



SmartTrans expands subscription billing products with China Mobile and China Telecom into Shandong Province

On track for record quarterly revenue performance for Q1 FY2016

- Direct Carrier Subscription billing now generating revenue for SmartTrans in Shandong, China's second largest province with population of 97 million¹, with China Mobile and China Telecom
- Direct Carrier Billing now 'switched on' in five provinces with more expected to follow
- SmartTrans' reach growing to telcos' combined subscriber base of almost 1 billion²
- Chinese consumer demand for 'micro payment' products continues to grow³
- Additional goods and services being assessed for roll-out through SmartPay

8 September 2015: Mobile and online payments platform and logistics software provider **SmartTrans Holdings Limited (ASX: SMA)** ('SmartTrans' or 'the Company') is pleased to announce that the Company has extended the reach of its Direct Carrier Subscription Billing service to Shandong Province, which is China's second largest province by population with over 97 million people¹, with revenue generation commencing with both China Mobile and China Telecom in September.

This latest roll out into Shandong is in addition to the Company's billing services already being provided by SmartTrans and China Mobile in Guangdong (China's largest province – population 106 million¹), Jiangsu and Sichuan, and with China Telecom in Hubei. The Company continues to work with both telcos to expand into additional provinces and extend this service to their combined subscriber base of almost 1 billion². Direct Carrier Billing is now available in five provinces with more expected to follow.

This news also comes as China is expected to become the largest 4G mobile market in the world this year, with 400 million 4G users predicted by the end of 2015, up from 96 million in December 2014⁴. These users are an excellent fit for SmartTrans, especially with the data-rich smartphone Apps and content that the Company markets and sells through this Direct Carrier Subscription billing model.

Along with the strong and ongoing revenue growth that SMA has been able to generate with its SmartPay platform in China, the subscription feature of the Direct Carrier billing service means that a large portion of this revenue is passive and recurring, with customer retention rates running at an average of over 85% month on month.

The Company is confident that this expansion into Shandong in partnership with these two major telcos will help to boost its revenue streams immediately, as it is already seeing strong take up by consumers there.

SmartTrans Managing Director, Bryan Carr, stated: "We have been working closely with both China Mobile and China Telecom on strategically expanding this service and to launch almost simultaneously in what is China's second largest province by population is a major coup for SmartTrans."

"Despite the volatility that has been occurring in equities markets, we have seen no negative affect on consumer sentiment, and certainly not in the micro-payment sector in which we predominantly operate with SmartPay. In fact, the rapid take up we are already achieving in Shandong and the steady and growing transaction rates we are seeing elsewhere is contrary to the general market sentiment being reported."

"We are also pleased to report that monthly revenue from SmartPay remains solid and in line with our expectations. The addition of Shandong Province will certainly further strengthen our revenue base in China and we are now on track for a record quarter of revenue in the first quarter of FY2016. This clearly demonstrates that our growth strategy is intact."

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1. Source: www.statista.com/statistics/279013/population-in-china-by-region/
2. Source: www.reuters.com/article/2015/02/27/china-telecoms-4g-idUSL4N0W13P220150227
3. Source: www.businesswire.com/news/home/20150901006523/en/Research-Markets-Global-Mobile-Payment-Methods-Market#.Ve1YG7QdJFI
4. Source: www.scmp.com/tech/enterprises/article/1855044/what-slowdown-chinas-nascent-4g-mobile-market-have-more-400-

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About SmartTrans

SmartTrans Holdings Limited (ASX: SMA) is a leading Australian technology and software provider that has developed a mobile and online billing and payment platform for the China market. The company has agreements in place with China Mobile, China Unicom, China Telecom CMPay, UnionPay and Alipay. With the growing use of the smartphone as a billing device in China, the company is experiencing significant uptake of its technology in that market. SmartTrans has also developed cutting-edge proprietary logistics software which is used by some of Australia's leading blue-chip organisations who have long term contracts in place with the company. SmartTrans is assessing growth opportunities for its logistic offering in China to complement its mobile and online payments platform.



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