



SmartTrans books revenue of \$4.277 million for FY 2015 driven by SmartPay platform in China

- Revenue of \$4.277 million for FY 2015 represents increase of 82% on FY 2014 (\$2.344 million)
- China revenue of \$2.737 million for FY 2015 driven by ongoing growth and uptake of SmartPay platform
- Cash flow positive quarter in Q4 FY 2015 with record revenue of \$1.397 million
- Transformational year for SMA has created solid platform for growth in FY 2016
- Company maintains focus on leveraging opportunities for SmartPay to drive revenue growth

31 August 2015: Mobile and online payments platform and logistics software provider **SmartTrans Holdings Limited (ASX: SMA)** ('SmartTrans' or 'the Company') has today released its Appendix 4E – Preliminary Full Year Results for the financial year ended June 30 2015.

SmartTrans is pleased to report that the Company earned revenue for the year of \$4.277 million, which represents an increase of 82% on the previous year (FY 2014: \$2.344 million) and which was largely driven by the considerable revenue growth achieved with the Company's SmartPay platform in China.

Whilst the Company has recorded a statutory loss before interest and tax of \$1.653 million, this result represents a significant improvement from the previous year's loss of \$4.376 million¹. SmartTrans is also greatly encouraged that in Q4 of financial year 2015, the Company enjoyed a cash flow positive quarter, with record revenue of \$1.397 million booked for the quarter and once again primarily from the SmartPay platform (\$1.206 million).

SmartTrans has achieved a number of milestones and had many highlights over financial year 2015, among them:

- Implementing a subscription billing model for the SmartPay platform, whereby customers pay a monthly fee for content, which has led to excellent retention rates and growing, recurring revenue streams
- Securing billing agreements with China Unicom and China Telecom (in addition to that with China Mobile), giving SMA reach to a combined 1.23 billion subscribers of all three major telcos in China²
- Executing a contract with Entellect Ltd (now KNeoMedia Ltd) for exclusive distribution rights for this company's popular 'edutainment' games in China
- Securing in-App billing arrangements with a growing number of popular smartphone game developers in China, allowing consumers easy access and repeat purchases/upgrades
- Strengthening the Company's balance sheet through a \$3 million strategic placement and more recently with a \$5.5 million capital raising through the successful completion of a heavily over-subscribed Non-Renounceable Rights Issue
- Entered into agreement with and commenced revenue generation with Ta Kung Pao, China's oldest established and first online newspaper³
- Establishing close working relationships with respected state-owned enterprises (SOEs) in China, including China International Travel Service (CITS)
- Launching an integrated Direct Carrier billing service with China Mobile, allowing subscribers to easily purchase games and content on their mobiles, initially in Guangdong and then rolled out into additional major provinces
- Adding Direct Carrier billing service with China Telecom (in addition to above), successfully launched in Hubei province and planned to soon expand into more provinces
- Expanding the Company's logistics business into China (contract executed July 2015) by securing an agreement with the subsidiary of China's largest car manufacturer⁴ for the provision of software and services

After a busy and transitional year in FY 2015, SmartTrans enters the new financial year well placed to capitalise on the platform it has now created with its two distinct business divisions of the SmartPay platform in China and the logistics business that it has now expanded into China.

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SmartTrans Managing Director, Bryan Carr, commented: “Financial year 2015 has truly been a transformational one for SmartTrans and we have certainly achieved a lot. SmartTrans is now very well placed for strong growth.”

“We have worked hard to control expenses and overheads during the year, and we expect that this lower cost base will help us in moving towards profitability in FY16. The fact that we have just achieved record revenue in a quarter and were cash flow positive in the quarter also reinforces this.”

“I take this opportunity to reassure shareholders that in the context of the recent volatility in the equities markets in China, we have seen no noticeable effect on our business there and that billing and transaction rates remain strong with consumer sentiment still buoyant.”

“Our key focus going forward will be to ramp up revenue growth even further by making sure that we capture each and every opportunity for SmartPay, and that we achieve the critical mass we want here in terms of user numbers, retention rates and recurring revenue streams.”

“We have worked long and hard for several years to establish our presence in China and this hard work is now paying off in terms of the solid and ongoing revenue we are achieving with SmartPay. We now intend to further leverage our market position as the ‘go to’ Company for any mobile and online business that wishes to operate and bill customers in this large and lucrative market.”

– ENDS –

¹ It should be noted that this result was impacted by a one-off write down of \$2.121 million associated with legacy mining assets that were divested by the Company in FY 2014.

