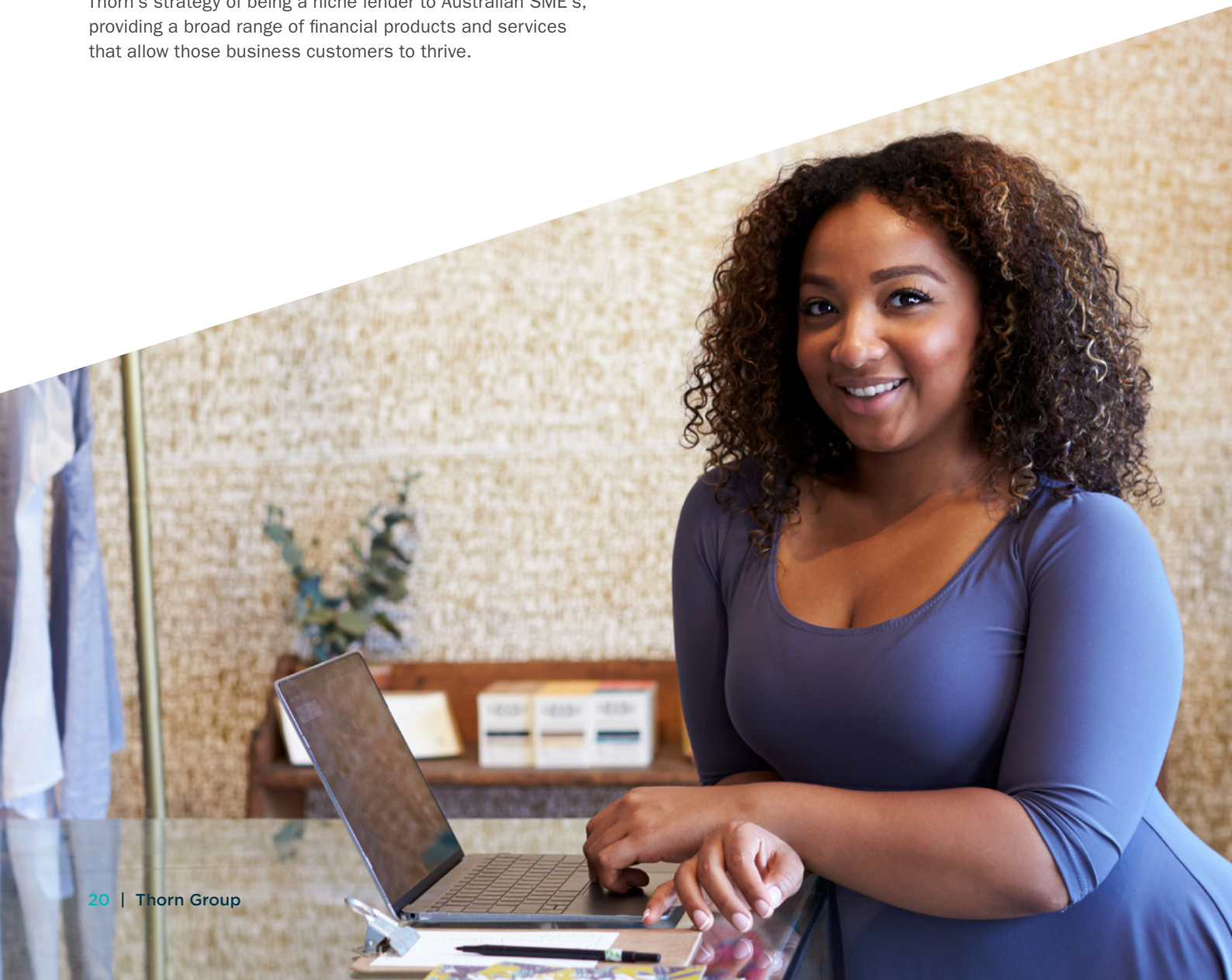


TRADE & DEBTOR FINANCE

ACCESS TO ADEQUATE CAPITAL IS ONE OF THE GREATEST CHALLENGES FACED BY AUSTRALIAN SMALL AND MEDIUM ENTERPRISES. THORN TRADE & DEBTOR FINANCE ADDRESSES THIS ISSUE BY UNLOCKING THE CASH TIED UP IN BUSINESS-TO-BUSINESS SALES, ALLOWING SME'S TO RAISE FUNDS AGAINST INVOICES, SPECIFIC DEBTORS, OR THEIR ENTIRE DEBTORS LEDGER. THIS FLEXIBLE AND SCALABLE FINANCE PRODUCT PROVIDES OUR CUSTOMERS WITH THE CAPITAL AND CASH-FLOW THEY NEED TO INVEST IN THEIR BUSINESSES AND TO DRIVE GROWTH.

In FY17 TDF completed the transformation of its acquired Debtor Finance business, adding resources in key markets and aligning operations to better leverage the Thorn Group infrastructure. At the end of the FY17 year the business was more closely aligned with the fast growing Thorn Equipment Finance business, all under the Thorn Business Finance banner. This alignment of business streams supports Thorn's strategy of being a niche lender to Australian SME's, providing a broad range of financial products and services that allow those business customers to thrive.

Looking to the future Thorn is setting new benchmarks for flexibility and ease of implementation when it comes to financing invoices and debtors. The future of Debtor Finance for Thorn in Australia is bright, delivering simple and cost effective solutions to Australian SME's, both directly and through our network of partners.





TDF CUSTOMER STORY RUNNING A SMALL BUSINESS IN THE BUILDING INDUSTRY TODAY

Debtor funding has come a long way in the last 15 to 20 years, from what was historically quite a limited product with a number of negative connotations, to a modern incarnation as a flexible and scalable source of business funding.

This has been a necessary evolution with market factors driving down prices and forcing businesses to operate on ever narrowing margins. Combine this with ever extending trading terms and the resulting slow cash cycle puts considerable restraints on business growth.

Poly-Tech Industrial Services was established in 1984 to provide practical solutions for the repair and protection of assets against the corrosive effects associated with all forms of industry, from mining and automotive engineering to food processing.

Thorn Trade & Debtor Finance (TDF) provides a modern and holistic approach to providing small businesses with a funding solution that is tailored to the individual needs of the business. Unlike banks or other debtor funding facilities, Thorn understands the processes of our business and has created a lending package which provides us with the flexibility to meet our needs. The company has a deep understanding of our business and our client base and so we have a business partner rather than a funding facility.

Client trust is very important in our industry and Thorn provides a very low-key interface with our clients. Poly-Tech clients are comfortable in knowing we have access to such a facility because it demonstrates we have sufficient cash flow to run our business.

– Steve Church, Founding Director, Poly-Tech