



28 MAY 2026

BPG FY26 Results: ARR doubles to \$26.8m; outperforms foundational AI models

*Pearl Engine outperforms leading generalist AI models by 25 times on lead-finding efficiency according to benchmark**

Blackpearl Group Limited (NZX/ASX:BPG) today announces its results for the year ended 31 March 2026. The Group delivered another record result, with Annual Recurring Revenue (ARR) growing 114% year-on-year to \$26.8 million, supported by the rapid scaling of Data-as-a-Service (DaaS) at 0% churn and a strong post-acquisition trajectory from B2B Rocket.

With the growth case proven, the Group enters FY27 pursuing ARR growth and cash conversion as equal priorities.

FY26 Highlights

- **Record \$26.8m ARR**, up 114% from \$12.5m at 31 March 2025
- **Pearl Engine benchmark**: 25x more A-grade commercial records per dollar than leading generalist AI models; 87.3% output quality versus ~70%; 5x lower cost per quality record*
- **\$13.7m subscription revenue**, up 77% from \$7.7m in FY25
- **69% gross profit margin** (FY25: 67.8%); fixed-cost data supply now fully in place
- **3.5 months CAC payback**, 33% improvement YoY; within Bessemer best-in-class range of 0–6 months
- **\$346,000 ARR per employee**, up 41% from \$245,000 at Q4 FY25
- **Revenue churn**: DaaS at 0% for the full year; SaaS at 4.9% (FY25: 5.3%)
- **B2B Rocket** fully integrated into the Pearl Engine ecosystem; \$1.8m of annualised cost synergies now identified for FY27
- **EBITDAF loss of \$15.7m**
- **\$10.2m of one-off non-recurring costs** – B2B Rocket acquisition, ASX listing, offer costs
- **\$9.6m cash** at 31 March 2026; BNZ NZ\$5m facility refinanced to March 2028; ASX dual-listing completed November 2025

Chair commentary

Chair Tim Crown said:

“FY26 validates the thesis Blackpearl Group has been building toward for more than a decade. Vertical AI, models trained on proprietary commercial data and tuned to specific revenue outcomes, is now the highest-value category in enterprise technology, and Blackpearl Group sits squarely within it.

With the growth case proven at scale, the Group is rebalancing operational priorities for FY27. Whilst ARR growth remains core, cash conversion is being raised alongside it as an equal-weighted priority.”

*Proto-GTM Bench, a third-party benchmark commissioned by Blackpearl Group across five ICP-based lead-finding tasks. LLM identities withheld. Results preliminary. Full methodology in the FY26 Annual Report.

Rapid growth for ARR

Blackpearl Group more than doubled ARR in FY26, adding \$14.3 million in net new contracted revenue across the year, with strong growth across all four quarters (Q1 +63%, Q2 +87%, Q3 +114%, Q4 +114% YoY).



CAC payback of 3.5 months and **ARR per employee** of \$346,000 both improved materially and both sit within global best-in-class ranges for the category.

DaaS scaled materially and delivered 0% revenue churn for the full year. DaaS clients embed the Pearl Engine directly into their commercial operations, generating substantially higher contracted revenue per client than the SaaS base and significantly improving retention metrics.

B2B Rocket, acquired in August 2025, has performed strongly through its first eight months in the Group. Integration into the Pearl Engine ecosystem is complete, customer outcomes have improved, and \$1.8m of annualised cost synergies have been identified for FY27. The acquisition is tracking ahead of the case modelled at the time of purchase.

Pearl Engine – The benchmark

The Pearl Engine is Blackpearl Group's core asset: a vertically specific AI model trained on more than a decade of real commercial outcomes, processing 31 billion data signals daily from more than 330 data partners.

Blackpearl recently commissioned Proto-GTM Bench for a benchmark of the Pearl Engine against two leading generalist AI models on five commercial go-to-market tasks. The Pearl Engine produced 25 times more A-grade commercial records per dollar than the generalist models tested, at 5 times lower cost per quality record, and with an 18-percentage-point output quality advantage. Refer to the FY26 Annual Report for full methodology.

