

ASX RELEASE**3 April 2020****THORN GROUP PROVIDES MARKET UPDATE**

Thorn Group Limited (**ASX:TGA**) (“Thorn”) provides an update on the following matters.

Radio Rentals

As announced yesterday, Thorn’s Radio Rentals division will close all of its 62 Radio Rentals stores, effective today until further notice.

Radio Rentals’ online platform (www.radio-rentals.com.au) will continue to provide customers with a safe and secure online shopping destination with a tailored product range.

Radio Rentals will continue to engage with its customer base in regard to service and delivery, in line with new Government requirements.

Business Finance

Thorn’s Business Finance division provides equipment leases to small and medium enterprises. The majority of this activity is financed through a securitised warehouse structure with Thorn also presently having \$28.4 million of cash at bank.

In the current environment, Thorn has received many requests from its customers for assistance, including for reductions in repayments. Thorn is responding to these on a case by case basis.

Thorn welcomes the Governments’ actions in offering financial and other assistance to small and medium businesses and securitisation vehicles.

Business Finance Arrears

As announced in Thorn’s ASX release of 2 March 2020, the level of arrears within Thorn’s Business Finance division had risen and a review of those specific debts was underway.

That specific review has now concluded with an additional \$12.8 million of debts being either written off or fully provided for in the financial year ended 31 March 2020. This, along with the impact of the Loss Given Default percentage in the provisioning model from the write offs, will incur an additional profit and loss expense of \$(7.5 million) after tax.

This additional profit and loss expense will increase Thorn’s loss for the financial year.

Earnings Guidance

Thorn will shortly produce its annual financial statements for the year ending 31 March 2020 and, as stated in Thorn’s ASX release of 2 March 2020, earnings guidance has been withdrawn and the Company is not in the position to provide earnings guidance.

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ABOUT THORN GROUP LIMITED (ASX: TGA, www.thorn.com.au)

Thorn Group is a diversified financial services company providing financial solutions to consumers and businesses. Thorn's consumer leasing business, Radio Rentals (RR Rentlo Reinvented in South Australia), is a leader in the household goods consumer leasing market, operating since 1937. Thorn Business Finance is a provider of leasing and other financial services to small and medium enterprises. Thorn has been listed on the ASX since 2006, is licensed under the National Consumer Credit Protection Act 2009 and operates a responsible lending policy.