00:00:05:12 - 00:00:06:21

Good morning.

00:00:06:21 - 00:00:09:15

I'm Chantelle Hadley at Pioneer Credit.

00:00:09:15 - 00:00:13:14

Thank you for joining our FY26 results presentation.

00:00:13:19 - 00:00:17:08

I'm joined today by our Managing Director, Keith John,

00:00:17:08 - 00:00:19:02

and our Chief Financial Officer,

00:00:19:02 - 00:00:22:12

Barry Hartnett, who'll be taking you through our presentation.

00:00:22:24 - 00:00:26:10

If you have any questions at all throughout, just use the Q&A box

00:00:26:10 - 00:00:28:08

that you can see on your screen. Type

00:00:28:08 - 00:00:32:04

those in there and we'll address those at the end of the formal presentation.

00:00:32:12 - 00:00:35:16

So for now, I'll hand over to Pioneer’s Managing Director

00:00:35:17 - 00:00:38:17

Keith John.

00:00:45:08 - 00:00:46:07

Good morning everyone.

00:00:46:07 - 00:00:49:08

And thanks so much for joining us today.

00:00:49:09 - 00:00:52:15

It's always a pleasure to be able to talk to you, and certainly to be able

00:00:52:15 - 00:00:55:19

to talk to you in the context of our business,

00:00:55:21 - 00:01:00:08

what we've achieved in FY 26, and really what we achieved

00:01:00:08 - 00:01:04:18

towards the back end of FY 26, which is setting us up for FY 27.

00:01:04:19 - 00:01:09:18

But in terms of our performance, obviously these results have been

00:01:09:18 - 00:01:15:06

pre-released to the market in in July, but we're very pleased to confirm today

00:01:15:07 - 00:01:20:14

cash collections of $147.6 million

00:01:21:08 - 00:01:24:09

up in a measurable sense on last year.

00:01:24:09 - 00:01:28:22

And certainly we're well structured now for a significant improvement

00:01:28:22 - 00:01:33:09

during FY 27 in that number. We've had at an all time high.

00:01:33:11 - 00:01:37:21

I mean, this really is a proxy for how we generate cash within this business.

00:01:37:23 - 00:01:43:22

Almost $106 million, a remarkable amount of cash generation

00:01:43:22 - 00:01:47:13

in our business and done it in a very, very efficient manner.

00:01:47:22 - 00:01:51:07

Our earnings before

00:01:51:07 - 00:01:56:07

interest and taxation, just shy of $56 million.

00:01:56:07 - 00:02:00:06

We're very pleased with that number again, of course,

00:02:00:07 - 00:02:05:06

and just shows you the efficiency with which we run and also the caution

00:02:05:06 - 00:02:09:03

with which we value our loan books, which is the depreciation

00:02:09:05 - 00:02:12:23

and the amortization part of our EBITDA number.

00:02:12:24 - 00:02:15:03

Finally driving that impact.

00:02:15:03 - 00:02:23:00

We originally had a target set in FY 22 of $18 million for this financial year.

00:02:23:00 - 00:02:26:11

And for those that have been with us on the journey, you'll know that management

00:02:26:11 - 00:02:30:15

Incentives have been tied to achieving that $18

00:02:30:15 - 00:02:35:00

million number, which was some set some four years out.

00:02:35:00 - 00:02:36:08

We did that.

00:02:36:08 - 00:02:37:13

We did that in spades.

00:02:37:13 - 00:02:41:11

And we're very, very pleased to deliver and present to you today a net profit

00:02:41:11 - 00:02:44:11

after tax of $23.1

00:02:44:11 - 00:02:47:19

million for the financial year.

00:02:50:00 - 00:02:52:13

In terms of the portfolio highlights,

00:02:52:13 - 00:02:56:00

really, the key

00:02:56:00 - 00:02:59:24

take out on this slide more than anything is PDP investment.

00:03:00:00 - 00:03:05:14

When we started FY 26, we guided the market to an investment

00:03:05:14 - 00:03:07:05

of $80 million.

