

ASX & MEDIA RELEASE**24 January 2020****THORN GROUP LIMITED (ASX:TGA)****Appendix 4C, December 2019 Quarter**

Thorn Group Limited (**ASX:TGA**) today releases its Appendix 4C for the quarter ended 31 December 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 31 December 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 61 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")

31st December 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	89,881	273,247
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(2,456)	(7,346)
(d) leased assets	(2,406)	(7,895)
(e) staff costs	(12,843)	(38,333)
(f) administration and corporate costs	(14,722)	(42,009)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(3,827)	(12,214)
1.6 Income taxes paid	(1,104)	(3,347)
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)*	(77,719)	(192,714)
1.9 Net cash from / (used in) operating activities	(25,196)	(30,611)

*Includes for the quarter (and year to date): rental asset purchases of \$17.2m (\$45.6m), equipment finance originations of \$43.9m (\$122.1m) and a class action settlement final instalment of \$16.7m (\$25.0m).

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 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 *	20,415	34,706
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	36,170	120,285
3.6 Repayment of borrowings	(37,172)	(115,166)
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	19,413	39,825

(* share proceeds includes the retail component of the rights issue for the quarter ending Dec19.)

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 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	45,624	30,627
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(25,196)	(30,611)
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)	19,413	39,825
4.5 Effect of movement in exchange rates on cash held	-	-
4.6 Cash and cash equivalents at end of quarter	39,841	39,841

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	39,841	45,624
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)	39,841	45,624

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	86
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	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	385,000	311,763
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 \$296.8m drawn, secured, (identity of lenders and interest rate details withheld). Corporate loan facility A of \$12.0m with \$12.0m drawn, secured, (identity of lender and interest rate details withheld). The Group also has access to a \$5.0m corporate loan facility B, secured, (identity of lender and interest rate details withheld). Please note the available undrawn balance on the corporate facility B is reduced by \$3.0m 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	(2,456)
9.4 Leased assets	(2,406)
9.5 Staff costs	(12,843)
9.6 Administration and corporate costs	(16,139)
9.7 Other (provide details if material)*	(54,644)
9.8 Total estimated cash outflows	(88,488)

*Includes future rental asset purchases and equipment finance originations.

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity	N/A	N/A
10.2 Place of incorporation or registration	N/A	N/A
10.3 Consideration for acquisition or disposal	N/A	N/A
10.4 Total net assets	N/A	N/A
10.5 Nature of business	N/A	N/A

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: 

(Director/Company secretary)

Date: 24 January 2020

Print name: Peter Forsberg

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.