² Source: www.chinamobileltd.com, www.chinaunicom.com, www.chinatelecom.com.cn

³ Source: <http://www.reuters.com/article/2015/04/02/saic-motor-results-idUSL3N0WZ2JE20150402>

⁴ Source: www.takungpao.com

| | |
|---|--|
| <p>Further information please contact: Bryan Carr Managing Director AUST: +61 412 111 968 CHINA: +86 138 1188 8401</p> <p>Media inquiries to: Ben Jarvis, Six Degrees Investor Relations: +61 413 150 448</p> | <p>About SmartTrans <i>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.</i></p> |
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<http://www.smarttransholdings.com>

http://www.twitter.com/SmartTrans_SMA

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RESULTS ANNOUNCEMENT TO THE MARKET

2015 Full Year Financial Results

(Based on accounts currently being audited)

1 *Details of the reporting period and the previous corresponding period*

| | | |
|-------------------------------|-----------------------|--------------|
| Reporting Period | Financial Year Ending | 30 June 2015 |
| Previous Corresponding Period | Financial Year Ending | 30 June 2014 |

2. *Results for announcement to the market*

2.1 *The amount and percentage change up or down from the previous corresponding period of revenue from ordinary activities*

| | |
|---|-----------|
| Total revenue in the reporting period | 4,277,301 |
| Previous corresponding period – Total Revenue | 2,344,369 |
| Percentage change up or down from the previous corresponding period of Revenue from ordinary activities | +83% |

2.2 *The amount and percentage change up or down from the previous corresponding period of profit (loss) from ordinary activities after tax attributable to members*

| | |
|---|-------------|
| Total Profit (Loss) in Reporting Period | (1,653,166) |
| Previous corresponding period | (4,376,279) |
| Percentage change up or down from the previous corresponding period of profit (loss) from ordinary activities after tax attributable to members | +62% |

2.3 *The amount and percentage change up or down from the previous corresponding period of net profit (loss) for the period attributable to members*

| | |
|---|-------------|
| Total Net Profit (Loss) in Reporting Period | (1,653,166) |
| Previous corresponding period | (4,376,279) |
| Percentage change up or down from the previous corresponding period of net profit (loss) for the period attributable to members | +62% |

2.4 *The amount per security and franked amount per security of final and interim dividend or a statement that it is not proposed to pay dividends*

No dividends proposed relating to the reporting period

2.5 *The record date for determining entitlements to the dividends (if any)*

Not applicable

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3. *A statement of Comprehensive Income together with notes to the statements, prepared in compliance with AASB 10s*

*Statement of Comprehensive Income
For the year ended 30 June 2015*

| | Notes | Consolidated | |
|---|-------|--------------------|-------------|
| | | 2015 | 2014 |
| | | \$ | \$ |
| Revenue | 1 | 4,277,301 | 2,344,369 |
| Costs of goods sold | | (2,635,042) | (1,186,784) |
| Employee benefits, other labour & related expenses | | (1,615,785) | (1,578,289) |
| Legal expenses | | (131,848) | (138,026) |
| Share based payments | | (67,176) | (81,699) |
| Capital raising costs | | (20,883) | - |
| Insurance | | | |
| Borrowing cost expenses | | | |
| Other expenses from operating activities | | | |
| Marketing expenses | | | |
| Depreciation expenses | 2 | (8,677) | (7,623) |
| Restructuring costs | | - | (380,023) |
| Loss on Tenement | | - | (2,121,289) |
| Other expenses | | (1,451,056) | (1,226,915) |
| Profit (loss) before income tax expenses | | (1,653,166) | (4,376,279) |
| Income tax expense (benefit) | 3 | - | - |
| Profit (loss) for the year | | (1,653,166) | (4,376,279) |
| Net profit (loss) attributable to members of SmartTrans Holdings Ltd | | (1,653,166) | (4,376,279) |
| Other comprehensive income | | | |
| Total comprehensive income for the year | | (1,653,166) | (4,376,279) |

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes

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A Statement of Financial Position together with notes to the statement. The Statement of Financial Position may be condensed but must report as line items each significant class of asset, liability, and equity element with appropriate sub-totals.

