



## **Enprise Group reports unaudited \$0.831m profit, declares dividend**

**AUCKLAND, 27 August, 2021.** Hi-tech software and services investment company Enprise Group (NZX: ENS) today reported unaudited revenue for the year ended 30 June 2021 of \$16.1 million, up from \$12.4 million for the 15 months ended 30 June 2020. The Enprise Group board has approved a 2.5c final dividend.

Earnings per share were 6.84 cents. Net tangible assets per share and total assets per share as at 30 June 2021 were \$0.13 and \$1.41 respectively.

Australian government assistance of \$0.75 million across the group enabled Enprise to maintain its workforce despite COVID-19 disruptions to the business.

At 30 June 2021 cash at bank was \$2.81 million (down \$0.36 million from 30 June 2020). The business repaid all remaining bank debt during the year and has available un-utilised facilities with the BNZ of \$3 million.

Total comprehensive income for the year ended 30 June 2021 was \$0.83 million (down from \$1.67 million for the 15 months ended 30 June 2020). This decline was primarily due to losses incurred at investee entity iSell Pty Ltd (the results of which have been consolidated for a full financial year in 2021) as we invested in cloud product functionality and opening international markets.

“Growth prospects are strong across the portfolio as we continue to leverage remote working trends and new cloud technologies,” Elliot Cooper says.

### **Enterprise Division**

The Enterprise Division had recurring revenue of \$3.32 million and contracted revenue (including revenue from hosting services) of \$2.65 million for the year to 30 June 2021 out of its overall revenue of \$15.24 million.

The Enterprise Division (Kilimanjaro Consulting and Enprise Solutions) currently operates as ‘One Company, Two Brands’. Achieving business synergies between the two complementary companies helped Enprise to post a strong result. A decision has been made by the Board to combine the Enterprise

Division under a single brand 'Kilimanjaro Consulting'. This will create additional synergies and cost savings. The division will operate as 'One Company, One Team, One Brand'.

"These two core businesses are stable, growing and profitable. MYOB's investment in [Acumatica](#) means its new cloud product MYOB Advanced is powered by the world's fastest-growing ERP system, adding excitement to this part of the portfolio," says Enterprise Division CEO, Ronnie Baskind.

## **iSell**

Elliot Cooper says Enprise Group subsidiary iSell Pty Ltd (iSell) will complete a major new release in late 2021, introducing e-commerce functionality that allows clients to customise their own portals.

"The new release is helping iSell to remain ahead of its competitors. iSell's development is customer-driven and the new functionality is eagerly awaited by its more than 300 customers across Australia, New Zealand, U.K, South Africa and USA. We expect the new release to sharpen iSell's competitive edge and help it to seize market share," he says.

Annual recurring revenue (ARR) has increased to \$0.8 million. The European market has grown to 53 customers. iSell has secured its first customers in the USA and is planning on expansion in this market during FY22. Enprise currently owns 71% of iSell.

## **Datagate**

Enprise Group's joint venture with Datagate Innovation Ltd (Datagate) grew its annual recurring revenue (ARR) to over \$1.6 million, an increase of 47%. Datagate has more than doubled its ARR in the USA over the last year to 30 June 2021. Datagate is in high-growth mode and is keeping its focus on growing revenue and market share as aggressively as possible. Market demand for Datagate is strong. Its core clients are suppliers of advanced unified communications systems and remote working solutions.

At the November 2020 fully subscribed rights issue price of \$2.20 per share, Enprise's 2,010,397 shareholding in Datagate has a notional value of approximately \$4.42 million. This compares favourably to the actual carrying value in the Enprise books at 30 June 2021 of \$0.83 million.

## **Vadacom**

Vadacom Holdings Ltd (Vadacom) continued to grow ARR to \$2.50 million (up 14.9%) year-on-year. Contracted revenue was \$0.52 million at 31 March 2021. Vadacom has recently released its new cloud PBX phone system 'Next Voice'. As a result of an independent valuation of Vadacom, Enprise Group realised a \$0.02 million increase in the carrying value of this investment in the period. Vadacom had a share buy-back during the period. This together with the change in valuation saw a change in carrying value to \$0.69 million.

## **About Enprise Group**

Listed on the New Zealand Stock Exchange (NZX), Enprise Group ([ENS](#)) is an investment vehicle for high-growth tech companies that complement its core ERP capability. Enprise Group is invested in five businesses – the wholly owned companies Enprise Solutions and Kilimanjaro Consulting, subsidiary iSell, joint venture Datagate Innovation, and a holding in Vadacom.

[Enprise Solutions](#) is MYOB's number one partner in New Zealand. [Kilimanjaro Consulting](#) is MYOB's number one partner in Australia. [iSell](#) is a primary provider of cloud business systems to the IT Reseller market world-wide. [Datagate Innovation](#) provides SaaS Telecom Billing for MSPs in the U.S, U.K, Australia, New Zealand and Canada. [Vadacom](#) specialises in cloud phone system software development and unified communications solutions for Australian and New Zealand businesses.

**Ends.**