



AUCKLAND, 29 August, 2022. Hi-tech software and services investment company Enprise Group (NZX: ENS) today reported unaudited revenue for the year ended 30 June 2022 of \$18.7 million, up from \$16.1 million (up 16%).

Total comprehensive income for the year ended 30 June 2022 was a loss of \$2.1 million (down \$2.9 million from a profit of \$0.8 million). This decline was due to several factors including;

- the need to significantly increase salaries months earlier than we were able to pass on price increases to customers.
- costs in relation to the Kilimanjaro Consulting 'One Company, One Team, One Brand' which is now completed. The board expects the additional synergies created under the single brand to return the division to its previously strong profitability.
- that the iSell software development for the North American market has taken longer and been more complex than was expected last year, therefore the revenue growth has been slower than forecast.

The breach of the BNZ banking covenants will continue and the board intends to seek a further waiver.

Kilimanjaro Consulting

Kilimanjaro Consulting had recurring revenue of \$3.9 million (up 17%) and contracted revenue of \$3.3 million (up 25%) out of a total revenue of \$17.6 million (up 16%).

The changes MYOB are purporting to undertake in respect of the MYOB Exo licensing will be challenging if MYOB is successful in implementing these changes. These changes are being disputed by Kilimanjaro (refer to announcement on 1 August 2022).

iSell

Annual recurring revenue (ARR) has increased to \$1.04 million. Total revenue \$1.09 million (up 26%). Enprise currently owns 75% of iSell. During the year iSell achieved its first case study in the US this year and has just received formal Avalara (US Sales Tax) certification, these are significant milestones for ramping up entry into the US market.

Datagate

Enprise Group's associate, Datagate Innovation Ltd (Datagate) grew its annual recurring revenue (ARR) to over \$2.4 million, an increase of 49%. Growth in the USA was 65%. Datagate continues to be in high growth mode and is keeping its focus on growing revenue and market share. Enprise participated in the convertible note round in December 2021, Enprise took up \$0.5 million of the total issue of \$1.55 million.

Vadacom

Vadacom Holdings Ltd (Vadacom)'s recently released new cloud PBX phone system 'Next Voice' functionality continues to expand to support new and existing customers directly and through resellers. As a result of an draft independent valuation of Vadacom, Enprise Group realised a \$0.06 million decrease in the carrying value of this investment in the period.

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 Kilimanjaro Consulting Pty Ltd and Kilimanjaro Consulting Ltd, subsidiary iSell, joint venture Datagate Innovation, and a holding in Vadacom.

Kilimanjaro Consulting is MYOB's number one partner in Australia and New Zealand. 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.