*Statement of Financial Position
As at 30 June 2015*

| | Notes | Consolidated | |
|--------------------------------------|-------|--------------|--------------|
| | | 2015 | 2014 |
| | | \$ | \$ |
| Current Assets | | | |
| Cash and Cash Equivalents | 4 | 6,058,169 | 813,913 |
| Trade and Other Receivables | 5 | 1,545,558 | 230,801 |
| Intangible Assets | | - | 122,742 |
| Other | | 25,534 | 19,902 |
| Total Current Assets | | 7,629,261 | 1,187,358 |
| Non Current Assets | | | |
| Property Plant & Equipment | 6 | 34,647 | 21,463 |
| Other Payables | | 26,981 | 13,796 |
| Total Non Current Assets | | 61,628 | 35,259 |
| TOTAL ASSETS | | 7,690,889 | 1,222,617 |
| Current Liabilities | | | |
| Trade and Other Payables | 7 | 1,578,077 | 613,155 |
| Provisions | 8 | 158,715 | 126,056 |
| Other Borrowings | 9 | - | 700,000 |
| Total Current Liabilities | | 1,736,792 | 1,439,211 |
| Non Current Liabilities | | | |
| Provisions | | - | - |
| Other | | - | - |
| Total Non Current Liabilities | | - | - |
| TOTAL LIABILITIES | | 1,736,792 | 1,439,211 |
| NET ASSETS | | 5,954,097 | (216,594) |
| Equity | | | |
| Contributed Equity | | 73,338,073 | 65,514,216 |
| Accumulated Losses | | (67,383,976) | (65,730,810) |
| TOTAL EQUITY | | 5,954,097 | (216,594) |

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes

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- 5a. *A statement of changes in equity together with notes to the statement. The statement of changes in equity may be condensed but must comply with the disclosure requirements of AASB 101*

*Statement of Changes in Equity
For the year ended 30 June 2015*

| | Contributed Equity \$ | Reserves \$ | Accumulated Losses \$ | Total \$ |
|--------------------------------------|-----------------------------|----------------|-----------------------------|--------------------|
| 2014 | | | | |
| Balance at 1 July 2013 | 64,805,669 | 504,530 | (61,354,531) | 3,955,668 |
| Shares issued during the period | 124,000 | - | - | 124,000 |
| Cost of shares issued | (1,682) | - | - | (1,682) |
| Share based payments | - | 81,699 | - | 81,699 |
| Profit/(Loss) for the financial year | - | - | (4,376,279) | (4,376,279) |
| Balance at 30 June 2014 | 64,927,987 | 586,229 | (65,730,810) | (216,594) |
| 2015 | | | | |
| Balance at 1 July 2014 | 64,927,987 | 586,229 | (65,730,810) | (149,418) |
| Shares issued during the period | 8,559,095 | - | - | 8,559,095 |
| Cost of shares issued | (802,416) | - | - | (802,416) |
| Share based payments | - | 67,176 | - | 67,176 |
| Profit/(Loss) for the financial year | - | - | (1,653,165) | (1,653,165) |
| Balance at 30 June 2015 | 72,684,666 | 653,405 | - | 5,954,096 |

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- 5b. *A Statement of Cash Flow together with notes to the statement. The Statement of Cash Flow may be condensed but must report as line items each significant form of cash flow and comply with the disclosure requirements of AASB 107 Cash Flow Statements, or for foreign entities, the equivalent foreign accounting standard.*

Statement of Cash Flow

For the year ended 30 June 2015

| | | Consolidated | |
|--|--------------|---------------------|--------------------|
| | Notes | 2015 | 2014 |
| | | \$ | \$ |
| Cash from operating activities: | | | |
| Receipts from customers (inclusive of GST) | | 2,767,877 | 1,677,975 |
| Payments to suppliers and employees (inclusive of GST) | | (5,386,968) | (3,693,528) |
| Interest received | | 8,845 | 20,136 |
| Receipt from R&D Grant | | 296,224 | 376,873 |
| Net cash inflow/(outflow) from operating activities | 10 | (2,314,022) | (1,618,544) |
| Cash flows from investing activities: | | | |
| Payments for property plant and equipment | | (21,861) | (11,963) |
| Payment for intangible asset | | - | (903,480) |
| Payments for mineral exploration | | - | (34,650) |
| Proceeds from sale of tenements | | - | 150,000 |
| Net cash (outflow) from investing activities | | (21,861) | (800,093) |
| Cash flows from financing activities: | | | |
| Proceeds from capital raisings | | 7,309,097 | 122,318 |
| Payments for capital raising costs | | (278,959) | - |
| Proceeds from issue of convertible notes | | 550,000 | 700,000 |
| Net cash provided by (used in) financing activities | | 7,580,138 | 822,318 |
| Net increase (decreases) in cash held | | 5,244,256 | (1,596,319) |
| Cash at beginning of financial year | | 813,913 | 2,410,232 |
| Cash at end of financial year | 4 | 6,058,169 | 813,913 |

