

Our Businesses

COMMERCIAL FINANCE

Thorn's Commercial Finance division includes, Thorn Equipment Finance (TEF), which provides equipment finance solutions for business and government with small to medium enterprises (SMEs) a key target market for supply of a diversified range of products.

The recently acquired Cash Resources Australia (CRA) is a debtor finance business that provides working and growth capital solutions through invoice discounting and secured commercial loans for SMEs.

The key target market for Commercial Finance is SMEs which require funding for equipment under \$100,000, an area Thorn considers underserved by the major financial institutions.

CRA's core business activity involves working and growth capital finance solutions for businesses that may have a short term cash requirement to fund growth opportunities or simply prefer the flexibility of dealing with an organisation such as CRA, rather than set-up overdraft or other financing facilities with a bank.



STRATEGIC INTENT

The commercial finance business is growing at a rapid rate, both organically and through acquisition. The strategic acquisition of CRA this year enhances coverage of the commercial sector and expands the group's client base.

In FY15, the receivables book grew to just over \$100 million compared with \$64 million a year ago. Even with this growth, bad debts and arrears declined considerably due to improved risk and receivables management.

The basis of the commercial finance offer is to provide a cost effective way for companies to grow, by giving them a way to protect cash flow while acquiring new assets and providing working capital finance for different parts of the business.

The integration of CRA has allowed Thorn to broaden its product suite and cross-sell between TEF and CRA, offering both equipment finance and debt facilities to SMEs. Often, businesses that need equipment finance also need working capital finance. The ability to offer both has led to development of stronger relationships with partners and customers.

Key initiatives include the expansion of the product offering through these partnerships across the commercial direct channel, franchise finance channel and broker network.



CASH RESOURCES AUSTRALIA

STRATEGY

Expand

product offering to create cross-sell opportunities and allow for organic growth

Continue

to develop acquisition and partnership opportunities, strategic alliances

Develop

synergies to create a scalable and efficient business, better service SMEs

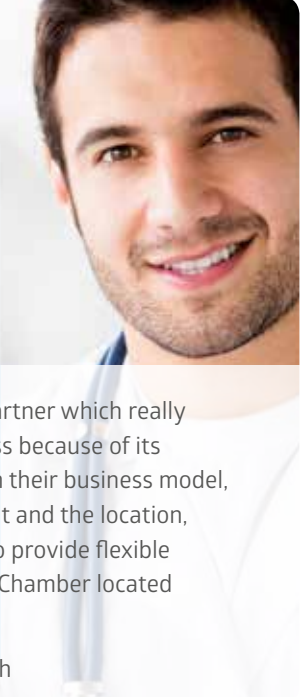
OUR CUSTOMERS

HYPERBARIC HEALTH PTY LTD

Thorn helped a unique client this year, providing equipment finance to its operation in the Northern Territory

One of Thorn's clients is Hyperbaric Health Pty Ltd, which manufactures hyperbaric chambers and provides painless and non-invasive treatment for leg wounds, ulcers and radiotherapy injuries. They provide these services through hospitals, and medical centres throughout Australasia.

Hyperbaric oxygen chambers create air pressure inside that is about two and a half times higher than the normal pressure in the atmosphere. This helps a patient's blood carry more oxygen to organs and tissues in the body and help wounds, especially infected wounds, heal more quickly.



Hyperbaric Health needs a finance partner which really understands the nature of its business because of its uniqueness. Taking into consideration their business model, the specialist nature of the equipment and the location, Thorn Equipment Finance was able to provide flexible efficient financing over a Hyperbaric Chamber located in Darwin Hospital.

Tim Snowden, CEO, Hyperbaric Health

“Hyperbaric Health needs a finance partner which really understands the nature of its business because of its uniqueness.”

GUARDSPLUS AUSTRALIA

CRA helped a security company which, despite growing considerably, was experiencing cashflow issues due to late invoice payments.

“Guardsplus is a security company based in Sydney, with operations in Queensland and Victoria, supplying specialised security services for individuals, small business and multinational corporations.

As the business was growing, we started having issues with clients paying on time, placing the business under extensive cash flow pressure to meet existing overheads.

I contacted CRA about a year ago to explore invoice discounting solutions and John was extremely helpful and found a solution to our problem. As a result, the business has no more finance issues.

Ever since, I can call John in the morning and funds are in my account within 2-3 hours. Everyone at CRA is very personable and our relationship has gone from strength to strength.

I really recommend that business, they provide an exceptional service. It is safe to say, our business would not have been able to survive without CRA. It's been fantastic to deal with CRA and I will be using them for a very long time.”

David Millward, Owner/Operator of Guardsplus



“Everyone at CRA is very personable and our relationship has gone from strength to strength.”

To preserve privacy we have not used real customer photos