

Tuesday 29th March, 2016



**THINKSMART UPDATES ON STRATEGIC REVIEW CONCLUSIONS AND
ANNOUNCES MOBILE PHONE FINANCING AGREEMENT WITH CARPHONE
WAREHOUSE**

Strategic Review Conclusions

- The Board of ThinkSmart Limited (the “Board”) has unanimously concluded that an Initial Public Offering (“IPO”) of its UK business through the listing of its wholly owned subsidiary, ThinkSmart Europe Ltd, is the preferred route in order to maximise value for existing ThinkSmart shareholders
- The proposed IPO is likely to involve the sale of existing shares by ThinkSmart and a placing of new shares to be issued by ThinkSmart Europe
- It is envisaged that ThinkSmart would retain a majority shareholding in ThinkSmart Europe following the IPO
- The Board believes that an IPO will raise the general profile of ThinkSmart Europe from both a commercial and capital markets perspective
- ThinkSmart Europe will continue to be led by its experienced and established UK based management team
- It is intended that ThinkSmart Europe will have an independent board compliant with the UK’s Quoted Company Alliance guidelines, which will include representation from ThinkSmart
- Preparation for a UK IPO is already underway and the Board will update shareholders on the proposed IPO in due course

Carphone Warehouse Agreement

- ThinkSmart’s UK business has agreed a 5 year exclusive contract to provide Carphone Warehouse with multi-channel lease finance for mobile phones
- The product offering is expected to be launched within Carphone Warehouse in the UK, subject to meeting a number of conditions precedent, by 3Q2016
- This agreement builds upon the 13 year commercial relationship between ThinkSmart and the Dixons Carphone Group

ThinkSmart Group Executive Chairman Ned Montarello commented:

“This 5 year contract with Carphone Warehouse is a significant development in our 13 year relationship with the Dixons Carphone Group and we are excited by the potential this brings to significantly build our customer base.”

“This new distribution contract adds to the existing platform for ThinkSmart Europe’s UK IPO. The Board has conducted a comprehensive strategic review and is confident that the proposed IPO of ThinkSmart Europe provides optimal value for all shareholders and is the right strategic option to support further growth.”

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Background to Strategic Review Conclusions



As announced in August 2015, the Board appointed strategic advisers to explore options to unlock value in the UK business to maximise value for shareholders.

As previously stated in ThinkSmart's Interim Results in February 2016, the UK business continues to perform in line with guidance and will be assisted by a strong UK economy with a positive outlook for continued growth in retail sales, consumer confidence and further reductions in unemployment.

Today's announcement of the agreement between ThinkSmart and Carphone Warehouse is a further example of significant momentum building within the UK business and reinforces the strength of the relationship with Dixons Carphone Group. Furthermore, the previously announced introduction of the multi funder platform with Santander and the improvement in terms of the £60 million funding with Secure Trust Bank to July 2018 is further testament to the growth potential inherent within the UK business model.

Additionally, ThinkSmart has recently undertaken significant investment in the group's proprietary systems, people, and funding platforms to further leverage its sector leading software and processing IP.

Given the Board's view of the growth prospects for the UK business, it has concluded, following a comprehensive strategic review, that an IPO of ThinkSmart Europe in London provides an attractive proposition for several reasons, including (in no particular order): (i) establishment of a market value of ThinkSmart Europe, whilst ThinkSmart retains a majority holding; (ii) introduction of institutional investors who share the vision and potential for ThinkSmart Europe to its register; and (iii) access to the UK equity capital markets, some of the foremost markets in the world, for ThinkSmart Europe's future development.

The processes required to implement an IPO of ThinkSmart Europe are progressing towards an IPO targeted for calendar 2016, subject to market conditions and receipt of any necessary regulatory approvals.

The Board will provide further updates in due course.

ENDS

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ABOUT THINKSMART:

ThinkSmart Limited (ASX: TSM) a Financial Technology company and leader in digital, paperless, retail point of sale finance which processes high volumes of transactions quickly and efficiently through its SmartCheck proprietary technology. This enables online credit approval in just a few minutes whether

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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 13 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.



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