The above Consolidated Statement of Cash Flow should be read in conjunction with the accompanying notes

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Notes to Sections 3, 4 & 5

1. Revenue

| | Consolidated | |
|----------------------|---------------------|-------------|
| | 2015 | 2014 |
| | \$ | \$ |
| Revenue | | |
| Services | 4,277,301 | 2,194,369 |
| Other Revenue | | |
| Sale of tenement | - | 150,000 |
| Total Revenue | 4,277,301 | 2,344,369 |

2. Operating profit (loss)

| | Consolidated | |
|---|---------------------|-------------|
| | 2015 | 2014 |
| | \$ | \$ |
| Net profit (loss) and expenses | | |
| Profit (loss) before income tax includes the following specific expenses: | | |
| Depreciation | | |
| Plant and equipment | (8,677) | (7,623) |
| | (8,677) | (7,623) |
| Amortisation | | |
| Deferred IT development | - | - |
| Customer maintenance contracts | - | - |
| Software | - | - |
| Total amortisation | - | - |
| Impairment | | |
| Deferred IT development | - | - |
| Total Impairment | - | - |
| Finance costs | | |
| Interest and finance charges paid/payable | - | - |
| | - | - |
| Rental expense relating to operating leases | | |
| Minimum lease payments | - | - |

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Notes to Sections 3, 4 & 5

3a) Income Tax

No income tax is payable by the economic entity as it incurred losses for income Tax purposes for the year. The economic entity also has available for Recoupment, income and capital losses at balance date.

| Consolidated | |
|--------------|------|
| 2015 | 2014 |
| \$ | \$ |

3b) Tax losses

Approximate unused tax losses for which no deferred tax asset has been recognised

Potential tax benefit

| | | |
|--|------------|------------|
| | 10,310,198 | 10,012,434 |
|--|------------|------------|

4. Current assets - Cash and cash equivalents

| Consolidated | |
|--------------|------|
| 2015 | 2014 |
| \$ | \$ |

Cash at bank and on hand

| | | |
|--|-----------|---------|
| | 6,058,169 | 813,913 |
| | 6,058,169 | 813,913 |

5. Current assets - Trade and other receivables

Trade debtors

Less Provision for impairment of trade debtors

| | | |
|--|-----------|---------|
| | 1,545,558 | 230,801 |
| | - | - |
| | 1,545,558 | 230,801 |

6. Non-current assets - Property, plant and equipment

| Consolidated | |
|--------------|------|
| 2015 | 2014 |
| \$ | \$ |

Leasehold improvements

At cost

Less: Accumulated amortisation

Total leasehold improvements

| | | |
|--|---|---|
| | - | - |
| | - | - |
| | - | - |

Plant and equipment

At cost

Less: Accumulated depreciation

Total plant & equipment

| | | |
|--|-----------|-----------|
| | 619,285 | 597,424 |
| | (584,638) | (575,961) |
| | 34,647 | 21,463 |

Total plant and equipment

| | | |
|--|--------|--------|
| | 34,647 | 21,463 |
|--|--------|--------|

7. Current liabilities - Trade and other payables

| Consolidated | |
|--------------|------|
| 2015 | 2014 |
| \$ | \$ |

Trade payables

Other payables

| | | |
|--|-----------|---------|
| | 1,588,760 | 613,155 |
| | - | - |
| | 1,588,760 | 613,155 |

8. Current liabilities - Provisions

Employee benefits – annual leave

Employee benefits – long service leave

| Consolidated | |
|--------------|------|
| 2015 | 2014 |
| \$ | \$ |

| | | |
|--|---------|---------|
| | 93,248 | 71,677 |
| | 65,466 | 54,379 |
| | 158,715 | 126,056 |

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Notes to Sections 3, 4 & 5

9. Current liabilities - Other

| | Consolidated | |
|------------------|--------------|---------|
| | 2015 | 2014 |
| | \$ | \$ |
| Convertible Loan | - | 700,000 |
| | - | 700,000 |