00:03:07:05 - 00:03:11:18

We've also spent considerable time talking to you,

00:03:11:18 - 00:03:17:02

but also and very importantly, of course, our vendor partners about who we are

00:03:17:03 - 00:03:21:21

as an organization, why we are different to others, and why

00:03:22:00 - 00:03:28:05

we are the right business to be backed and to be trusted with their portfolios.

00:03:28:06 - 00:03:33:03

Pioneer is the only group in Australia without exception,

00:03:33:10 - 00:03:36:19

with an agreement with each of the big four banks in place,

00:03:37:18 - 00:03:42:03

and that in part has driven record investment

00:03:42:04 - 00:03:46:05

of $105 million for the year.

00:03:46:12 - 00:03:48:21

Most of that, or sorry, most of that,

00:03:48:21 - 00:03:52:21

but a large proportion of that was settled in June.

00:03:52:21 - 00:03:55:09

And we're very, very pleased with that.

00:03:55:09 - 00:03:58:09

And that is going to drive this business forward.

00:03:58:09 - 00:04:00:19

In FY 27.

00:04:00:19 - 00:04:06:03

Our PA portfolio has been relatively stable at $406 million.

00:04:06:03 - 00:04:09:23

And you might be aware that we get a lot of our revenue from that portfolio.

00:04:09:24 - 00:04:13:21

We'll be certainly seeking to increase the value of that portfolio

00:04:13:21 - 00:04:17:02

and the number of customers that we have under arrangement

00:04:17:02 - 00:04:22:13

through this financial year, our ears, our estimated remaining collections.

00:04:22:13 - 00:04:26:08

This is the gross amount of money that we expect to recover

00:04:26:08 - 00:04:31:08

from our portfolio, the some $2.3, $2.4

00:04:31:08 - 00:04:36:00

billion in assets that we have under management is just shy of $800 million,

00:04:36:00 - 00:04:40:24

and we carry that asset at $400 million on our balance sheet.

00:04:43:12 - 00:04:46:00

I'll now hand over to Barry Hartnett,

00:04:46:00 - 00:04:49:17

my Chief Financial Officer, to walk you through our financial statements.

00:04:52:05 - 00:04:52:20

Thanks, Keith.

00:04:52:20 - 00:04:54:16

And good morning, everyone.

00:04:54:16 - 00:04:58:20

I'll now take you through pioneers FY 26 financial performance.

00:04:59:16 - 00:05:03:10

The company delivered NPAT of $23.1 million,

00:05:03:10 - 00:05:08:05

representing growth of 245% on FY 25.

00:05:08:08 - 00:05:11:08

And as Keith mentioned, meeting or upgraded guidance,

00:05:12:01 - 00:05:15:00

interest income increased by 16%

00:05:15:00 - 00:05:18:24

to 102.5 million, reflecting the scale

00:05:18:24 - 00:05:22:10

of portfolio investment completed over recent years.

00:05:23:16 - 00:05:28:07

Employee expenses reduced by 4% to 31.7 million.

00:05:28:11 - 00:05:33:14

That's despite material growth in the portfolio and PDP investment.

00:05:34:15 - 00:05:37:06

Finance expenses reduced significantly

00:05:37:06 - 00:05:42:02

from $38.3 million to $26.9 million, and that's driven by the successful

00:05:42:02 - 00:05:45:08

repricing of the senior facility and medium term notes.

00:05:46:00 - 00:05:48:18

The refinancing benefit of $7.7 million

00:05:48:18 - 00:05:51:18

was recognized during FY 26.

00:05:52:04 - 00:05:56:18

Again, importantly and as Keith mentioned, a significant proportion of FY 26

00:05:56:19 - 00:06:00:04

investment was completed late in the financial year

00:06:00:04 - 00:06:05:00

and therefore contributed only modestly to FY 26 earnings.

00:06:08:03 - 00:06:09:22

From a cash flow perspective.

00:06:09:22 - 00:06:14:19

Cash collections increased to $148 million in FY 26.

