



ASX Announcement

Smartgroup Corporation Ltd (ASX: SIQ)

Smartgroup successfully completes approximately \$54 million institutional placement

Release date: 26 July 2016

Smartgroup Corporation Ltd ("**Smartgroup**") is pleased to announce that it has successfully completed an institutional placement to raise approximately \$54 million through the issue of approximately 7.65 million new shares (the "**Offer**"), as announced to the market on Monday, 25 July 2016. The placement priced at \$7.00 per new share ("**Offer Price**"), representing a 6.9% premium to the last close price on Friday, 22 July 2016 of \$6.55.

The proceeds under the Offer will be used to partly fund the acquisition of 100% of Selectus Pty Ltd, which was announced to the market on Monday, 25 July 2016.

The Offer received significant demand, including from Smartgroup's largest shareholder, Smart Packages Pte Ltd. As a result, the Offer was substantially oversubscribed at the Offer Price.

Smartgroup CEO, Deven Billimoria said: "We are delighted with the strong demand we have received for the Offer. This demonstrates support for our acquisition of Selectus as well as our overall growth strategy and performance."

Settlement of the Offer is currently scheduled to take place on Thursday, 28 July 2016, with allotment and quotation of the new shares issued in respect of the Offer expected to occur on the ASX on Friday, 29 July 2016. The new shares will rank equally with existing Smartgroup shares.

Share Purchase Plan

As announced to the market on Monday, 25 July 2016, Smartgroup is intending to undertake a Share Purchase Plan ("**SPP**") whereby eligible existing shareholders will be able to apply for up to \$15,000 of Smartgroup shares per Smartgroup shareholder.

Further information in relation to the SPP, including the SPP terms and conditions, will be outlined in a separate SPP Booklet which will be despatched to eligible shareholders.

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