10. Reconciliation of operating profit (loss) after income tax to net cash inflow from operating activities

| | Consolidated | |
|--|--------------------|--------------------|
| | 2015 | 2014 |
| | \$ | \$ |
| Operating profit (loss) after income tax | (1,653,166) | (4,376,279) |
| Depreciation and amortisation | 8,677 | 7,623 |
| Gain on sale of tenements | - | (150,000) |
| Fixed Asset write off | - | 4,233 |
| Amortisation of intangibles | 122,742 | 780,738 |
| Impairment of exploration, evaluation & development | - | 2,121,289 |
| Equity based payment | 67,176 | 81,699 |
| Change in operating assets and liabilities | | |
| Trade and Other Receivables | (1,314,757) | (284,469) |
| Other Assets | (18,816) | (2,727) |
| Trade and Other Payables | 441,464 | 409,092 |
| Other Liabilities | 32,659 | (209,743) |
| Provisions | | |
| Net cash inflow (outflow) from operating activities | (2,314,022) | (1,618,544) |

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6. *The results of segments that are significant to an understanding of the business as a whole.*

Segment information provided to the Board of Directors

The segment information provided to the Board of Directors for the reportable segments for the year ended 30 June 2015 are as follows:

| | Internet and Mobile Software Systems and Transport Optimisation Systems | | |
|--|--|--------------|--------------|
| | Australia | China | Total |
| | \$ | \$ | \$ |
| Total Segment Revenue | 1,532,135 | 2,736,727 | 4,268,862 |
| Segment (Loss)/Profit | (749,820) | (316,603) | (1,066,423) |
| Segment Assets as at 30 June 2015 | 252,104 | 2,137,459 | 2,389,563 |
| Segment Liabilities as at 30 June 2015 | (298,114) | (955,882) | 1,253,996 |

7. *Details of individual and total dividends or distributions and dividend or distribution payments. The details must include the date on which each dividend or distribution is payable and (if known) the amount per security of foreign sourced dividend or distribution.*

No payments made

8. *Details of any dividend or distribution reinvestment plans in operation and the last date for the receipt of an election notice for participation in any dividend or distribution reinvestment plan.*

No plans approved

9. *A statement of retained earnings showing movement*

See Consolidated Statement of Changes in Equity

10. *Net tangible assets per security with the comparative figure for the previous corresponding period.*

| | | |
|-------------------------------|-------|---------------|
| Reporting Period | Cents | 0.27 |
| Previous Corresponding Period | Cents | (0.01) |

11. *Details of entities over which control has been gained or lost during the period.*

Not applicable

12. *Any other significant information needed by an investor to make an informed assessment of the entity's financial performance and financial position.*

Refer to explanatory notes above

13. *For foreign entities, which set of accounting standards is used in compiling the report (e.g. International Accounting Standards).*

Not applicable

14. *A commentary on the results for the period. The commentary must be sufficient for the user to be able to compare the information presented with equivalent information for previous periods. The commentary must include any significant information needed by an investor to make an informed assessment of the entity's activities and results, which would include but not be limited to discussion of the following.*

14.1 **The earnings per security and the nature of any dilution aspects**

| | Consolidated | |
|----------------------------|---------------------|--------------|
| | 2015 | 2014 |
| | cents | cents |
| Basic earnings per share | 0.9 | (0.27) |
| Diluted earnings per share | (i) | (i) |

Weighted average number of shares used as the denominator

| | | |
|---|----------------------|---------------|
| Weighted average number of shares used as the denominator in calculating the basic earnings per share | 1,851,319,020 | 1,626,387,003 |
|---|----------------------|---------------|

Diluted Earnings per share

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Weighted average number of shares used as the denominator in calculating the diluted earnings per share

(i)

(i)

(i) Not materially different to basic earnings per share

14.2 Returns to shareholders including distributions and buy backs.

None made

15 Any other factors which have affected the results in the period or which are likely to affect results in the future, including those where the effect could not be quantified.

Not applicable

16. A statement as to whether the report is based on accounts which have been audited or subject to review, are in the process of being audited or reviewed, or have not yet been audited or reviewed

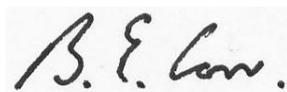
This report is based on accounts that are in the process of being audited and subject to review

17. If the accounts have not yet been audited and are likely to contain an independent audit report that is subject to a modified opinion, emphasis of matter or other matter paragraph, a description of the modified opinion, emphasis of matter or other matter paragraph.

Not applicable

18. If the accounts have been audited and contain an independent audit report that is subject to a modified opinion, emphasis of matter or other matter paragraph, a description of the modified opinion, emphasis of matter or other matter paragraph.

Not applicable



Bryan Carr
Managing Director

Date:
31 August 2015
Melbourne