00:06:15:13 - 00:06:18:01

Net operating cash flow increased significantly

00:06:18:01 - 00:06:22:02

by 35% to $70.8 million.

00:06:22:22 - 00:06:26:01

The increase reflects the higher collections discipline, cost

00:06:26:01 - 00:06:29:16

management and reduced funding costs across the business.

00:06:30:13 - 00:06:34:01

The company continues to demonstrate strong cash conversion,

00:06:34:10 - 00:06:39:14

reinvesting $93.8 million into PDP acquisitions during the year.

00:06:40:03 - 00:06:44:13

The improved supply conditions and attractive pricing supported a record

00:06:44:14 - 00:06:50:01

$105.1 million of PDP investment in FY 26.

00:06:50:11 - 00:06:54:10

The difference between the PDP investment and the cash expenditure

00:06:54:18 - 00:06:58:21

principally reflects settlement timing and year end payables.

00:07:00:05 - 00:07:02:16

Despite the record investment activity to Group

00:07:02:16 - 00:07:09:08

finished the year with a higher cash balance of $7.9 million.

00:07:10:13 - 00:07:14:21

This slide highlights the operating leverage within the pioneer platform.

00:07:15:02 - 00:07:18:20

Cash collections, as you can see, have increased from $107 million in FY

00:07:18:20 - 00:07:22:06

22 to $148 million in FY 26,

00:07:22:11 - 00:07:26:23

representing an increase of 38%. Over the same period,

00:07:26:24 - 00:07:31:10

the cost to service reduced from 44% to 34%.

00:07:31:23 - 00:07:34:20

Again demonstrating benefits of scale,

00:07:34:20 - 00:07:38:15

operational discipline and ongoing productivity initiatives.

00:07:39:09 - 00:07:43:02

While the cost of service increased modestly during FY 26,

00:07:43:03 - 00:07:48:01

it remains within our target range and substantially below historical levels.

00:07:48:14 - 00:07:52:04

We continue to see further opportunities to drive efficiency

00:07:52:05 - 00:07:55:08

as technology initiatives are embedded across the business.

00:07:58:10 - 00:07:59:17

On the balance sheet, you can see

00:07:59:17 - 00:08:04:04

total assets have increased to $445 million, driven primarily

00:08:04:04 - 00:08:09:10

by the growth in PDP assets, which increased 17% to $400 million.

00:08:10:07 - 00:08:12:12

The increase reflects disciplined portfolio

00:08:12:12 - 00:08:15:12

investment completed in FY 26.

00:08:16:04 - 00:08:23:01

Net assets increased 38% to $83.7 million, reflecting the strong FY 26 earnings

00:08:23:03 - 00:08:26:12

and continued value creation for shareholders.

00:08:27:14 - 00:08:30:00

Trade payables increased due to the PDP

00:08:30:00 - 00:08:33:00

Acquisitions completed late in the financial year.

00:08:33:07 - 00:08:36:07

These balances have subsequently been paid down.

00:08:37:01 - 00:08:39:23

Operating cash flow, together with additional borrowings,

00:08:39:23 - 00:08:47:07

has enabled Pioneer to accelerate investment into high quality PDP assets.

00:08:48:23 - 00:08:49:12

Finally,

00:08:49:12 - 00:08:53:10

I just like to highlight the continued improvement in our credit metrics.

00:08:53:23 - 00:08:56:17

Interest cover improved to 4.1 times

00:08:56:17 - 00:08:59:17

at March 26th and remains

00:08:59:20 - 00:09:03:23

at that number post a recently completed equity raise.

00:09:05:04 - 00:09:06:21

And the second piece to group LVR

00:09:06:21 - 00:09:12:21

reduced from 89% at March 25 to 84% at March 26,

00:09:12:23 - 00:09:17:09

and further to 77% post to recent equity rates.

00:09:17:18 - 00:09:20:18

This is amongst, the lowest in the world.

00:09:21:14 - 00:09:25:06

With continued profitability and the benefits of the recent capital raise,

00:09:25:06 - 00:09:29:12

we expect leverage metrics to continue to improve over time.

