

**ASX & MEDIA RELEASE****30 August 2017****THORN GROUP ANNOUNCES APPOINTMENT OF NEW MANAGING DIRECTOR AND CEO**

Thorn Group Limited (**ASX: TGA**) (Company) is pleased to announce the appointment of Mr Tim Luce as the new Managing Director and Chief Executive Officer of the Thorn group. Mr Luce's appointment will be effective on 1 March 2018, or earlier by agreement.

Mr Luce has extensive executive experience working with retail brands in Australia and Asia and joins Thorn Group after six and a half years working at Courts Asia Ltd headquartered in Singapore. His current role at Courts is Group Chief Operating Officer, where he has P&L responsibility for the Group's businesses in Singapore, Malaysia and Indonesia working closely with local teams in areas of finance, marketing, operations and sales, merchandizing, consumer finance, human resources, technology and supply chain and logistics functions. His other roles at Courts included; Group Retail Director and Country CEO in Singapore where he developed the Group's Store and Online Strategy, implemented cost optimisation initiatives, improved commercial alignment, and productivity enhancement initiatives. He also held a dual role as Chief Marketing Officer for Courts Asia as well as Country CEO for Courts Malaysia. Courts is a leading retailer in Asia listed on the SGX mainboard, with over 90 stores across 3 markets selling Household, Technology, Furniture, Services and Consumer Finance products. Mr Luce is a key member of Courts Asia's Exco Leadership team.

Prior to joining Courts in 2011, Mr Luce held executive and management roles in Sydney and Melbourne for well-known brands and retailers Lovisa, Goldmark Jewellers, Lifestyle Appliances and Lenteur. He holds a Bachelor of Commerce degree from University of Western Sydney, Australia.

The Board would like to congratulate Mr Luce on his appointment and looks forward to working with him. Thorn Group Chair, Joycelyn Morton said the search, conducted by Korn Ferry, sourced candidates in Australia and internationally: "Tim is a career retailer with a deep understanding of consumer finance, operations, sales distribution and marketing. His experience in Australia is enhanced by his executive roles in Asia and his extensive digital credentials. He is well positioned to lead our team, and to enhance Thorn's core business while developing emerging businesses and opportunities to grow."

The Company has entered into a services agreement with Mr Luce which includes an up-front equity allocation in recognition of benefits foregone and provides alignment with shareholders. The key terms are summarised in the Appendix to this announcement.

The acting CEO of Thorn Group Ltd, Mr Peter Forsberg, will continue in his role until Mr Luce commences his employment, at which time Mr Forsberg will resume his role as Chief Financial Officer of the Company. Since taking on the acting CEO role in late April 2017, Mr Forsberg has made a significant impact on the Company and the Board thanks Mr Forsberg for his ongoing leadership.

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**For further information please contact:**

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**ABOUT THORN GROUP LIMITED (ASX: TGA, [www.thorn.com.au](http://www.thorn.com.au))**

Thorn Group is a diversified financial services company, providing financial solutions to niche consumer and commercial markets. Thorn's operating priorities are diversifying and growing as a business and meeting the needs of customers, employees and investors. Its principal operations are its foundation business, Radio Rentals (RR in South Australia), a leader in the household goods rental market since 1937 and

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with over 90 outlets nationally, and Thorn Business Finance, a provider of leasing and debt finance to businesses. Thorn employs in excess of 800 people, has been listed on the ASX since 2006, is licensed under the National Consumer Credit Protection Act 2009 and operates a responsible lending policy.

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**APPENDIX**  
**SUMMARY OF MATERIAL TERMS OF MR TIM LUCE'S EMPLOYMENT<sup>1</sup>**

Key term	Detail
Commencement Date	1 March 2018 or earlier if agreed.
Term	Ongoing (not fixed term), continuing until terminated by either party.
Total Remuneration (ie fixed pay)	A\$725,000 per annum, including superannuation contributions. Salary packaging available by agreement with Chairperson. First review on 1 April 2019.
Short Term Incentive (STI)	<p>Eligible to participate in the Company's STI Plan from 1 April 2018, or earlier on a pro rata basis if employment commences by 1 January 2018.</p> <p>Payment determined in the Company's discretion based on performance against KPIs to be determined by the Board in consultation with Mr Luce.</p> <p>For the year ending 31 March 2019:</p> <ul style="list-style-type: none"> <li>• on-target STI payment is equal to 50% of Total Remuneration</li> <li>• maximum STI payment is up to 100% of Total Remuneration;</li> <li>• minimum STI payment of 25% of Total Remuneration (unless the employment is terminated for cause with effect before 31 March 2019).</li> </ul> <p>No target or minimum STI payment has been determined for any other period.</p> <p>STI awards may be deferred on the terms of the STI Plan, and may be payable in cash, equity-related interests or a combination of both in the Company's discretion.</p>
Long Term Incentive (LTI)	<p>Eligible to participate in the LTI Plan in force from time to time to a value to be determined by the Company.</p> <p>Performance rights proposed for the year to 31 March 2019 are equal to 50% of Total Remuneration.</p>
Up-front equity allocation	<p>Up-front equity allocation as compensation for benefits foregone as a result of resigning from current employment:</p> <p>(a) \$500,000 of share rights, service period of two years with automatic vesting, no holding lock on resulting shares; and</p> <p>(b) up to \$500,000 of share rights (the final amount to be determined by the Board having regard to the value of benefits foregone), service period of one year, two year holding lock.</p> <p>If Mr Luce's employment is terminated by the Company for cause, outstanding share rights at the time of termination will be forfeited, and shares subject to a holding lock would be forfeited.</p>
Approvals	Each STI, LTI and up-front equity benefit is subject to the Company obtaining any necessary approvals.
Annual Leave	4 weeks annual leave.
Termination	<p>6 months notice by either party.</p> <p>Pay in lieu of all or part of the notice period (at the Company's election).</p> <p>Company may terminate summarily for customary cause events.</p>
Restraint on conduct	6 month post-employment non solicitation and non-competition obligations.
Confidentiality and intellectual property	Customary provisions protecting the Company's confidential information and intellectual property.

<sup>1</sup> References in this appendix to the "Company" are to the relevant Thorn Group subsidiary that is entering the employment contract with Mr Luce, being Thorn Australia Pty Ltd

