



## ThinkSmart announces off-market buy-back tender and Appendix 3C

ThinkSmart Limited (**ThinkSmart** or the **Company**) announces that, subject to shareholder approval, it proposes to return surplus capital to its shareholders through an off-market buy-back tender of up to 64,516,129 ordinary fully paid shares in the Company (**Shares**) (**Buy-Back Tender**).

On 31 January 2014, ThinkSmart announced that it had completed the sale of its Australian and New Zealand operations for \$43 million. At the time it made this announcement, ThinkSmart also announced its intention to return some of the sale proceeds to shareholders by way of a special dividend and an on-market buy-back (**Original On-Market Buy-Back**). The special dividend was paid to shareholders in February 2014 and the Original On-Market Buy-Back was completed in September 2014.

On 24 October 2014, ThinkSmart announced its intention to seek shareholder approval to conduct a further on-market buy-back (**On-Market Buy-Back**) of up to 14,688,056 Shares (being 10% of the lowest number of Shares on issue in the 12 months prior to 24 October 2014) and that it would continue to actively consider options to return further capital to shareholders. The resolution to approve the On-Market Buy-Back will be considered by shareholders at the Company's annual general meeting on 26 November 2014.

ThinkSmart now wishes to return a further portion of the sale proceeds to shareholders in addition to the On-Market Buy-Back, by way of the Buy-Back Tender. The ThinkSmart board considers that the Buy-Back Tender, which is subject to shareholder approval at an extraordinary general meeting to be held on 22 December 2014, is an effective way of returning this surplus capital to shareholders, as well as distributing franking credits to shareholders and enabling ThinkSmart to establish a more efficient capital structure.

Given the limited trading liquidity in the Shares compared to some other securities, the Buy-Back Tender will give shareholders further opportunity to exit all, or a portion, of their investment in ThinkSmart which is now focused on a UK growth strategy.

The record date for the Buy-Back Tender will be 26 November 2014 and shareholders will vote to approve the Buy-Back Tender on 22 December 2014. If approved, the Buy-Back Tender is expected to open on 23 December 2014 and close on 23 January 2015 (**Buy-Back Period**).

Participation in the Buy-Back Tender is optional, with tender applications closing at **5:00pm (WST) on 23 January 2015**.

Shareholders who choose not to participate in the Buy-Back Tender and retain their Shares are expected to benefit from improved earnings per Share and improved return on equity as a result of the Buy-Back Tender. However, the Buy-Back Tender is likely to further limit the trading liquidity in Shares and may impact ThinkSmart's ability to distribute franking credits to shareholders in the future. Shareholders who participate in the Buy-Back Tender will also lose their exposure to any potential increase in the value of Shares as a result of the UK growth strategy.

**ThinkSmart Limited**  
ABN 24 092 319 698

**Australian Registered Office**

Suite 5, 531 Hay Street  
Subiaco, 6008  
WESTERN AUSTRALIA  
P +61 8 9380 8333  
F +61 8 9380 8300

**European Head Office**

7<sup>th</sup> Floor, Oakland House  
Talbot Road, Old Trafford  
Manchester, M16 0PQ  
UNITED KINGDOM  
P +44 161 333 2400  
F +44 161 333 2426

## **Shareholder approval**

As ThinkSmart has exhausted its 10/12 capacity as a result of the Original On-Market Buy-Back, the Buy-Back Tender must be approved by ThinkSmart shareholders by ordinary resolution before it can be implemented by the Company (as is also the case with the On-Market Buy-Back).

The Company will seek approval for the Buy-Back Tender at an extraordinary general meeting to be held on 22 December 2014.

## **Conduct of Buy-Back Tender**

The Buy-Back Tender will be open to all eligible ThinkSmart shareholders who are registered as at 26 November 2014. Participation in the Buy-Back Tender is optional, and shareholders will be invited to tender any number of their Shares at prices between \$0.31 and \$0.42 (inclusive and at \$0.01 intervals) per Share. Shareholders may offer different numbers of their Shares at different tender prices within this range.