00:09:30:00 - 00:09:33:19

At the same time, management remains focused on opportunities

00:09:33:19 - 00:09:36:19

to reduce the group's cost of funds.

00:09:37:12 - 00:09:40:12

I'll now hand back to Keith.

00:09:42:00 - 00:09:45:00

Thank you Barry.

00:09:45:04 - 00:09:47:06

So a really impressive set of metrics

00:09:47:06 - 00:09:51:06

and delivering on everything that we've committed to, to shareholders

00:09:51:06 - 00:09:57:09

and communicated to the market well in advance, as we are again

00:09:57:09 - 00:10:02:10

this year with respect to our outlook, which we'll get to in a short while.

00:10:02:16 - 00:10:07:15

You know our story well, we are an ethical debt recovery business.

00:10:07:16 - 00:10:11:10

We're underpinned by industry leading compliance record.

00:10:11:11 - 00:10:14:07

It's very, very important. It is our currency.

00:10:14:07 - 00:10:20:11

It is the reason why banks trust pioneer and from them,

00:10:20:13 - 00:10:24:01

there are three key things that make us different.

00:10:24:15 - 00:10:28:10

One is the way we look after our customers,

00:10:28:11 - 00:10:30:12

the customers that the bank sell us.

00:10:30:12 - 00:10:32:14

They are people. They are good people.

00:10:32:14 - 00:10:36:11

They are Australians trying to get ahead in very, very tough

00:10:36:11 - 00:10:39:11

times that we face now for consumers.

00:10:39:12 - 00:10:42:19

The Pioneer customers are resilient.

00:10:42:20 - 00:10:47:02

They are performing incredibly well and Pioneer supports them incredibly well.

00:10:47:02 - 00:10:48:20

And that's valued by the banks.

00:10:48:20 - 00:10:52:12

The second is we do not compete

00:10:52:12 - 00:10:55:12

with our vendor partners.

00:10:55:12 - 00:10:57:17

I can't underline this more.

00:10:57:17 - 00:10:59:13

We don't sell loans.

00:10:59:13 - 00:11:02:22

And because of that, banks know we're on their side.

00:11:02:22 - 00:11:06:01

We're working together, and we're not looking to extend

00:11:06:01 - 00:11:12:05

the credit cycle to people that are already challenged with credit.

00:11:12:05 - 00:11:13:05

It's not what we do.

00:11:13:05 - 00:11:16:05

We're about recovery and about ethical debt

00:11:16:05 - 00:11:19:12

recovery and working through that and not competing with the banks.

00:11:19:12 - 00:11:23:07

And the third is we do not buy payday loans,

00:11:23:07 - 00:11:26:20

and you can see that come out in the quality of our portfolio

00:11:26:20 - 00:11:31:17

and the quality of our performance, particularly over the last few years,

00:11:31:18 - 00:11:36:13

as we've been faced with rising interest rates and inflationary pressures

00:11:36:13 - 00:11:39:13

right across the country.

00:11:40:22 - 00:11:42:15

Our investment profile,

00:11:42:15 - 00:11:47:00

we had a record $105 million PDP investment in 26,

00:11:47:00 - 00:11:54:09

and we are guiding to investment of $100 to $110 million for FY 27.

00:11:55:00 - 00:11:58:04

We already have $77 million.

00:11:58:04 - 00:12:00:07

that are underpinned by forward flow agreements,

00:12:00:07 - 00:12:04:01

which we're very, very pleased about, and we've got a very, very strong

00:12:04:01 - 00:12:10:05

pipeline of opportunities for us to take advantage of during this period.

00:12:10:06 - 00:12:15:10

Our reputation has never been better and we've worked very, very hard at that.

00:12:15:10 - 00:12:21:07

And our standing amongst banks and non-bank lenders is exceptionally good

00:12:21:07 - 00:12:25:02

and exceptionally strong, and we are increasingly seen

00:12:25:02 - 00:12:28:03

as the solution before others

00:12:28:21 - 00:12:31:05

for those parts of the market.

