**SmartTrans Holdings Limited
ASX: SMA**

**An Australian based
Technology Solutions Company**

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Non-Executive Chairman

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SmartTrans enters China online-to-offline (O2O) channel to market

- **Revenue already being generated from the new O2O Agreement**
- **Provides significant exposure for all brands housed in SmartTrans portfolio**
- **SMA to benefit from KGT's rollout through mainland China**

5 December 2017: SmartTrans Holdings Limited (ASX: SMA) ('SmartTrans' or 'the Company') is pleased to announce that it has significantly strengthened its e-Commerce operations by signing a Collaboration Agreement ("the Agreement") with Chinese online-to-offline (O2O) operator, KGT.

KGT operates an O2O store network across four provinces in northern China. The collaboration is a significant step towards scaling up SmartTrans's China-focused e-commerce operations.

KGT's O2O model draws potential online customers to visit a physical (offline) store but delivers their purchases to the customer using eCommerce fulfilment (online) processes.

O2O offers the chance for deep consumer relationships and brand-building since it provides opportunities for customers to physically interact with products before making their purchasing decision. The O2O model is applicable for all SmartTrans' current products sold through existing eCommerce channels. Samples of SmartTrans' cross border products can be displayed in-store and when a QR code is scanned (with a smartphone), it will initiate the distribution process, with goods being shipped directly to the buyer's home from Australia or from SmartTrans' warehouse in China.

O2O complements SmartTrans's other services currently offered to Australian brands in China. These include SmartTrans's trademark IP protection services, and services to assist with registration with the China Food and Drug Administration (CFDA) and with China Inspection and Quarantine (CIQ).

SmartTrans Managing Director Brendan Mason commented:

"This partnership represents a significant opportunity for SmartTrans to further embed itself within the Chinese online and offline retail markets. We are delighted to be collaborating with an operator as well-credentialed as KGT.

"We see personal shoppers – 'Daigou' - increasingly losing any cross border advantage as Chinese tariffs on many imported consumer goods are reduced or removed altogether. This situation makes purchasing through offline or eCommerce stores ever more competitive. Even with Chinese consumers' well documented love for online shopping, we are witnessing a growing desire to engage, hands-on, with products prior to purchase."

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Further information, please contact:	About SmartTrans
Brendan Mason **Managing Director** **+61 3 9866 7333** **Released through: Ben Jarvis, Six Degrees Investor Relations: +61 413 150 448**	SmartTrans Holdings Limited (ASX:SMA) is a leading Australian software and technology provider that offers cutting-edge solutions for the online retail and logistics markets. The company operates a payment gateway for the Chinese and Australian markets. **China** - In partnership with leading Chinese eCommerce firms, SmartTrans has built online marketplaces from which quality-conscious consumers in China's rapidly growing middle class are able to purchase Australian premium consumer products. **Supply Chain Australia** - In addition, SmartTrans has long-term contracts with some of Australia's leading blue-chip organisations for its proprietary, cloud-based supply chain, telematics, software as a service (SaaS) solutions.

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