

## Enprise Group reports strong half year revenue and profit

**AUCKLAND, 25 November, 2016 - Enprise Group (NZAX: ENS) today reported strong year-on-year growth in revenue and profit for the half-year to September 30, 2016.**

Total half-year revenue rose 11.7% to \$4.3 million. Of this, Australian revenue grew 37% to \$876,000 and New Zealand revenue grew 6.8% to \$3.4 million. Net profit for the period rose 189% to \$323,000. Cash and bank balances were \$627,000 at period end.

“The profit rise reflects the benefits of the new streamlined business following the sale of Enprise Software in November 2015 and the reduction in losses from the venture capital Datagate Innovations Limited business,” says Enprise Group CEO Elliot Cooper.

“Although the sale price of \$451,045 received for the Enprise Software business was relatively small, that business had required significant ongoing investment and its divestment has strengthened the Group balance sheet,” he says.

During the period Enprise Group paid a 6% (3 cent per share) final dividend, based on the then market value of 50 cents per share. An interim dividend (2 cents per share) announced in October 2016 took total dividends paid in 2016 to 5 cents per share or 8.1%, based on current market value of 61 cents per share.

“In the absence of major corporate activity, Enprise Group plans to pay interim and final dividends,” Elliot Cooper says.

Enprise Group is now focused on two businesses – the wholly owned Enprise Solutions and a joint venture, Datagate Innovation.

“Enprise Solutions is growing profitably in both Australia and New Zealand, providing business solutions based on the MYOB Exo and MYOB Advanced software platforms,” Elliot Cooper says.

“Enprise Solutions has strong positioning across the region in the cloud business software market. MYOB Exo is now available via the cloud as well as on premise and sales of the new cloud product MYOB Advanced are ramping up.

“Australian growth is particularly strong, with revenue up 37% and profit up 290% as we leverage our investment in enhanced sales capability there. We expect continued profitable growth in both countries.”

Datagate Innovation is an early stage cloud business that is successfully penetrating the fast growing usage billing market.

“Over the past twelve months Datagate has nearly tripled both customer numbers and contracted annualized revenue,” Elliot Cooper says.

“Live sites are mainly IT, Telco & Utility resellers. These are highly strategic customers because they generate new ‘white label’ opportunities for Datagate within their own reseller communities. This will further grow annualized revenue.

“Datagate is closing a fresh capital raising on 30 November 2016 at a valuation 20 percent above the capital raise that closed in February this year. The new capital raising includes a rights allocation of \$250,000 to Enprise Group which we propose to take up.”

### **About Enprise Group**

Listed on the New Zealand Stock Exchange Alternative Market (NZAX) on 1 December 2014, Enprise Group (ENS) has two operating divisions: Enprise Solutions and joint venture Datagate Innovation Ltd.

**Enprise Solutions** is a cloud business software company that is the leading trans-Tasman provider of solutions based on the MYOB EXO and MYOB Advanced software platforms. Enprise Solutions offers cloud options for every piece of software it sells, including a broad range of companion products to extend the power of the MYOB Advanced and MYOB EXO platforms. The company supports around 750 MYOB EXO and MYOB Advanced customers across Australia and New Zealand.

**Datagate Innovation Ltd** provides online usage billing and reporting portals for resellers of telco, utility and other subscription services. Datagate is a cloud-based billing engine and customer self-service portal that manages the data aggregation, rating, billing and analysis of service usage. It makes complex billing easy and inexpensive, enabling resellers to differentiate their offerings in what are often commodity markets.

**Ends.**

***Released by Sayle Noble & Associates on behalf of Enprise Group. For more information please contact Enprise Group CEO Elliot Cooper tel +649 829 5500 email [elliottc@enprisegroup.com](mailto:elliottc@enprisegroup.com); or Caroline Sayle tel +649 307 8450 email [caros@noble.co.nz](mailto:caros@noble.co.nz)***