00:12:33:15 - 00:12:35:12

In terms of our advantage.

00:12:35:12 - 00:12:37:14

There are two ways that we look at this.

00:12:37:14 - 00:12:43:12

The consumer mode, high quality origination

00:12:43:12 - 00:12:48:09

This will be purchased from the banks and the non-bank lenders.

00:12:48:10 - 00:12:53:17

Only the very best quality customers, those that have the highest propensity to heal.

00:12:53:17 - 00:12:57:08

We have no exposure to to payday or to SACC.

00:12:57:14 - 00:12:59:04

That's very important.

00:12:59:04 - 00:13:01:08

We've got low exposure to home loans.

00:13:01:08 - 00:13:04:02

Less than 10% of our customers own a home loan.

00:13:04:02 - 00:13:08:07

Only a very small proportion of that actually have an arrears on their home

00:13:08:07 - 00:13:12:15

loan, but subsequently they are not as exposed

00:13:12:15 - 00:13:16:04

to interest rate movements as other books might be.

00:13:16:20 - 00:13:21:08

The other important part about our business is the low unemployment exposure.

00:13:21:10 - 00:13:25:16

Based on credit bureau records, our exposure is around

00:13:25:16 - 00:13:29:05

2%, less than half the national average.

00:13:29:05 - 00:13:32:20

And at first glance, that might appear an unusual thing.

00:13:32:20 - 00:13:36:01

But when you think about our book and the fact that we don't buy

00:13:36:01 - 00:13:39:08

from the bottom quartile of financial society,

00:13:39:09 - 00:13:44:07

we don't buy payday, we don't buy ‘buy now, pay later,’ or SACC

00:13:44:21 - 00:13:50:08

you soon get to understanding that our book is very high quality,

00:13:50:09 - 00:13:53:22

with people that are employed and a good propensity to heal.

00:13:53:23 - 00:13:57:05

That is part of what is underpinning the strength

00:13:57:05 - 00:14:01:11

of our portfolio and the performance of our book.

00:14:01:13 - 00:14:06:00

From an operating perspective, we've got incredible

00:14:07:00 - 00:14:11:21

regulatory guardrails inside of our business.

00:14:11:22 - 00:14:16:20

We've got proprietary data vendor access, really, really important.

00:14:16:20 - 00:14:21:01

We invest a lot of time in making sure that we've got these relationships,

00:14:21:01 - 00:14:27:17

that we invest in these relationships genuinely, so that we are the solution.

00:14:27:19 - 00:14:31:05

We've got funding, operational leverage.

00:14:31:05 - 00:14:37:08

And importantly for you, aligned management, there is no short term

00:14:37:08 - 00:14:43:06

incentive for any member of my management team or executive, including myself.

00:14:43:15 - 00:14:47:02

We are remunerated over 3 or 4 years,

00:14:47:07 - 00:14:52:24

and what that means is, is when we invest in a portfolio today, we don't get paid

00:14:52:24 - 00:14:57:06

for 3 or 4 years, which is exactly the way it should be, given

00:14:57:06 - 00:15:00:23

it takes us time to extract the full value from these books.

00:15:01:04 - 00:15:05:01

So management is aligned with making the right decisions

00:15:05:01 - 00:15:10:02

for the medium to long term in the benefit of all shareholders.

00:15:14:04 - 00:15:14:22

ERC and returns.

00:15:14:22 - 00:15:18:04

You can see that we continue to grow our ERC.

00:15:18:06 - 00:15:21:11

You should naturally expect that given the heavy investment

00:15:21:11 - 00:15:24:19

we made last year into the PDP's,

00:15:24:19 - 00:15:29:02

they have been done on similar returns to what we have always purchased.

00:15:29:03 - 00:15:33:23

We think about our returns in the on the basis of a

00:15:34:08 - 00:15:39:16

an internal rate of return, and we continue to grow that over time.

00:15:39:19 - 00:15:42:17

On the right hand side is our underwriting.

