



Enprise Group reports unaudited \$1.3m profit, declares dividend

AUCKLAND, 15 September, 2020. Hi-tech software and services investment company Enprise Group (NZX: ENS) today reported unaudited revenue for the 15-month period to 30 June 2020 of \$12.4 million, up from \$6.76 million for the 12 months ended 31 March 2019. The Enprise Group board has approved a 2c dividend with a dividend reinvestment plan.

Australian revenue was \$6.09 million and New Zealand revenue was \$6.31 million for the 15 months to 30 June 2020. The significant increase in Australian revenue reflects the timing of completion of the Kilimanjaro Consulting acquisition. In the 12 months ended 31 March 2019 Australian revenue was \$1.72 million and New Zealand revenue was \$4.99 million. The board was very grateful to the New Zealand and Australian governments for the assistance of \$0.94 million across the group which enabled Enprise to maintain the workforce.

Net tangible assets per ENS share was 15 cents per share. Total assets per share as at 30 June 2020 increased 50 cents per share to \$1.47.

At 30 June 2020 cash at bank was \$3.17 million (up from \$0.77m as at 31 March 2019). Total comprehensive income for the period was \$1.62 million (vs \$0.69m loss in FY19).

Following the qualified audit opinion on the financial statements for the year ended 31 March 2019, Enprise Group undertook a review of the methodology and parameters used to support the previous carrying values for its investments in Kilimanjaro Consulting Pty Ltd and iSell Pty Ltd. Advice was sought from independent corporate finance advisors - no adjustment was necessary in relation to Kilimanjaro, however an impairment charge of \$0.440m was required for iSell which related to the 31 March 2019 period.

During the period Enprise completed its acquisition of Australia's largest MYOB enterprise partner: Kilimanjaro Consulting. Enprise Group now owns MYOB's number one enterprise partners in both New Zealand (Enprise Solutions) and Australia (Kilimanjaro Consulting).

Kilimanjaro Consulting and Enprise Solutions now operate as 'One Company, Two Brands'. Achieving business synergies between the two complementary companies helped Enprise to post a strong result. Enprise Group is operating the Kilimanjaro brand in Australia and the Enprise brand in New Zealand because the two brands are well known and well regarded in their home markets.

“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 Enprise Group CEO, Elliot Cooper.

“Enprise Group subsidiary iSell will complete a major new release in September 2020, introducing Document Builder functionality that allows customers to customise their own forms and quotes, including a digital signoff capability. The new release is helping iSell to remain ahead of its competitors,” Elliot Cooper says.

“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 and South Africa. We expect the new release to sharpen iSell’s competitive edge and help it to seize market share,” he says.

During the period, Enprise Group’s joint venture with Datagate Innovation Ltd exceeded \$1 million in annual recurring revenue. Its goal is to more than double annual recurring revenue again this year. 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 has not slowed down since the Covid-19 outbreak, as its clients are busy supplying advanced unified communications systems and remote working solutions to their customers.

Vadacom Holdings Ltd continued to grow with revenue up \$0.5m (up 16.4%) year-on-year as COVID-19 work restrictions helped power demand for its tailored cloud PBX phone systems. As a result of an independent valuation Enprise Group realised a \$0.22m increase in the value of its Vadacom investment in the period, to \$0.81m.

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

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. [Datagate Innovation](#) provides SaaS Telecom Billing for MSPs in the U.S, U.K, Australia and New Zealand. [Vadacom](#) specialises in cloud phone system software development and unified communications solutions for Australian and New Zealand businesses.

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