

## **ISENTRIC LIMITED (ICU:ASX)**

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## **ISENTRIC ANNOUNCEMENT TO ACCOMPANY 4C**

## Highlights:

- Cash receipts for the June 2016 quarter increased 120% over the previous corresponding period to \$3.35 million
- Management is continuing to expand product offerings in Indonesia, Thailand and Myanmar
- Successfully acquired 2.43 million new paying users during the quarter in the Digital and Media Services segment, which is ahead of the 1.5 million per quarter forecast

Cash receipts of \$3.35 million for the June quarter represented the strongest quarter for the year. During the quarter the Group received a large contribution from a Malaysian telecommunications business, resulting in an 80% increase in receipts compared to the March 2016 quarter and a 120% increase compared to the June 2015 quarter.

The operation in Thailand made a small contribution to cash receipts, while the Myanmar operation will not begin contributing to cash until the second quarter of FY 2017. Overall, the operating cash flow of the group for the June 2016 quarter was \$444,448. The result reflects the continuing strength of iSentric's operations in Indonesia, which performed well.

Cash for the quarter declined slightly, as iSentric made a payment to the vendors of the Indonesian business. iSentric will announce its FY 2016 results on 30 August 2016 at which time a detailed overview of the result will be provided.

Arte Mobile continues to perform above expectations this financial year with the acquisition of 2.43 million new paying users in Indonesia, which is ahead of the 1.5 million per quarter forecast. During the quarter our exclusive marketing partner PT Lingua Asiatic successfully collaborated with VONVON to launch viral quizzes to 70 million Indosat Ooredoo and 42 million XL subscribers. In addition, the album THE FREAKS, which was launched by our music content partner PT Glow Music has been well received in Indonesia. As a result, the high margin Digital Media and Services division continues to be the main revenue contributor to the group, contributing 56% of group revenue and 83% of the group's gross contribution.

The revenue and gross contribution per division for the June 2016 quarter are outlined below.

	Revenue	Gross contribution
Enterprise Mobility	\$0.46 million (24%)	\$0.20 million (16%)
Digital Payments	\$0.39 million (20%)	\$0.01 million (1%)
Digital Media and Services	\$1.07 million (56%)	\$1.07 million (83%)