On close of the tender offer period, ThinkSmart will determine the lowest tender price within the specified tender price range (**Buy-Back Tender Price**) that will enable ThinkSmart to buy back the value of Shares it determines to purchase. ThinkSmart will reserve the right to purchase any number of Shares, including the right not to buy back any Shares at all. The Company will not buy back any Shares at a discount greater than 14% to the VWAP of Shares over the 5 trading days up to and including the closing date of the tender offer period.

Shareholders may also offer some or all of their Shares on the basis that they will accept the price that is determined by ThinkSmart in accordance with the tender process to be the buy-back price following the close of the tender offer period (**Final Price Tender**).

Shareholders will have Shares that are tendered at or below the Buy-Back Tender Price, or as a Final Price Tender, bought back. The same price will be paid for all Shares bought back by ThinkSmart.

If more Shares are tendered at the Off-Market Buy Back Price (or as a Final Price Tender) than ThinkSmart determines to buy back, acceptances will be scaled back.

ThinkSmart may elect to reduce the size of, or terminate, the Buy-Back Tender, at any time.

## **Scale-back**

If the total number of Shares tendered at or below the Buy-Back Tender Price (including Final Price Tenders) is greater than the number of Shares that ThinkSmart determines to buy back, ThinkSmart will scale-back the tenders received.

The scale-back has been structured to ensure that shareholders with small holdings (namely shareholders who hold less than 5,797 Shares) will not be disadvantaged. Before any scale-back is applied, the first 5,797 Shares tendered by each shareholder will be bought back.

Further, shareholders who tender all of their Shares at the Buy-Back Tender Price or the Final Price Tender (or a combination of these), and who would hold 1,449 or less Shares as a result of the scale-back will have all of their Shares bought back.

## **Tax**

ThinkSmart expects that the Buy-Back Tender Price will comprise a dividend component and a capital component. Depending on the Buy-Back Tender Price, only some of the Buy-Back Tender Price may be franked / frankable.

Further tax information will be contained in the Buy-Back Tender booklet which will be posted to all shareholders by 15 December 2014.

## On-Market Buy-Back

The Buy-Back Tender is in addition to the On-Market Buy-Back for which shareholder approval is being sought at the Company's annual general meeting on 26 November 2014.

Any Shares that are bought back under the Buy-Back Tender will be in addition to any Shares bought back under the On-Market Buy-Back. If both the On-Market Buy-Back and the Buy-Back Tender are approved by shareholders, the Company will be able to buy back up to 79,204,185 Shares in aggregate under the On-Market Buy-Back and the Buy-Back Tender. This is the maximum number of Shares that may be repurchased rather than the actual number that will definitely be bought back.

If approved by shareholders, the Company may buy back Shares under the On-Market Buy-Back before and after the Buy-Back Period but will suspend the On-Market Buy-Back during that period.

### Important notice

The full terms and conditions of the Buy-Back Tender will be contained in the Buy-Back Tender booklet which will be posted to all shareholders along with a personalised tender form by 15 December 2014. Any capitalised terms that are not defined in this announcement have the same meaning as in the Buy-Back Tender booklet.

Eligible shareholders are advised to obtain their own financial, legal, taxation and other professional advice on the implications of participating in the Buy-Back Tender.

### Buy-Back Tender timetable

Event	Date
Announcement of Buy-Back Tender	18 November 2014
Notice of EGM dispatched	21 November 2014
Shares trade ex-entitlement to participate in the Buy-Back Tender	24 November 2014
Record Date for determination of entitlements to participate in the Buy-Back Tender	26 November 2014
Completion of dispatch of Buy-Back Tender documentation to shareholders	15 December 2014
Extraordinary General Meeting	22 December 2014
Buy-Back Tender period opens	23 December 2014
Acceptances must be received by	23 January 2015
Completion of calculation of acceptances and scale-back (if any)	24 - 26 January 2015
Announcement of Buy-Back Tender Price and scale-back (if any)	27 January 2015
Dispatch of proceeds by	30 January 2015



While ThinkSmart does not anticipate changing these dates, it reserves the right to do so by way of an announcement to ASX.