Financial performance

Subscription revenue of \$13.7 million grew 77% year-on-year. The gap between contracted ARR (\$26.8m) and recognised revenue (\$13.7m) reflects FY26-specific timing differences: typical SaaS revenue recognition lag in a fast-growing customer base, 90-day DaaS ramp pricing terms during the growth phase, and B2B Rocket contributing only a partial year of recognised revenue post-acquisition. Recognised revenue is expected to start to track more closely with contracted ARR through FY27 as commercial settings are recalibrated.

Gross margin strengthened to 69% in FY26 as the crossover between variable and fixed data supply agreements was completed. With the fixed-cost structure now in place, cost will not scale with revenue, which is the primary driver of margin expansion expected in FY27 and beyond.

EBITDAF loss of \$15.7 million for FY26 reflects continued investment in Pearl Engine development, the rollout of Bebop, growth-stage operating costs and temporary operating costs for B2B Rocket pre-optimisation. Operating leverage is expected to strengthen materially through FY27.

Capital and balance sheet

The Group ended FY26 with \$9.6 million in cash. Capital raised during the year broadened the institutional shareholder base, including new Australia-based institutions, and funded the B2B Rocket acquisition, platform investment, and the ASX listing.

In April 2026, the Group refinanced its NZ\$5 million BNZ debt facility to March 2028. This facility now provides committed non-dilutive funding through to FY28.

Enabling FY27 – the path to cash

With the growth model validated, ARR growth remains a core objective alongside cash conversion as an equal-weighted priority. Where the two are in tension, the choices that bring cash forward will be preferred. Five operational levers are being executed:

- **Shorter ramp cycles.** Reducing the 90-day DaaS ramp accelerates the conversion of contracted ARR to recognised revenue.
- **Tighter customer profiles.** More disciplined ICP criteria improve customer quality, reduce churn, lower cost-to-serve, and increase lifetime value.
- **Post-acquisition cost optimisation.** Permanent cost reductions from rationalising structural duplicates created by the B2B Rocket integration.



- **Improved cash collection.** Back-office process improvements across billing, invoicing, and accounts receivable.
- **Fixed-cost infrastructure leverage.** As revenue scales against the fixed data supply cost base, gross margin expands mechanically.

Each lever was piloted and validated in H2 FY26.

CEO commentary

CEO Nick Lissette said:

“FY26 was the year the Pearl Engine was proven at scale. 114% ARR growth, 0% DaaS churn, and the third-party benchmark performance all reflect the same underlying fact: our vertical AI model delivers commercial outcomes that generalist approaches cannot replicate.

“This shows the Pearl Engine itself is the real value in this Group. It processes 31 billion signals daily, has been trained on real commercial outcomes across thousands of customers, and the gap between it and generalist AI on revenue-generating tasks is structural, not marginal. FY27 is about converting what we have built into durable returns.

“We have an impressive track record of hitting our targets. Our \$30 million ARR milestone is inevitable in the near term, and \$50 million remains our medium-term target.”

Outlook

Blackpearl Group enters FY27 with a strengthened balance sheet, a broadened institutional investor base across NZX and ASX, and a validated venture model. The near-term focus is converting contracted ARR into recognised revenue, deepening unit economics, and accelerating ARR and cash generation.

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Results presentation and conference call

Blackpearl Group will host an investor webinar today, Thursday 28 May 2026, at 12.30pm NZST (10.30am AEST), following the release of its full-year result earlier today. Chief Executive Officer Nick Lissette, Interim Chief Financial Officer Karen Cargill, and Chief Technology Officer Sam Daish will present the result and take questions live.

Register for the webinar here:

https://us02web.zoom.us/webinar/register/WN_xJd4nTtrTPiMXOdvZB6u2A

Questions can be submitted ahead of the event to simon@nwrcommunications.com.au, or via the Q&A function in Zoom during the webinar.

Contact

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About Blackpearl Group

Blackpearl Group (BPG) is a market-leading data technology company that pioneers AI-driven sales and marketing solutions for the US market.

Founded in 2012, BPG is based in Wellington, New Zealand, and Phoenix, Arizona.

[Blackpearl.com](https://blackpearl.com)