

31 July 2017

Enprise Group pays dividend on back of strong result

AUCKLAND, 31 July 2017 – Enprise Group (NZAX: ENS) today reported 65% year-on-year growth in Australian revenue and paid a final dividend on 17 July 2017 of 3.5 cents per share for the year to March 31, 2017.

Full year revenue rose 14.7% to \$8.345 million. Of this, Australian revenue grew 65% to \$1.797 million and New Zealand revenue grew 5% to \$6.467 million. Profitability from continuing operations increased by 35.1% to \$816,000. Net tangible assets per ENS share increased 162% to 15.1 cents per share, after paying 5 cents per share in dividends.

Cash and bank balances were \$598,000 at period end. Net profit after tax for the period was \$657,000, down by 47.2%. This was due to Enprise Group maintaining its strategic shareholding in Datagate Innovation, says Enprise Group CEO Elliot Cooper.

“The net profit result reflects Enprise Group’s decision to take up its \$250,000 entitlement to a Datagate rights issue which closed in December 2016,” says Elliot Cooper.

“Datagate Innovation is winning market share in the online billing space, including larger customers such as Spark and Dimension Data. Datagate is now opening for business in America, having formalised an agreement with Pilot Solutions to represent it in the North American market as Datagate America. We are excited about the potential of Datagate in the American market,” he says.

If Enprise Group shares in Datagate with a carrying value of \$1,236,606 were valued at the December rights issue price of \$1.20 per share, the value of the investment would be \$2,050,000.

Enprise Group is now focused on two businesses – joint venture Datagate Innovation and the wholly owned Enprise Solutions. In addition to the early performance of Datagate, the Enprise Solutions operating division continues to perform strongly, Elliot Cooper says.

“Enprise Group is leveraging its position as the only MYOB Exo and MYOB Advanced reseller with offices in both New Zealand and Australia, to target trans-Tasman businesses. Australian growth is particularly strong at 65% and contributed to profitability from continuing operations increasing by 35.1%. The New South Wales market is where Enprise spearheaded its move into Australia and this has been a very successful strategy. We expect strong continued growth in the NSW market. We are actively exploring other opportunities in the SME software market,” Elliot Cooper says.

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 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 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.

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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; or Caroline Sayle: tel +649 307 8450, email caros@noble.co.nz