**Further information:**

[www.thinksmartworld.com](http://www.thinksmartworld.com)

Ned Montarello, Executive Chairman  
+61 (0)8 9380 8333

Neil Hackett, Company Secretary  
+61 (0) 403 535 391

Michael Mullane, Cannings Corporate Communications  
+61 (0)2 8284 9993

**ABOUT THINKSMART:**

ThinkSmart Limited (ASX: TSM) processes high volumes of finance transactions quickly and efficiently through its SmartCheck proprietary technology. This enables online credit approval in just a few minutes whether customers are online or in store. Our products are executable throughout today's complex retail channel, creating additional revenue and enhanced margin performance – on and off line.

For over 10 years, ThinkSmart has been an exclusive partner to Dixons Retail, now the newly merged Dixons Carphone Group Plc, where we have developed compelling Business and Consumer lease finance propositions, most recently introducing Upgrade Anytime – a first to market offer which enables consumers to upgrade to the very latest computing and vision products, bringing more technology to more customers more often.

# Appendix 3C

## Announcement of buy-back (*except* minimum holding buy-back)

Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/9/99. Origin: Appendix 7B. Amended 13/3/2000, 30/9/2001, 11/01/10

Name of entity	ABN/ARSN
ThinkSmart Limited (the <b>Company</b> )	24 092 319 698

We (the entity) give ASX the following information.

### Information about buy-back

1	Type of buy-back	Selective buy-back on equal access buy-back conditions (as modified by ASIC)
2	<sup>+</sup> Class of shares/units which is the subject of the buy-back ( <i>eg, ordinary/preference</i> )	Ordinary shares
3	Voting rights ( <i>eg, one for one</i> )	One for one
4	Fully paid/partly paid ( <i>and if partly paid, details of how much has been paid and how much is outstanding</i> )	Fully paid
5	Number of shares/units in the <sup>+</sup> class on issue	146,880,565
6	Whether shareholder/unitholder approval is required for buy-back	Shareholder approval is required and will be sought at the Company's Extraordinary General Meeting on 22 December 2014 ( <b>EGM</b> )
7	Reason for buy-back	Capital management

<sup>+</sup> See chapter 19 for defined terms.

<p>8 Any other information material to a shareholder's/unitholder's decision whether to accept the offer (<i>eg, details of any proposed takeover bid</i>)</p>	<p>Shareholders should refer to the announcement accompanying this Appendix 3C and the Notice of Meeting (including the Explanatory Statement and Independent Expert's Report) for the EGM that will be dispatched to shareholders on 21 November 2014</p>
--	--

**On-market buy-back**

<p>9 Name of broker who will act on the company's behalf</p>	<p>N/A</p>
--	------------

<p>10 Deleted 30/9/2001.</p>	
------------------------------	--

<p>11 If the company/trust intends to buy back a maximum number of shares - that number</p> <p><small>Note: This requires a figure to be included, not a percentage.</small></p>	<p>N/A</p>
--	------------

<p>12 If the company/trust intends to buy back shares/units within a period of time - that period of time; if the company/trust intends that the buy-back be of unlimited duration - that intention</p>	<p>N/A</p>
---	------------

<p>13 If the company/trust intends to buy back shares/units if conditions are met - those conditions</p>	<p>N/A</p>
--	------------

**Employee share scheme buy-back**

<p>14 Number of shares proposed to be bought back</p>	<p>N/A</p>
---	------------

<p>15 Price to be offered for shares</p>	<p>N/A</p>
--	------------

## Selective buy-back

- 16 Name of person or description of class of person whose shares are proposed to be bought back
- 17 Number of shares proposed to be bought back
- 18 Price to be offered for shares

## Equal access scheme

- 19 Percentage of shares proposed to be bought back
- 20 Total number of shares proposed to be bought back if all offers are accepted
- 21 Price to be offered for shares
- 22 <sup>+</sup>Record date for participation in offer   
Cross reference: Appendix 7A, clause 9.

## Compliance statement

1. The company is in compliance with all Corporations Act requirements relevant to this buy-back.

*or, for trusts only:*

1. The trust is in compliance with all requirements of the Corporations Act as modified by Class Order 07/422, and of the trust's constitution, relevant to this buy-back.
2. There is no information that the listing rules require to be disclosed that has not already been disclosed, or is not contained in, or attached to, this form.

Sign here:  ..... Date: 18 November 2014  
(Company secretary)

Print name: Neil Hackett  
.....

---

<sup>+</sup> See chapter 19 for defined terms.