00:15:42:17 - 00:15:46:05

And you'll see the underwriting multiple,

00:15:46:05 - 00:15:49:12

which is where we purchase that in the dark color there.

00:15:49:12 - 00:15:52:06

And the orange is the achieve plus ERC.

00:15:52:06 - 00:15:57:03

And you'll see we continue to outperform that based on what

00:15:57:03 - 00:16:01:20

we've actually recovered and what we expect to recover into the future for

00:16:01:21 - 00:16:03:12

the for the newer vintages.

00:16:09:05 - 00:16:11:17

I've spoken briefly about shareholder alignment.

00:16:11:17 - 00:16:15:14

We speak about this a lot, but I can't emphasize enough

00:16:15:16 - 00:16:19:10

the importance that that I and my board

00:16:19:11 - 00:16:23:24

have placed on shareholder alignment for a very long time.

00:16:24:09 - 00:16:27:00

In small financials,

00:16:27:00 - 00:16:31:02

it's critically important, and particularly in a business

00:16:31:02 - 00:16:34:17

where the portfolios we buy, we earn the majority of our money

00:16:34:19 - 00:16:38:03

over a period of 3 or 4 years.

00:16:38:17 - 00:16:41:17

Management has significant skin in the game.

00:16:42:24 - 00:16:45:18

And that ensures that we're aligned to you

00:16:45:18 - 00:16:50:04

and we're aligned to making great decisions, good decisions,

00:16:50:04 - 00:16:55:07

considered decisions when it comes to the way we invest our cumulative money,

00:16:55:07 - 00:17:01:02

and the way we think about risk and the way that we manage it. For FY 27,

00:17:01:19 - 00:17:07:04

we’ll be expanding the way we think about incentive for management

00:17:07:04 - 00:17:11:06

and including a measurable compliance outcome,

00:17:11:09 - 00:17:14:14

cash collections measures, return on investment

00:17:14:14 - 00:17:17:14

and critically important

00:17:17:17 - 00:17:22:00

at our April Strategy Day with our board

00:17:22:00 - 00:17:25:21

and with some of our close advisors and groups that work with Pioneer,

00:17:25:24 - 00:17:28:21

we set and agreed

00:17:28:21 - 00:17:31:21

our NPAT target for FY 29,

00:17:32:05 - 00:17:35:21

which is at least $35 million.

00:17:36:19 - 00:17:38:02

It's a big number.

00:17:38:02 - 00:17:39:19

It's pretty close.

00:17:39:19 - 00:17:42:00

We're less than three years away from it.

00:17:42:00 - 00:17:45:01

Management is wholly committed to delivering upon

00:17:45:01 - 00:17:46:15

that number, as is your board.

00:17:46:15 - 00:17:48:15

And we fully expect to.

00:17:48:15 - 00:17:50:20

And management incentives are in part

00:17:50:20 - 00:17:54:13

going to be tied on to delivery of that number.

00:17:58:04 - 00:18:01:01

Finally, to our outlook.

00:18:01:01 - 00:18:04:20

And again, from a $33 million loss in FY

00:18:05:01 - 00:18:07:21

22, management committed to an $18

00:18:07:21 - 00:18:10:21

million NPAT target for 26.

00:18:11:02 - 00:18:16:05

And our incentives were aligned entirely to that outcome.

00:18:17:02 - 00:18:20:20

We have delivered upon that commitment and exceeded it.

00:18:21:00 - 00:18:24:18

And as I just stated, management and your board

00:18:25:21 - 00:18:28:07

are now aligned and committed to delivering

00:18:28:07 - 00:18:32:22

an FY 29 NPAT of at least $35 million.

00:18:33:14 - 00:18:36:01

What can you expect from us in this coming year?

00:18:36:01 - 00:18:39:22

Number one, we're forecast to be fully funded

00:18:39:22 - 00:18:43:20

to grow into Australia's number one PDP buyer.

00:18:45:11 - 00:18:47:09

Now, being the number one

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buyer in itself is not the target,

00:18:51:03 - 00:18:54:17

being the best buy, the most disciplined buyer

00:18:54:17 - 00:18:58:10

and the most rewarded buyer by banks is what our target is.

