

ASX & MEDIA RELEASE**31 October 2019****THORN GROUP LIMITED (ASX:TGA)****Appendix 4C, September 2019 Quarter**

Thorn Group Limited (**ASX:TGA**) today releases its Appendix 4C for the quarter ended 30 September 2019 as required per listing rule 4.7B.

This cash flow report is unaudited and discloses the inflows and outflows of cash during the quarter ended 30 September 2019 and for the year to date.

End of release.

For further information please contact:

Peter Forsberg
Chief Financial Officer and Company
Secretary
peter.forsberg@thorn.com.au
Telephone: 0401 700 909

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 and with 62 retail stores nationally. Thorn Business Finance is a provider of leasing and other financial services to small and medium enterprises. Thorn employs approximately 550 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.

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

Thorn Group Limited

ABN

54 072 507 147

Quarter ended ("current quarter")

30th September 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	93,159	183,366
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(2,617)	(4,891)
(d) leased assets	(2,745)	(5,489)
(e) staff costs	(13,926)	(25,490)
(f) administration and corporate costs	(12,682)	(27,287)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(4,396)	(8,387)
1.6 Income taxes paid	(1,150)	(2,243)
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)*	(62,159)	(114,994)
1.9 Net cash from / (used in) operating activities	(6,516)	(5,415)

*Includes for the quarter (and half year): rental asset purchases of \$14.1m (\$28.4m), equipment finance originations of \$38.8m (\$78.2m) and a class action settlement deposit of \$8.3m (\$8.3m).

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	-	-

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares *	14,291	14,291
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	-	-
3.5 Proceeds from borrowings	50,348	84,115
3.6 Repayment of borrowings	(40,296)	(77,994)
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	24,343	20,412

(* share proceeds includes the institutional component of the rights issue only as the retail component took place after the quarter end.)

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of quarter/year to date	27,797	30,627
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(6,516)	(5,415)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4 Net cash from / (used in) financing activities (item 3.10 above)	24,343	20,412
4.5 Effect of movement in exchange rates on cash held	-	-
4.6 Cash and cash equivalents at end of quarter	45,624	45,624

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	45,624	27,797
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	45,624	27,797

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

Current quarter \$A'000

129

N/A

- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

--

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	N/A
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	N/A
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	388,000	311,619
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

Securitized warehouse facility of \$368.0m with \$297.8m drawn, secured, (identity of lenders and interest rate details withheld). Corporate loan facility of \$20.0m with \$12.0m drawn, secured, (identity of lender and interest rate details withheld). Please note the available undrawn balance on the corporate facility is reduced by \$1.9m of bank guarantees provided to landlords on property rental bonds.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	-
9.2 Product manufacturing and operating costs	-
9.3 Advertising and marketing	(2,617)
9.4 Leased assets	(2,745)
9.5 Staff costs	(11,345)
9.6 Administration and corporate costs	(24,522)
9.7 Other (provide details if material)*	(79,133)
9.8 Total estimated cash outflows	(120,361)

*Includes future rental asset purchases, equipment finance originations and the remaining \$16.7m settlement deposit for the class action.

