

ASX Announcement

11 June 2019

Pioneer Credit update on PDP financial statement classification

Pioneer Credit Limited (“Pioneer” or “the Company”) refers to its Market Update of 9 April 2019 regarding the application of AASB 9 *Financial Instruments* to the classification and measurement of the Purchased Debt Portfolio (“PDP”).

The Company advises it will adopt Amortised Cost as its primary classification and measurement method for the year ended 30 June 2019. Pioneer reaffirms its advice to the market that it will, for at least the next two reporting periods, report the PDP carrying value in its accounts using both Amortised Cost and Fair Value through Profit or Loss.

Pioneer has been working with two of the ‘big four’ accounting firms, including its auditor, since the release of its 1H19 financial statements with respect to the development of its model for measurement of its financial asset using the Amortised Cost method.

The Company has previously advised that it expects both Net Profit after Taxation and PDP carrying value in the Balance Sheet to be similar under both methods. While its accounts have not yet been audited, the Company can now advise that it expects a small, although not material, positive revaluation of assets when the PDP is measured using Amortised Cost at the transition date of 1 July 2018 (against the previously reported carrying value of \$224.6m).

It is Pioneer’s expectation that Net Profit after Taxation for the year ended 30 June 2019 will be in line with its previously communicated guidance of at least \$20m.

Investor and Media Enquiries:

Keith R. John
Managing Director
Pioneer Credit Limited
P: 08 9323 5001

E: krjohn@pioneercredit.com.au

John Gardner
Citadel-MAGNUS
P: 0413 355 997
E: jgardner@citadelmagnus.com



About Pioneer Credit Limited

Pioneer Credit is an ASX-listed company (ASX: PNC) providing high quality, flexible, financial services support to help everyday Australians out of financial difficulty. Pioneer Credit has the trust of long-term vendor partners to do the right thing and respectfully support customers to achieve their financial independence.

With a track record of consistent earnings growth, Pioneer Credit has established a solid foundation to pursue further growth by leveraging its outstanding industry relationships, compliance record and customer-focused culture.

www.pioneercredit.com.au