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And that's what we're focused on.

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We expect to be number one because of that this year.

00:19:03:02 - 00:19:11:08

FY 27 investment of $100 to $110 million, $77 million already projected

00:19:11:08 - 00:19:16:00

under forward flow. Cash collections to grow significantly.

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As you should expect, given the investment from where we are

00:19:20:05 - 00:19:24:19

today to 170 to $180 million.

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We expect to deliver material earnings growth and to update you

00:19:29:06 - 00:19:35:23

at our AGM at the end of October as to our progression

00:19:35:23 - 00:19:39:07

with respect to that target and importantly,

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something I know many shareholders have been waiting for

00:19:43:11 - 00:19:48:01

and looking forward to is the path is now set for return to dividends

00:19:48:02 - 00:19:52:17

on the achievement of our FY 27 results.

00:19:54:01 - 00:19:58:23

And for you to hang your hat on and for management to achieve

00:19:59:07 - 00:20:03:24

for all of us, and commitment for an FY 29

00:20:03:24 - 00:20:08:16

NPAT target of at least $35 million.

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That concludes the formal part of my presentation.

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I'm welcome to anyone with any questions

00:20:21:09 - 00:20:24:09

that might that might arise.

00:20:28:03 - 00:20:30:20

As it stands with one question at the moment,

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which really talks to in the past the amount of leverage that we had

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in this business that was in the mid to high 90s

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and how we've brought that down now to 77%, and what our gearing

00:20:44:20 - 00:20:47:22

and our target level is going forward.

00:20:48:23 - 00:20:51:23

We've been very clear

00:20:52:10 - 00:20:56:10

in recent years that we were seeking to bring down our leverage.

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And whilst it was manageable and certainly something we were

00:21:00:09 - 00:21:04:19

comfortable with achieving or delivering within, it is an important thing.

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And we've always wanted to be a business that has returned

00:21:08:18 - 00:21:11:17

to the comfort of equity within its

00:21:11:17 - 00:21:15:12

portfolio over time.

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We've done that two ways.

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One is through continued performance by investing in good quality books,

00:21:23:02 - 00:21:28:13

and by using that cash generation to increasingly buy new books

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and to perform.

00:21:30:01 - 00:21:34:16

And then, of course, we've recently had the equity raise of $17 million,

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which were very pleased to have completed.

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And with the support that we received from our existing shareholders,

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and also from a couple of new significant shareholders that came in.

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So that got the leverage down the 77%.

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The board has yet to complete its target or agree upon its target.

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But we feel now that we're getting to the range

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that is reasonable for this business

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at its upcoming meetings, we'll spend more time on that.

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We still expect leverage to

00:22:09:18 - 00:22:13:15

drop from here, but once we decide upon that number,

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then we will communicate that to shareholders very, very soon.

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That concludes the questions that we've received.

00:22:26:07 - 00:22:27:24

I thank you for your time today.

00:22:27:24 - 00:22:29:22

I thank you for your support.

00:22:29:22 - 00:22:34:15

As always, myself, Barry and our team are available

00:22:34:16 - 00:22:39:19

to take any questions from you offline or over the coming weeks.

00:22:39:19 - 00:22:42:19

We wish you all the very best and thank you for your time.

00:22:47:00 - 00:22:49:07

Thank you Keith and Barry for taking us through

00:22:49:07 - 00:22:53:05

the presentation and answering the question that we received there.

00:22:53:05 - 00:22:57:21

But if you do have any other questions, the best way to contact us is via email.

00:22:57:21 - 00:23:01:11

investor_relations@pioneercredit.com.au

00:23:02:21 - 00:23:05:20

And then you can always follow us on LinkedIn as well at any time.

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That's where we share our news to keep you up to date.

00:23:08:16 - 00:23:11:21

But as Keith said, that concludes the presentation for today.

00:23:11:21 - 00:23:13:13

So thank you very much for joining.