably possible potential breaches; and • Assessing the adequacy of disclosures made in the financial report.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2025 but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

a. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001; and

b. the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

i. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii. the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/media/bwvjcgre/ar2_2024.pdf This description forms part of our auditor's report.

REPORT ON THE REMUNERATION REPORT

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Pioneer Credit Limited, for the year ended 30 June 2025, complies with section 300A of the Corporations Act 2001.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

RSM

RSM Australia

Matthew Beevers

Partner

Perth, 27 August 2025

Shareholder Information

The shareholder information set out below was applicable as at 22 August 2025.

Distribution of securities

Analysis of numbers of equity security holders by size of holding

Holding	Holders	Ordinary shares
1 – 1,000	450	187,087
1,001 – 5,000	396	1,082,689
5,001 – 10,000	193	1,492,165
10,001 – 100,000	433	15,087,360
100,001 and over	145	142,872,043
	1,617	160,721,344

Equity security holders

The names of the twenty largest holders of quoted securities are:

	Ordinary shares	
Name	Number held	% of issued shares
JP Morgan Nominees Australia Pty Ltd	34,160,292	21.25%
Mr Keith Roy John	17,247,934	10.73%
Citicorp Nominees Pty Ltd	15,384,131	9.57%
Jamplat Pty Ltd	10,900,000	6.78%
BNP Paribas Nominees Pty Ltd	7,569,553	4.71%
NGE Capital Ltd	7,496,780	4.67%
HSBC Custody Nominees (Australia) Ltd	6,089,915	3.79%
Pacific Custodians Pty Ltd	3,667,185	2.28%
Mr Irwin David Klotz	2,100,000	1.31%
S&G Morris Super Pty Ltd	1,541,496	0.96%
Mr Sunny Yang & Mrs Connie Yang	1,336,557	0.83%
Stockhill Nominees Pty Ltd	1,235,276	0.77%
Wallbay Pty Ltd	1,200,000	0.75%
UBS Nominees Pty Ltd	1,050,690	0.65%
Lachlan 11 Holdings Pty Ltd	990,000	0.62%
Dr Paul Matthew Sullivan Bailey	872,856	0.54%
Mr Darren Richard John & Mrs Melissa Jamiee John	847,009	0.53%
Mr Allan Hart	809,539	0.50%
Mrs Lilian Jeannette Warmbrand	781,382	0.49%
Netwealth Investments Ltd	762,614	0.47%

	Rights	
Name	Number held	Holders
Employee Incentive Plan	7,034,266	8

Substantial holders

Substantial holders in the Company are set out below:

Name	Number held	% of issued shares
JP Morgan Nominees Australia Pty Ltd	34,160,292	21.25%
Mr Keith Roy John	17,247,934	10.73%
Citicorp Nominees Pty Ltd	15,384,131	9.57%
Jamplat Pty Ltd	10,900,000	6.78%

Voting rights

At a general meeting, each shareholder entitled to vote may do so in person or by proxy, attorney, or representative. On a show of hands, each present shareholder has one vote. On a poll, each has one vote per share, with fractional votes for partly paid shares.

Thank You.

pioneer credit