

ASX ANNOUNCEMENT

16 November 2022

Return of Capital – ATO Class Ruling

Thorn Group Limited (ASX: TGA) (**Thorn**) is pleased to confirm that the Australian Taxation Office has issued Class Ruling 2022/105 (**Class Ruling**) in respect of the Australian income tax implication for shareholders of Thorn who received the capital return payment of 12 cents per ordinary Thorn share on 14 October 2022.

The Class Ruling only applies to persons who were eligible shareholder of Thorn on 6 October 2022 and received the capital return payment on 14 October 2022 and held their Thorn shares on capital account (but are not subject to the taxation of financial arrangement rules).

The Class Ruling confirms that:

- no part of the return of capital paid by Thorn is assessable as a dividend;
- the cost base for each Thorn share will be reduced by the amount of the capital return for the purposes of calculating any capital gain or loss on the ultimate disposal of that Thorn share. An immediate capital gain will arise for shareholders where the cost base of a share is less than the amount of the capital return; and
- no CGT event occurred because of the share consolidation.

The information contained in this announcement is summary in nature and shareholders should refer to the Class Ruling for a better understanding of its contents. The tax consequences for a shareholder may vary depending upon the shareholder's individual circumstances. Shareholders should consult their own tax adviser as to the potential tax consequences for them.

A copy of the Class Ruling is available on the ATO website (www.ato.gov.au) and on Thorn's website at www.thorn.com.au.

This release has been authorised by the Company Secretary.

End of Release.

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

Thorn is a diversified financial services company providing funding solutions for small to medium businesses. Thornmoney is a provider of working capital and business asset lending solutions, working in partnership with Australian brokers and accountants. Thorn has been listed on ASX since 2006.

Thorn Group Limited

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